

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about what action you should take, you should consult your insurance broker or other professional adviser without delay. A copy of this document has been sent to those existing brokers believed to have placed business with or on behalf of any of the Scheme Companies in relation to CUAL business or to have had dealings with any of the Scheme Companies in respect of CUAL business. Brokers, other agents and intermediaries are requested to bring the contents of this document and the Scheme to which it relates, to the attention of clients who have, or may have, Scheme Claims against any of the Scheme Companies.

EXPLANATORY STATEMENT

(in compliance with Section 897 of the Companies Act 2006)

in relation to

THE CUAL SCHEME

A PROPOSAL IN RELATION TO SCHEMES OF ARRANGEMENT PURSUANT TO PART 26 OF THE COMPANIES ACT 2006 CONCERNING BUSINESS UNDERWRITTEN BY CAMOMILE UNDERWRITING AGENCIES LIMITED ("CUAL") ON BEHALF OF THE SCHEME COMPANIES REFERRED TO BELOW.

BETWEEN:

ALLIANZ GLOBAL CORPORATE & SPECIALTY (FRANCE)

(incorporated and registered in France with number 552.063.497 R.C.S. Nanterre)

(known as Compagnie d'Assurances Maritimes Aeriennes et Terrestres ("CAMAT") when writing in the CUAL Pool)

and

ALLIANZ IARD

(incorporated and registered in France with number 542.110.291 R.C.S. Paris)

(known as Assurances Générales de France I.A.R.T. ("AGF") when writing in the CUAL Pool)

and

DELVAG LUFTFAHRTVERSICHERUNGS-AG

(incorporated and registered in Germany with number HRB 623)

and

NÜRNBERGER ALLGEMEINE VERSICHERUNGS-AG

(incorporated and registered in Germany with number HRB 774)

(together the "Scheme Companies")

**AND THEIR RESPECTIVE
SCHEME CREDITORS
(as defined in the Scheme)**

For details of the business included in the Scheme, please see pages 10 to 11 of this document. Full details of the Scheme Companies' former names are included in Schedule II.

Scheme Website: www.CUAL-scheme.co.uk

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IMPORTANT NOTICE TO SCHEME CREDITORS

This document has been prepared in connection with separate but concurrent schemes of arrangement (collectively referred to as the "**Scheme**") proposed pursuant to Part 26 of the Companies Act 2006 between each of Allianz Global Corporate & Specialty (France), Allianz IARD, Delvag Luftfahrtversicherungs-AG and Nürnberger Allgemeine Versicherungs-AG (each a "**Scheme Company**" and together the "**Scheme Companies**") and their Scheme Creditors (as defined in the Scheme). The Scheme Companies wish to finalise the run-off of the business underwritten by Camomile Underwriting Agencies Limited ("**CUAL**") for them, (collectively known as "**CUAL business**").

Allianz Global was known as Compagnie d'Assurances Maritimes Aeriennes et Terrestres ("CAMAT") when writing in the CUAL Pool and Allianz IARD as Assurances Générales de France I.A.R.T. ("AGF") when writing in the CUAL Pool.

Unless otherwise indicated, the statements, opinions, and information contained in this document are made, held or given respectively as at the date of this document and reflect the circumstances existing and the information of which the Scheme Companies were aware at that time.

The summary of the principal provisions of the Scheme and related matters in this Explanatory Statement is qualified in its entirety by reference to the Scheme itself.

The Scheme (and this Explanatory Statement) can be viewed and downloaded from the Scheme Website at www.CUAL-scheme.co.uk or a copy can be obtained from the proposed Scheme Manager, Whittington Insurance Services Limited (see contact details on page 3). Scheme Creditors should read and consider carefully the full text of the Scheme. Reading individual sections in isolation may be misleading. In the event of any conflict between the terms of the Explanatory Statement and the terms of the Scheme, the terms of the Scheme will prevail.

The information contained in this document has been prepared from records maintained by Whittington Insurance Services Limited.

Nothing in this document shall constitute any admission of fact or liability on the part of any Scheme Company or any person with respect to any right or asset to which it may be entitled or any claim against it. No estimate of the amount of any claim against a Scheme Company provided to it or taken into account for the purposes of voting on the Scheme shall be binding on a Scheme Company or any other party for the purposes of the Scheme or for any other purpose.

No person has been authorised by a Scheme Company to make any representations concerning the Scheme which are inconsistent with the statements contained herein and, if made, such representations may not be relied upon as having been so authorised.

None of the contents of this document is intended as legal, actuarial, tax or financial advice given to Scheme Creditors. Scheme Creditors should take advice from their own professional advisers before taking any action in connection with the Scheme.

KEY DATES AND CONTACT INFORMATION

Court hearing at which permission to convene the Creditors' Meetings was given	[●]
Proxy and Voting Forms to be returned by 11.59 pm London Time	[●]
Creditors' Meetings in London to vote on the Scheme	[●]
Court hearing in London to sanction the Scheme ⁽¹⁾	[●]
Chapter 15 hearing in New York ⁽¹⁾	[●]
Effective Date of the Scheme ⁽¹⁾	[●]
Final Claims Submission Date, the date by which Scheme Claims must be submitted ⁽²⁾	[●]
Earliest anticipated payment date ⁽²⁾	[●]

⁽¹⁾ Dates subsequent to the Creditors' Meetings are indicative only. The date of the Court hearing to sanction the Scheme can only be confirmed after the Scheme has been approved by Scheme Creditors at the Creditors' Meetings.

⁽²⁾ Except for the Final Claims Submission Date, dates subsequent to the Effective Date of the Scheme may, in accordance with the terms of the Scheme, be extended at the discretion of the Scheme Manager or by agreement with the Scheme Creditor.

CONTACT INFORMATION

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SECTION 1: INTRODUCTION AND OVERVIEW

Introduction

Allianz Global Corporate & Specialty (France) ("**Allianz Global**"), Allianz IARD, Delvag Luftfahrtversicherungs-AG ("**Delvag**") and Nürnberger Allgemeine Versicherungs-AG ("**Nürnberger**") (each individually a "**Scheme Company**" and together the "**Scheme Companies**") each intend to propose a solvent scheme of arrangement pursuant to Part 26 of the Companies Act 2006 of England and Wales. Each scheme of arrangement is proposed between the Scheme Company and its respective Scheme Creditors and concerns business underwritten and administered by Camomile Underwriting Agencies Limited ("**CUAL**") on behalf of the Scheme Companies. The terms of each scheme of arrangement are materially identical. The four schemes of arrangement proposed in this document are referred to collectively as the "**Scheme**".

For the avoidance of doubt, no business of Sovereign Marine & General Insurance Company Limited, which also underwrote business administered by CUAL, is included in the Scheme.

