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1st November 2006

Dear Sir/Madam

**Reliance National Insurance Company (Europe) Limited (“the Company”)
Scheme of Arrangement**

Why have you been sent this letter?

In November 2005, the Company wrote to inform you that it was proposing a scheme of arrangement under Section 425 of the UK Companies Act 1985 to finalise all of its insurance and reinsurance liabilities, other than certain Excluded Business as defined in the Scheme, and that the Company may have insured or reinsured you at some time.

At the meeting of creditors held on 2 February 2006, the Scheme was approved and the Scheme, modified from the version circulated to Scheme Creditors, was subsequently sanctioned by the Court. The Scheme became effective on 20 October 2006. A copy of the final Scheme is available on the Company’s website at <http://whittingtoninsurance.com/publicity/schemes.php>

The Scheme document sent to you in November 2005 included an expected timetable of key dates. This timetable has changed and the present timetable is as follows:

	Revised date
Ascertainment Date	30 June 2005
Effective date of the Scheme	20 October 2006
Claims submission date	21 May 2007
Earliest anticipated payment date	21 November 2007
Last payment date	21 March 2008

What should you do now?

You are now invited to submit a Scheme Claim and I enclose a Claim Form for this purpose, which reflects the revised Claims Submission Date of 21 May 2007.

If you would like to submit a claim, please complete the Claim Form, following the instructions as printed on the form and the guidance included within the Scheme itself (see Part 3 of the Scheme and Paragraph 7 of Part 3 of the Explanatory Statement). Copies of any of these documents are available at <http://whittingtoninsurance.com/publicity/schemes.php>

Completed Claim Forms and supporting documentation must be returned to me at the above address by 5:00pm British Summer Time on 21 May 2007, the revised Claims Submission Date.





When will your claims be paid?

The Scheme Manager will consider submitted claims and if it agrees with the information contained in the Claim Form, it shall notify you within six weeks of the Claims Submission Date.

If the Scheme Manager does not agree with the information contained in the Claim Form it shall notify you of that fact and its reasons within six weeks of the Claims Submissions Date and shall request any further information that would assist in agreement of the Scheme Claim and/or Cross-claims.

If a claim cannot be agreed within six months of the Claims Submission Date the claim will be referred to the Scheme Adjudicator who will make a final determination in respect of each Disputed Scheme Claim within three months of it being referred to him. All Payable Scheme Claims will be paid as soon as reasonably practicable and, in any event, no later than ten months after the Claims Submission Date.

Who should you contact for further information?

If you require any further information please contact the dedicated helpline number which, if you are based in the UK, is 0800 RELIANCE / 0800 73542623. Please dial +44 207 220 1881 if calling from outside the UK. Please direct all emails to RNICE-scheme@whittingtoninsurance.com. Copies of various documents relating to the Scheme are available at <http://whittingtoninsurance.com/publicity/schemes.php>.

Yours faithfully

Richard Whatton
Chairman