Whittington Insurance Services Limited ("**Whittington**") administers the run-off of the business proposed to be included in the Scheme and is the proposed Scheme Manager.

You have been sent this document because you are (or someone you represent is) or may be, a Scheme Creditor of one or more of the Scheme Companies and accordingly entitled to vote at the forthcoming meetings of Scheme Creditors (the "**Creditors' Meetings**") when the Scheme proposals will be formally submitted to Scheme Creditors for their approval. Notice of the Meetings is set out at Schedule VIII. The Meetings are scheduled to take place on [●] 2010 at [●] at 11.00am London Time. Two meetings of the Scheme Creditors of each Scheme Company will be held: one meeting for Scheme Creditors of each Scheme Company in relation to their IBNR claims (being losses which have been incurred by a Scheme Creditor, but not notified to it, for which it asserts that an amount will become due for payment to it by the Scheme Company as a Scheme Claim) and one meeting for Scheme Creditors of each Scheme Company in relation to their Scheme Claims other than IBNR claims.

This Explanatory Statement contains background information in relation to the Scheme Companies and the business to be included in the Scheme and details of the voting process at the Creditors' Meetings. It also contains a summary of the terms of the Scheme and an explanation of why it has been proposed.

A list of documents available for inspection by Scheme Creditors is at Schedule VI.

The same defined terms have been used in both the Scheme and the Explanatory Statement. These terms begin with a capital letter. A list of these defined terms can be found at Schedule I of this document.

Please note that the Explanatory Statement is intended merely as a guide and should not be relied upon in place of reading the Scheme itself.

What business is included in the Scheme?

A description of the business which is included within the proposed Scheme is set out on pages 10 to 11. Subject to certain excluded business, the Scheme includes the insurance and reinsurance business of the Scheme Companies written through CUAL as well as amounts due to brokers arising from such business (the "**CUAL business**"). The Scheme does not include any Scheme Company liability in respect of UK compulsory insurance. To the best of the knowledge and belief of their directors, none of the Scheme Companies wrote any UK compulsory insurance. No business of the Scheme Companies other than the CUAL business is included in the Scheme.

Further information regarding the CUAL business is available on the CUAL Scheme Website at www.CUAL-scheme.co.uk or may be obtained from Whittington (for contact details see page 3).

Why are the Scheme Companies proposing the Scheme?

The purpose of the Scheme is to try to finalise the run-off of the CUAL business in a much shorter timescale than would be possible in a normal run-off.

The CUAL business has now been in run-off since 1996. In the normal course, it is estimated that it would take at least another 30 to 40 years to run-off all the remaining liabilities which it is proposed to include in the Scheme. One of the participants in the CUAL Pool, Sovereign Marine & General Insurance Company Limited ("**Sovereign**"), is insolvent and it has entered into a separate scheme of arrangement in respect of which the date for submitting Scheme Claims (as defined in that Scheme) has passed. **No business of Sovereign, whether through CUAL or otherwise, is included in the Scheme.**

Given the maturity of the CUAL business, the Scheme Companies now wish to try to bring the CUAL business to a close by submitting this Scheme proposal to their Scheme Creditors, which will, if it becomes effective, result in their finalising and paying all remaining Scheme Claims in a much shorter time frame than would happen in the ordinary course of a run-off.

The Scheme Companies have advised their respective regulators, in France and Germany of the Scheme and sent them a copy of the Explanatory Statement and the Scheme. None of those regulators have commented on either document. The Financial Services Authority ("**FSA**") has also been sent a copy of the Explanatory Statement and Scheme and it has not commented on those documents.

What is a Scheme of Arrangement?

A scheme of arrangement, such as that proposed here, is a compromise or arrangement between a company and its creditors (or any class of them) pursuant to Part 26 of the Companies Act 2006. A scheme of arrangement does not become legally binding on the company and on its creditors (or any class of them) until:

- a majority in number representing not less than 75% in value of creditors (or any class of them), present and voting in person or by proxy, vote in favour of the Scheme at a meeting or meetings convened with the permission of the Court;

- the Court subsequently sanctions the scheme of arrangement; and
- a copy of the sanction order is delivered to the Registrar of Companies in England and Wales.

A separate scheme of arrangement is being proposed for each Scheme Company. Scheme Creditors do not have to vote the same way on each Scheme Company's Scheme and the Schemes are not legally interdependent.

When would the Scheme become legally binding?

Each Scheme Company's Scheme will become legally binding on all Scheme Creditors (irrespective of whether and how they voted at the Creditors' Meetings) if a majority in number representing not less than 75% in value of its Scheme Creditors vote in favour of the Scheme at each of the Creditors' Meetings, if the Court sanctions the Scheme and the Court's order to that effect is delivered to the Registrar of Companies. Each Scheme Company may choose not to proceed to have its Scheme made effective unless the other Scheme Companies' Schemes are approved at their Creditors' Meetings and sanctioned by the Court and the requisite relief under Chapter 15 of Title 11 of the United States Code (the "**US Bankruptcy Code**") is obtained in respect of the Scheme.

Will the Scheme be binding in the US?

It is presently intended that each Scheme Company will make an application for a Permanent Injunction under Chapter 15 of the US Bankruptcy Code if their Scheme is sanctioned.

The effects of this injunctive relief are described at Schedule V.

What are the key features of the Scheme?

The Scheme has been designed to offer a fair, consistent and transparent approach to claims submission and quantification leading to the settlement in full of Scheme Claims, valued on an Enhanced Discounted Best Estimate basis, in the shortest practicable time. The Enhanced Discounted Best Estimate is the undiscounted Best Estimate, discounted to reflect the time value of money but at a rate preferential to the Scheme Creditors compared to the U.S. Treasury security rate, as outlined in Appendix E to the Scheme.

The Scheme enables Scheme Creditors to receive a certain cash amount in relation to their Scheme Claims, at an earlier point than they would have been entitled to receive payment in the normal course. Payment in respect of future claims is generally (for example in individually agreed commutations) subject to the application of a time-value discount to reflect the fact that creditors are receiving cash now rather than at a later date. However, under the Scheme, the discount factors which will be applied are lower than would normally be used for a net present value calculation.

Scheme Creditors are required to make their claims submissions by the Final Claims Submission Date, which will be 11.59 pm London Time on 21 February 2011, or, if later, the first Business Day falling 180 days from the Effective Date of the Scheme. Scheme Claims, other than Unpaid Agreed Claims, which are not submitted by such date will be invalid.

Unpaid Agreed Claims which are known to the Scheme Manager will be paid whether or not a Claim Form has been submitted.

Scheme Creditors are free to select the most recent date up to which they have current claim records in order to calculate their Scheme Claim, provided that that date is not earlier than 31 December 2008. Scheme Creditors may update their Scheme Claim up until the Final Claims Submission Date.

Scheme Creditors are required to provide evidence in support of their Scheme Claims by the Final Claims Submission Date. The Actuarial Methodology provides detailed information as to the type of supporting evidence which will be appropriate.

Scheme Creditors may either agree the value of their claims with the Scheme Manager or if agreement cannot be reached, may submit to the Adjudication process set out in the Scheme. So far as the law permits, and in the absence of Manifest Error, Adjudication will result in a final and binding decision being made by either the Scheme Adjudicator or the Actuarial Adjudicator, as appropriate in accordance with that Adjudication process. Scheme Creditors should be aware that, in either event, their outstanding and IBNR claims will be valued at estimated amounts, and that this will almost certainly result in them receiving a different amount (which may be more or less) in respect of such claims than would have been the case had the Scheme Companies continued to run-off the CUAL business in the normal course.

Scheme Creditors should also note that although the Scheme does not affect their rights to enforce any Security, it does place a bar on taking or continuing Proceedings to establish the existence or amount of a Scheme Claim. However, the Scheme does not prevent a Scheme Creditor from taking proceedings where a Scheme Company has failed to perform its payment obligations to a Scheme Creditor under the Scheme.

For further details of the Scheme process, please see Section 3 and the flow chart showing key steps and time periods at Schedule III.


When are the Creditors' Meetings and what do I need to do in order to vote?

Notice of the Creditors' Meetings is included at Schedule VIII. **The Creditors' Meetings are scheduled to take place on [●] 2010 at [●], United Kingdom at 11am London Time.**

Scheme Creditors may attend the Creditors' Meetings in person (or, if a corporation, by a duly authorised representative) or may vote by proxy. Returning a Proxy and Voting Form will not prevent any Scheme Creditor from attending and voting in person should they wish to do so.

Whether or not Scheme Creditors intend to be present in person at the Creditors' Meetings, they are requested to complete and sign the Proxy and Voting Form in accordance with the instructions printed on the form (and the guidance notes accompanying the form). All Proxy and Voting Forms must be completed in English.

All potential Scheme Creditors known to Whittington and for which they have a current address will have been sent with their Proxy and Voting Form a schedule containing details of any of their known Insurance Contracts and Unpaid Agreed Claims.

Completed Proxy and Voting Forms should be returned to Whittington (by Post, fax or E-mail as per their details at page 3) as soon as possible, and in any event, so that they are received by 11.59 pm London Time on  2010. Proxy and Voting Forms may also be handed in at the registration desk at the Creditors' Meetings prior to their commencement.

The Chairman of the Creditors' Meetings will be Frank Attwood. Mr. Attwood is independent of the Scheme Companies and has had no part in the development of the Scheme. The Vote Assessor will be David Hindley of Deloitte LLP, who will determine the value of each Scheme Creditor's vote and report his findings to the Chairman. The Curricula Vitae of the Chairman and Vote Assessor are at Schedule VII.

The Chairman will determine the right and entitlement of a Scheme Creditor to vote in a particular Creditors' Meeting (either at all, or in relation to particular contracts for which it has submitted values on its Voting Form) and any other matters arising in relation to the votes, save the value of each vote, which will be determined by the Vote Assessor. The Chairman will (subject to his determination on the points referred to above) adopt the values determined by the Vote Assessor in order to determine whether the relevant majorities, by number and value, have been achieved at each Creditors' Meeting. However, if all the votes in a particular Creditors' Meeting are cast in the same direction, the Vote Assessor will not review the values of the votes cast at such Creditors' Meeting. In such circumstances the values for which each Scheme Creditor is admitted to vote in such Creditors' Meeting will be determined by the Chairman.

Scheme Creditors must supply supporting evidence in relation to their submitted vote values in accordance with the Proxy and Voting Form and accompanying instructions and by reference to the Actuarial Methodology at Appendix D to the Scheme. Lack of adequate supporting documentation may mean that the Vote Assessor cannot determine whether the methodology used by the Scheme Creditor is reasonable and hence that the Vote Assessor cannot accept the value submitted by the Scheme Creditor is reasonable and hence that the Vote Assessor cannot accept the value submitted by the Scheme Creditor without amendment, or at all.

Scheme Claims and supporting evidence must be submitted at policy level. In other words, each claim must be made by reference to a specific Insurance Contract. In the event that a single claim impacts more than one policy, the Scheme Creditor must set out a separate claim for each policy under which it wishes to claim. Failure to do this may mean that unless amended, the value submitted by the Scheme Creditor is rejected in whole or in part and may result in a zero value being allocated in respect of the whole or part of the vote.

Votes will be valued as at the date of the Creditors' Meetings with a discount to reflect the time value of money. Creditors' set-off will be applied in respect of, and only in respect of amounts arising in relation to Insurance Contracts which are established as due from Scheme Creditors to the Scheme Company at the date of the Creditors' Meetings. If the Vote Assessor determines that the value of a Scheme Creditor's vote is zero, or that following the application of set-off their net position is that of a debtor rather than a creditor of the Scheme Company in relation to the CUAL business, their vote will not be taken into account by the Chairman when determining the majorities either by number or by value at the Creditors' Meetings.

As Scheme Claims are denominated in various currencies, for the purpose of voting at the Creditors' Meetings, Scheme Claims will be converted into US Dollars. The conversion rates used will be the closing mid-point rates of exchange on the last Business Day of the month prior to the Creditors' Meetings as published in the Financial Times UK edition or, if no such rates are published, at such rates as may reasonably be selected by the Chairman.

Where a vote is rejected or valued at a different amount than originally asserted, the Scheme Creditor will be notified of this decision by the Chairman as soon as possible, and, in any event, prior to the Court hearing to sanction the Scheme. This rejection or revision of the Scheme Creditor's vote value will be reported to the Court at the sanction hearing.

The admission of a Scheme Claim for voting purposes by the Chairman will not constitute an admission of the existence or amount of any liability of a Scheme Company and will not be binding in the valuation of any Scheme Claim.

SECTION 2: BACKGROUND AND BUSINESS INCLUDED IN THE SCHEME

1. THE CUAL POOL

Camomile Underwriting Agencies Limited ("CUAL") was incorporated in the United Kingdom in April 1977. Its principal objects were to carry on the business of insurance agents and brokers, underwriting agents and underwriters. Its principal activity was that of insurance underwriting agent. CUAL ceased underwriting on 31 December 1995, and was subsequently dissolved.

On behalf of the Scheme Companies, CUAL wrote both direct and reinsurance business in the London Market, collectively known as CUAL business, in a pooling arrangement from 1978 to 1995. The business written by the CUAL Pool was predominantly small lines of both direct and facultative non-marine business through London Market brokers. The Pool wrote some proportional and excess of loss treaty business. It is believed that all of the Pool business was written in the London Market.

Sovereign Marine & General Insurance Company Limited ("Sovereign"), a company which is now insolvent, also wrote business as part of the CUAL Pool. No business written by Sovereign, whether through CUAL or otherwise, is included within the Scheme. Sovereign has entered into a "closing" scheme with its creditors, in respect of which the date for submitting Scheme Claims (as defined in that Scheme) has now passed.

2. BUSINESS INCLUDED IN THE SCHEME

The Scheme is proposed in respect of each Scheme Company's involvement in CUAL business.

An Insurance Contract is a contract of insurance, reinsurance or retrocession of any kind entered into before the Effective Date by or on behalf of the Scheme Company or in accordance with which the Scheme Company has assumed a Liability and which (save in the case of Sovereign), is within the description of business in paragraph 2.1 below.

2.1. Direct and reinsurance business underwritten for, and reinsurance or retrocession of, the Scheme Company during the years set out below by its name, as part of the CUAL Pool. **Sovereign is included at (e) below purely for information purposes, given that no business written by Sovereign, whether through CUAL or otherwise, is included in the Scheme.**

- (a) Compagnie d'Assurances Maritimes Aeriennes et Terrestres ("CAMAT") (now Allianz Global Corporate & Specialty (France)) – **1978 to 1995;**
- (b) Delvag Luftfahrtversicherungs-AG – **1978 to 1983;**
- (c) Assurances Générales de France I.A.R.T. ("AGF ") (now Allianz IARD) – **1980 to 1983**

- (d) Nürnberger Allgemeine Versicherungs-AG – **1980 to 1983**; and
- (e) **Sovereign Marine & General Insurance Company Limited – 1989 to 1991.**

The underwriting stamps used for policies written by the CUAL Pool together with the dates on which it is understood they operated from, include those set out below. The Scheme Company is not aware of any other stamps used for the CUAL Pool.

(An underwriting stamp is a facility by which a Scheme Company or number of Scheme Companies agreed to accept a proportion of the liability arising from an insurance contract.)

STAMP						
Code	Period	CAMAT	Delvag	AGF	Nürnberger	Sovereign
C8000	1978-1983	50%	50%			
C8018	1978-1995	100%				
C8026	1980-1983	25%	50%	25%		
C8034	1980-1983	25%	30%	25%	20%	
C8042	1980-1983	50%	30%		20%	
C8067	1989-1991	75%				25%
C8075	1989-1991					100%

3. BUSINESS EXCLUDED FROM THE SCHEME

The Scheme does not include:

- (1) any business of the Scheme Companies other than the CUAL business; or
- (2) any Scheme Company liability in respect of UK compulsory insurance; or
- (3) any business underwritten by or for Sovereign whether through CUAL or otherwise; or
- (4) any liability from a Scheme Company to any other Scheme Company.

4. DIRECTORS' INTERESTS

None of the directors of the Scheme Companies are Scheme Creditors. None of the directors has any material interests which will be affected by the Scheme, whether as director, member or creditor of the Scheme Companies or otherwise. There are no contingent or "performance-related" payments for any of the directors under or as a result of the Scheme. For the sake of completeness, details of those directors who are also Scheme Company shareholders are listed below.

Director	Scheme Company	Interest
Gilles Mareuse	Allianz Global	Holds 1 share in Allianz Global
Thierry Van Santen	Allianz Global	Holds 1 share in Allianz Global
Jacques Richier	Allianz IARD	Holds 1 share in Allianz IARD as trustee
Patrick Dixneuf	Allianz IARD	Holds 1 share in Allianz IARD as trustee
Pascal Thebe	Allianz IARD	Holds 1 share in Allianz IARD as trustee

SECTION 3: THE SCHEME PROCESS

The Scheme (and this Explanatory Statement) may be viewed and downloaded on the Scheme Website at www.CUAL-scheme.co.uk or a hard copy may be obtained by contacting Whittington (see contact details on page 3). Scheme Creditors and their advisers and representatives should read the Scheme in full in order to determine how it will affect them. The following section of the Explanatory Statement gives an overview of how the Scheme works but does not attempt to replicate every term of the Scheme and is not a substitute for reading the Scheme itself.

A flow chart showing the key steps and time periods involved in the Scheme process is at Schedule III.

Defined terms used herein are the same as those used in the Scheme and the full definitions are set out in Schedule 1 of this document.

1. APPLICATION OF THE SCHEME

The Scheme will apply to all Scheme Claims (as defined in the Scheme – please refer to Schedule I, which contains a copy of the Scheme definitions).

The Scheme will not apply to any Scheme Company liability in respect of UK compulsory insurance.

2. DISTRIBUTION AND COMPLETION OF CLAIM FORMS

Once the Scheme has become effective, Scheme Creditors will be notified of the Effective Date and Final Claims Submission Date by way of advertisements (placed in the same publications as the advertisements of the Creditors' Meetings, unless for any reason these are unavailable) and notice on the Website. Scheme Creditors for which the Scheme Manager has a current address will be sent notice direct by Post or E-mail within 14 days of the Effective Date. Along with such notice, the Scheme Manager will send each such Scheme Creditor a Claim Form accompanied by details of (i) all known Insurance Contracts which may in the Scheme Manager's opinion give rise to Scheme Claims and (ii) any known Unpaid Agreed Claims arising under such Insurance Contracts.

In order to claim in the Scheme, Scheme Creditors must complete their Claim Form and return it so as to reach the Scheme Manager prior to the Final Claims Submission Date which will be 11.59pm London Time on 21 February 2011 or, if later, on the first Business Day falling 180 days after (and not including) the Effective Date.

The Claim Form includes detailed instructions as to its completion which must be followed in order to make a valid claim. In particular, in order to make its Scheme Claim against one or more of the Scheme Companies, each Scheme Creditor must:

- 2.1.1 identify each Insurance Contract under or in relation to which a Scheme Claim arises;

- 2.1.2 specify the amount of each of the Scheme Claims arising under or in relation to each Insurance Contract;
- 2.1.3 provide supporting documentation to validate each Scheme Claim e.g. copy slips/policies/proof of loss/claim information.

Scheme Creditors should state the Reference Date as at which they have calculated their Scheme Claim, which must be a date not earlier than 31 December 2008. Where Scheme Creditors submit estimates in relation to future or contingent amounts they should provide full details of the basis of the calculation, together with documentary evidence to support the reasonableness of the claim. Attachment G to the Actuarial Methodology (which Methodology is at Appendix D to the Scheme) contains general guidance as to the evidence that Scheme Creditors should provide to support such Scheme Claims.

Scheme Creditors are not obliged to use the Actuarial Methodology when estimating their future and contingent claims on their Claim Form if they believe that their own methodology for making such estimates is more appropriate. The Actuarial Adjudicator will adopt, in whole or in part, an actuarial methodology used by the Scheme Creditor if he considers it to be more appropriate to the Scheme Creditor's circumstances than the Actuarial Methodology. To this end, Section 2.5 of the Actuarial Methodology also sets out the process that the Actuarial Adjudicator will use to determine the reasonableness of the Scheme Creditors' methodology.

Scheme Creditors should note that any estimates of the value of their Scheme Claims made on and evidence provided in connection with a Claim Form may not be protected by privilege and may be discoverable, for example on the application of a third party with a claim against the Scheme Creditor, in any action or proceedings to which the Scheme Creditor might be a party. Scheme Creditors should consult their own professional advisers as to the consequences of furnishing such particulars.

Scheme Creditors are entitled to revise or add to their Claim Form at any time prior to the Final Claims Submission Date, and are entitled to submit supporting evidence in relation to their Claim Form at any time prior to the Final Claims Submission Date. However, Scheme Creditors cannot submit a new or revised Claim Form after the Final Claims Submission Date or seek to assert further Scheme Claims after such date. After the Final Claims Submission Date, Scheme Creditors will only be entitled to provide revised or further information in respect of a Scheme Claim in response to a request from the Scheme Manager, Actuarial Adjudicator or a Scheme Adjudicator.

3. AGREEMENT OF SCHEME CLAIMS

The Scheme Manager will endeavour to reach agreement with the Scheme Creditor as to the value of all notified Scheme Claims on each Claim Form within 126 days of the Final Claims Submission Date. If agreement cannot be reached within this period, the Scheme Manager will send the relevant Scheme Creditor an Inwards Valuation Form setting out either (i) the amount the Scheme Manager believes is due in respect of each of that Scheme Creditor's unagreed Scheme Claims or (ii) the total amount

which the Scheme Manager believes is due to that Scheme Creditor (including any Agreed Claims). The Inwards Valuation Form will not include any amounts which are to be deducted from Agreed Claims. The Scheme Creditor is entitled to dispute any amount set out in the Inwards Valuation Form, by sending a Dispute Notice to the Scheme Manager. For the avoidance of doubt, if such disputed amount includes sums attributable to Agreed Claims, such Agreed Claims will not form part of the Disputed Claim. If the Scheme Creditor decides not to, or fails to send a Dispute Notice within 56 days of receipt of the Inwards Valuation Form, the value(s) set out on the Inwards Valuation Form will constitute the Scheme Creditor's Agreed Claim(s) and will be final and binding on the Scheme Company and the Scheme Creditor.

Where part or all of a Scheme Claim is asserted using an "All-Sums" basis, or an Adjudicator determines that such a basis is appropriate, the Scheme Manager or, as applicable, the Adjudicator will modify the amount so claimed using, as a form of proxy for this basis, "All-Sums Net of Contribution Rights", or "ASCOR" to the extent that this has not already been applied as set out below.

The ASCOR allocation will be applied so as to produce an amount equivalent to the net cost to the Scheme Company of the claim having been paid on an "All-Sums" basis by the Scheme Company after reducing it by the amount of contributions attributable to the insurer(s) on the other coverage years. However, where the law of the applicable jurisdiction would so provide in relation to an All-Sums claim being asserted, this calculation will take account of insolvency of other such insurers and/or any uninsured gaps in the policyholder's coverage.

Where permitted and feasible, and where requested by the relevant Scheme Creditor prior to Completion, the Scheme Company will assign such recovery or "contribution" rights to that Scheme Creditor, such assignment to be in a form approved by the Scheme Manager.

4. DISPUTES AND ADJUDICATION PROCEDURE

Any amount(s) on an Inwards Valuation Form which are disputed by the Scheme Creditor will be referred by the Scheme Manager to Adjudication as Disputed Claims. The Scheme appoints an Actuarial Adjudicator, who will value Disputed Claims by application of the Actuarial Methodology and who may, if the parties do not object, determine disputed matters of fact and law. The Scheme also provides for a Scheme Adjudicator in relation to matters of fact and law (where one or both parties object to such matters being determined by the Actuarial Adjudicator). The Scheme Adjudicator will either be an individual agreed by the Scheme Creditor and Scheme Manager, or if such agreement cannot be reached, will be a suitably qualified individual nominated by CEDR.

Where (i) neither the Scheme Creditor nor the Scheme Company objects to the Actuarial Adjudicator determining all matters relating to the Disputed Claim (including matters of fact or law), or (ii) where the Scheme Manager concludes that there are no matters of fact or law which require determination; the Scheme Manager will refer the Disputed Claims directly to the Actuarial Adjudicator who will determine the value of the Disputed Claims. In all other circumstances, the Disputed

Claim will be referred first to one or more Scheme Adjudicators who will determine any disputed matters of fact or law arising in relation to the Disputed Claim before the Disputed Claim is (if further matters remain unresolved and unagreed) referred to the Actuarial Adjudicator. The Actuarial Adjudicator may also ask for matters of fact or law to be referred to a Scheme Adjudicator.

The Scheme Adjudicator or the Actuarial Adjudicator, as the case may be, will adjudicate upon and finally determine any dispute within 119 days of the matter being referred to him.

The Scheme includes a right for the parties to a dispute to make submissions to a Scheme Adjudicator or Actuarial Adjudicator. The Scheme Manager will provide the Scheme Creditor with a copy of the Scheme Company's submissions to the relevant Adjudicator upon referral to Adjudication, and the Scheme Creditor has 14 days to make submissions in response. The Scheme Manager then has a further 14 days to make its reply to such response. The Adjudicator also has the right to request further supporting evidence either from the Scheme Company or the Scheme Creditor.

Where matters of fact or law have been referred to a Scheme Adjudicator, his decision in relation to such matters will be binding on the Actuarial Adjudicator.

The Scheme Adjudicator's and the Actuarial Adjudicator's determination will be final and binding on the Scheme Company and Scheme Creditor insofar as the law allows.

Neither the Scheme Adjudicator's nor the Actuarial Adjudicator's determination in relation to a Disputed Claim may result in its value exceeding the amount of the Scheme Claims asserted by a Scheme Creditor on its Claim Form.

A Scheme Adjudicator's and the Actuarial Adjudicator's remuneration, costs and expenses will be determined in accordance with clause 2.13 and Appendix F to the Scheme. The first Actuarial Adjudicator's remuneration will be based on Deloitte LLP's standard hourly rates from time to time. Where a Scheme Adjudicator is appointed, the remuneration, costs and expenses will be advised to the Scheme Company and the Scheme Creditor on a case-by-case basis.

The costs of Adjudication will, in the normal course, be borne by the Scheme Company. However, in limited circumstances intended, in part, to reflect the restricted occasions on which a US court can award costs against a litigant, a Scheme Adjudicator or the Actuarial Adjudicator may award costs against a Scheme Creditor. Costs may be awarded against a Scheme Creditor, for example, if the Adjudicator considers that the Scheme Creditor has acted vexatiously or in bad faith, or has unreasonably caused the Adjudicator to incur additional time or costs in relation to supporting evidence.

5. NET VALUATION STATEMENTS

Once all of a Scheme Creditor's Scheme Claims have been agreed and/or determined by Adjudication, the Scheme Manager will prepare and send to the Scheme Creditor a Net Valuation Statement, setting out the total amount of the Scheme Creditor's Agreed Claims, the amount of any Scheme Debts owed by the Scheme Creditor to the

Scheme Company, and any other amounts to be set-off against or deducted from the amount of the Scheme Creditor's Agreed Claims.

The amount shown on a Net Valuation Statement after such adjustments have been carried out is the Scheme Creditor's "**Net Ascertained Claim**" (or "**Net Debt**" if it is an amount due to the Scheme Company).

A Net Valuation Statement becomes binding upon the Scheme Creditor unless disputed by notice in writing received by the Scheme Manager within 21 days of the date of the Net Valuation Statement or, if applicable, revised Net Valuation Statement. Calculations of amounts to be deducted from Agreed Claims which the Scheme Creditor may not have seen before, such as Scheme Debts, the application of set-off and Tax, may be disputed on substantive grounds. A Scheme Creditor may dispute the calculation of the reinsurance recovery offset, for instance, in terms of issues relating to the coverage of claims and application of limits, retentions and signed lines under the contracts insuring the Scheme Company. However, it cannot dispute the principle that claims valued through the Scheme are recoverable by offset through the reinsurance programme, or the amount of the Agreed Claims used to calculate the reinsurance recoverables. If agreement cannot be reached, disputes on substantive grounds will be referred to a Scheme Adjudicator and resolved by Adjudication. A Net Valuation Statement may only be disputed as regards Agreed Claim values if it contains a clear typographical or mathematical error which is apparent on its face or an error in the transposition of binding information to it. These kinds of error are referred to as "**Manifest Error**". The time period for notifying disputes as to Manifest Error on a Net Valuation Statement is 14 days, as opposed to the 21 days allowed to notify substantive disputes.

Following agreement or determination of any disputed amounts, the Scheme Manager will issue a revised Net Valuation Statement. The revised Net Valuation Statement may only be disputed on grounds of Manifest Error, and if no such dispute is notified within 14 days of the date of the revised Net Valuation Statement, it will be final and binding.

6. COMBINED NET VALUATION STATEMENTS

If a Scheme Creditor has a Net Ascertained Claim or Net Debt in respect of more than one Scheme Company, and has not opted on its Claim Form to receive a separate Net Valuation Statement from each Scheme Company, its Net Valuation Statement will be a Combined Net Valuation Statement which will aggregate the amounts due to and from each Scheme Company.

7. CURRENCY OF PAYMENT

A Scheme Creditor may elect on its Claim Form for its Net Ascertained Claim or Net Debt to be denominated in a particular Scheme Currency (the Scheme Currencies being US Dollars, Canadian Dollars, Euros and Pounds Sterling), and payment will be made in the elected currency. If no such election is made by a Scheme Creditor, its Net Ascertained Claim or Net Debt will be denominated in US Dollars or, at the

discretion of the Scheme Manager, another Scheme Currency, and payment will be in that currency.

8. PAYMENT

Each Scheme Creditor will receive payment of its Net Ascertained Claim as soon as reasonably practicable after its Net Valuation Statement has become binding, and in any event within 42 days thereof.

Payment by the Scheme Company to the Scheme Creditor or at the Scheme Creditor's direction in respect of any Net Ascertained Claim will be in full and final settlement of that Net Ascertained Claim and the Scheme Company will have no further liability to the Scheme Creditor in respect of business covered by the Scheme.

9. STAY OF PROCEEDINGS

The Scheme will operate to prevent the commencement or continuation of Proceedings against the Scheme Company or its Property or against the Scheme Manager for the purpose of obtaining payment or establishing the existence or amount of any Scheme Claim. The Scheme also prevents Scheme Creditors from taking or continuing proceedings against the Released Parties (which includes, but is not limited to the Chairman, Vote Assessor, Foreign Representative, Scheme Manager, Actuarial Adjudicator, and any Scheme Adjudicator), in connection with their duties and obligations under or in relation to the Scheme.

However, if a Scheme Company fails to make a payment which it is obliged to make under the Scheme, Scheme Creditors are permitted to take Proceedings against that Scheme Company for the purpose of enforcing such payment.

10. SECURITY

A Scheme Creditor may obtain payment by means of and in accordance with its Security or at any time, and in that context Scheme Creditors' rights in respect of Security are not altered by the Scheme.

In the calculation of a Scheme Creditor's Net Ascertained Claim on a Net Valuation Statement, it will be assumed that such Scheme Creditor will drawdown any amounts to which it is entitled in respect of its Scheme Claims from Security. Accordingly such amounts will not be included in the Scheme Creditor's Net Ascertained Claim and payment of Net Ascertained Claims by the Scheme Company will be made net of any amounts which the Scheme Creditor is entitled to draw down from Security.

Any balance remaining of any funds deposited in respect of a Security are to be released to the Scheme Company with the co-operation and assistance of the Scheme Creditor.

11. THIRD PARTY FUNDING

In respect of claims against the Scheme Company by brokers or other third parties in respect of amounts paid by them to a Scheme Creditor in relation to sums due from a

Scheme Company to that Scheme Creditor, the Scheme Manager will need to be provided with evidence of a written assignment or other authority (in a form acceptable to the Scheme Manager) to make payment in respect of the relevant Scheme Claim to a broker or other funding party, or be satisfied that any payment was made under pre-existing contractual obligations with the Scheme Company or at the request of the Scheme Company.

12. LLOYD'S NAMES AND SYNDICATE SET-OFF

There would be significant practical problems in identifying set-off at a Lloyd's Names' level. The Scheme adopts the practical solution normally used in London market schemes of arrangement, which is to apply set-off at syndicate level. Set-off at syndicate level will be permitted across different underwriting years, provided the syndicate managing agent establishes to the satisfaction of the Scheme Manager that there has been no material change in syndicate membership between the different underwriting years.

13. MANAGING GENERAL AGENTS, LINESLIP HOLDERS, POOL MANAGERS ETC

Where one entity such as a pool manager, managing general agent, Lineslip holder or holder of a Broker's Cover is authorised to act on behalf of a number of Scheme Creditors, the Scheme Manager may require it to provide details of the identity of the underlying Scheme Creditors and to allocate Scheme Claims between them. Failure to do so within 56 days of such a request being made by the Scheme Manager will render the claim made by such entity invalid. As an alternative, the Scheme Manager may treat that entity as the principal creditor or debtor in place of the underlying Scheme Creditors which it represents, unless notice is given that the entity has no authority to act on their behalf or that the underlying Scheme Creditor does not wish its payments to be made to such entity.

14. EXTENSION OF TIME LIMITS

Except for the Final Claims Submission Date, the Scheme Manager may at any time prior to completion or termination of the Scheme, extend any unexpired period of time or deadline in the Scheme as it relates to a specific Scheme Claim or Scheme Creditor or generally. This may be done by agreement with the relevant Scheme Creditor, in which case there is no prescribed limit for the extension. Alternatively, the Scheme Manager may elect to extend such periods and deadlines provided that the length of the extension does not exceed the total of: (i) the duration of the original maximum period of time specified in the Scheme for the taking of the relevant step(s) and (ii) where applicable, the time taken to replace the Scheme Manager, Scheme Adjudicator or Actuarial Adjudicator during the relevant period. Specifically affected Scheme Creditors will be given written notice of extensions and if creditors generally are affected, notice will be placed on the Website.

15. COMPLETION OF THE SCHEME

The Scheme will be completed when the Scheme Manager certifies in writing to the Scheme Company that the Scheme has been implemented in accordance with its

terms. Notice will be placed on the Website at least 56 days prior to the date on which it is proposed that the Scheme will be declared complete.

Once the Scheme has been certified as complete, all Scheme Claims will be deemed to have been paid and Scheme Creditors will have no further rights under the Scheme or in respect of Scheme Claims. All obligations and liabilities of the Released Parties pursuant to or in connection with the Scheme shall, so far as the law permits, cease and be released absolutely.

16. PROHIBITED PAYMENTS

In some cases a Scheme Company may be prevented by a law or regulation from making payment to a Scheme Creditor under the Scheme. The Scheme Company will deal with such Blocked Monies in accordance with the relevant law or regulation, or as instructed by the relevant authority. On Completion of the Scheme, if the Scheme Company is still holding Blocked Monies which it cannot legally pay to a Scheme Creditor and in respect of which it has no instructions from the relevant authority, the Blocked Monies will be paid to the Charity and the relevant Scheme Creditor will have no further claim on the Scheme Company in respect of such monies.

17. GOVERNING LAW AND JURISDICTION

The Scheme will be governed by and construed in accordance with the laws of England and Wales. The Court is given exclusive jurisdiction to hear and determine any Proceedings or dispute which may arise out of the Scheme or any associated document or from or out of any action taken or omitted to be taken under the Scheme or in connection with the administration of the Scheme. For such purposes, the Scheme Companies and the Scheme Creditors irrevocably submit to the jurisdiction of the Court. The Scheme does not affect, or seek to change, the law governing the underlying Insurance Contract.

18. FEE ARRANGEMENTS

There are no contingent or "performance-related" arrangements in respect of the fees of the Scheme Manager, Actuarial Adjudicator or any Scheme Adjudicator, in connection with the Scheme or its implementation. Ordinarily, all fees and expenses of the Scheme Manager, Actuarial Adjudicator and any Scheme Adjudicator are payable by the Scheme Companies save (in relation to the Actuarial Adjudicator and Scheme Adjudicator) in certain limited circumstances as referred to in clause 2.13 of the Scheme.

With the exception of any fees or expenses which might be outstanding at the date of this document (which amounts will be payable in full by the Scheme Companies), Whittington Insurance Services Limited is not a creditor, director or shareholder of any of the Scheme Companies.

With the exception of any fees or expenses which might be outstanding at the date of this document (which amounts will be payable in full by the Scheme Companies), Deloitte LLP is not a creditor, shareholder or director of the Scheme Companies.

The fees of the UK and US legal advisers to the Scheme Companies for their work in drafting the Scheme and making the necessary applications to the Court in the UK and the US are payable by the Scheme Companies, with no contingent or "performance-related" fee arrangements.

SCHEDULE I

SCHEME DEFINITIONS

"**Actuarial Adjudicator**" the person referred to as such in clause 6.1 and any person appointed in substitution, replacement for or in addition to him pursuant to clauses 6.3.1.2, 6.5.1 and 6.6;

"**Actuarial Methodology**" the Actuarial Methodology at Appendix D;

"**Adjudication**" means the procedure for the resolution of disputes by a Scheme Adjudicator and/or Actuarial Adjudicator;

"**Adjudicator**" a Scheme Adjudicator or the Actuarial Adjudicator as the context requires;

"**Admissible Interest**" any interest provided for in an Insurance Contract or any relevant statute or any other relevant law from the date provided for therein up to the last Business Day of the month prior to the date of the relevant Net Valuation Statement;

"**Advertise**" the placing of advertisements in the same publications as notice of the Creditors' Meetings was placed (or if that is not practicable, in such other publications or forums as the Scheme Manager shall reasonably deem appropriate) and any additional publications which the Scheme Manager may deem appropriate;

"**Agency Manager**" shall bear the meaning given to such term in clause 4.6.1;

"**Agreed Claim**" the final and binding amount of the valuation of a Scheme Claim determined in accordance with the Scheme after the application of discount in accordance with Appendix E and of any relevant counterclaim or right of contribution but prior to the application of any amounts referred to in clauses 3.2.1.4 to 3.2.1.10 inclusive;

"**Allianz Global**" Allianz Global Corporate & Specialty (France), (Registre de Commerce 552.063.497 R.C.S. Nanterre), a company incorporated in France;

"**Allianz IARD**" Allianz IARD, (Registre de Commerce 542.110.291 R.C.S. Paris), a company incorporated in France;

"**Bank Base Rate**" in respect of each day of a calendar month:

- (a) the official bank rate set by the Bank of England as in force on the last Business Day of the preceding calendar month, save that if the Bank of England changes the name of the Bank Base Rate or substitutes an equivalent rate, then "**Bank Base Rate**" will mean the rate as renamed or substituted (as applicable); or
- (b) if no such rate exists then "**Bank Base Rate**" will mean the average of the base rates of the four largest clearing banks in London from time to time;

"**Best Estimate**" an estimate of insurance liabilities that is intended to be the mean, or average, of a range of possible outcomes, intended to represent the expected outcome;

"**Blocked Monies**" any monies payable to a Scheme Creditor under the Scheme the payment of which is prohibited by an applicable law or regulation referred to in clause 7.6;

"**Board**" the board of directors of the Scheme Company from time to time;

"**Broker's Cover**" a binding contractual agreement pursuant to which the Scheme Company gave authority to perform the functions specified therein in respect of an Insurance Contract;

"**Business Day**" any day other than (1) Saturday, (2) Sunday or (3) a day on which the UK clearing banks are not open for business in London;

"**Canadian Dollars**" Canadian dollars, being the lawful currency of Canada;

"**CEDR**" the Centre for Effective Dispute Resolution of 70 Fleet Street, London EC4Y 1EU;

"**Chairman**" the chairman of the Creditors' Meetings;

"**Charity**" International Federation of Red Cross and Red Crescent Societies, P. O. Box 372, CH-1211 Geneva, Switzerland;

"**Claim Form**" the Claim Form, including all guidance notes and instructions, in respect of each Scheme Company to be completed by Scheme Creditors (or their duly authorised agents), detailing Scheme Claims against the Scheme Company, which is at Appendix B;

"**Combined Net Valuation Statement**" in respect of a Scheme Creditor, a statement aggregating its Net Valuation Statements from all the Scheme Companies and resulting in a single Net Ascertained Claim or Net Debt;

"**Companies Act**" the Companies Act 2006 as amended and in force at the Effective Date;

"**Company Directors Disqualification Act**" the Company Directors Disqualification Act 1986;

"**Completion Date**" the date upon which the Scheme is certified to have been completed in accordance with clause 7.2;

"**Court**" the High Court of Justice of England and Wales;

"**Creditors' Meetings**" the meetings of Scheme Creditors convened by the Scheme Companies with the leave of the Court for the purpose of considering and, if thought fit, approving the Scheme;

"**CUAL Pool**" or "**Pool**" the pooling arrangement in which the Scheme Companies wrote direct and reinsurance business through CUAL from 1978 to 1995;

"**Deed of Release**" a deed in the form or substantially in the form set out in Appendix G;

"**Delegate**" any person to whom the Scheme Manager delegates any of its powers, rights, duties or functions;

"**Delvag**" Delvag Luftfahrtversicherungs-AG, (HRB 623), a company incorporated in Germany;

"**Dispute Notice**" a notice sent to the Scheme Manager pursuant to clause 2.9.3 containing the information referred to in clause 2.9.4;

"Disputed Claim" an amount set out on an Inwards Valuation Form which is disputed in accordance with clause 2.9.3 and/or a disputed matter referred to a Scheme Adjudicator pursuant to clause 3.3.2. For the avoidance of doubt, any claim which has become an Agreed Claim prior to referral to the relevant Adjudicator shall not form part of a Disputed Claim;

"Effective Date" the date on which a copy of the order of the Court sanctioning the Scheme is delivered to the Registrar of Companies;

"E-mail" delivery, where permitted by the terms of the Scheme and where a Scheme Creditor has provided an E-mail address, by electronic mail;

"Employee" any partner or director in the same firm, company, limited liability partnership or partnership as another, or any individual employed, whether under a contract of service or a contract for services, by that firm, company, limited liability partnership or partnership or by any company owned by such firm, company, limited liability partnership or partnership;

"Enhanced Discounted Best Estimate" the undiscounted Best Estimate, discounted to reflect the time value of money but at a rate preferential to the Scheme Creditors compared to the U.S. Treasury security rate, as outlined in Appendix E;

"Equitas" Equitas Limited, a company registered in England and Wales (registered number 3173352) whose registered office is at 33 St Mary Axe, London EC3A 8LL and/or its successors;

"Euro" the currency adopted by participating Member States in furtherance of economic and monetary union under Article 109 of the Treaty of European Union;

"Explanatory Statement" the explanatory statement prepared in accordance with Section 897 of the Companies Act in relation to the Scheme;

"Final Claims Submission Date" 11.59 p.m. London Time on 21 February 2011 or, if later, the date falling 180 days after the Effective Date (or, if such a date is not a Business Day, on the next Business Day);

"Foreign Representative" David McGuigan of Legacy Insurance Management and Business Outsourcing, or such other person as may be appointed as foreign representative of the Scheme Company in relation to their application for a permanent injunction pursuant to Chapter 15 of the United States Bankruptcy Code;

"Insolvency Act" the Insolvency Act 1986 as amended and in force at the Effective Date;

"Insolvency Event"

- (a) the making of an order by the Court to wind up the Scheme Company compulsorily pursuant to the Insolvency Act; or
- (b) the commencement of a creditors' voluntary liquidation in respect of the Scheme Company in accordance with the provisions of the Insolvency Act; or
- (c) the entering into by the Scheme Company of a company voluntary arrangement with its creditors in accordance with the provisions of the Insolvency Act; or

- (d) the appointment of an administrator, administrative receiver, receiver or provisional liquidator in respect of the Scheme Company in accordance with the provisions of the Insolvency Act; or
- (e) a determination by a Scheme Company that the value of its assets is less than the value of its liabilities; or
- (f) the taking in relation to the Scheme Company of any analogous proceeding in any other jurisdiction;

"Institute of Actuaries" the Institute of Actuaries established by Royal Charter dated 29 July 1884, having its principal place of business at Staple Inn, High Holborn, London WC1V 7Q7, United Kingdom;

"Insurance Contract" shall have the meaning set out in Appendix A;

"Inwards Valuation Form" a form to be prepared in accordance with clause 2.9 setting out the amount which the Scheme Manager believes is due in respect of each of a Scheme Creditor's unagreed Scheme Claims;

"Letter of Credit" any valid letter of credit issued to or for the benefit of a Scheme Creditor in respect of any Insurance Contract;

"Liability" any debt or liability (being a liability to pay money or money's worth) of a person, whether it is present or future, certain or contingent, whether or not its amount is fixed or liquidated, or is capable of being ascertained by fixed rules or as a matter of opinion whether or not it involves the payment of money and whether it arises at common law, in equity, by contract or by statute, in England and Wales or in any other jurisdiction or in any manner whatsoever, but excluding any liability which, subject to the proviso below, is barred at the Effective Date by statute or is otherwise unenforceable or which is claimed to arise in respect of a contract which is void or, being voidable, has duly been avoided.

Provided, however, that any sum representing an Unpaid Agreed Claim inserted by the Scheme Manager on a schedule accompanying the Claim Form pursuant to clause 2.3.2 shall constitute a Liability notwithstanding any statutory bar or unenforceability which would otherwise apply to it subject always to the provisions of clause 3.5.2;

"Lineslip" a binding contractual agreement pursuant to which the Scheme Company gave authority to perform the functions specified therein in respect of an Insurance Contract;

"Lloyd's" the society incorporated by the Lloyd's Act 1871 by the name of Lloyd's and situated at One Lime Street, London EC3M 7HA;

"Lloyd's Syndicate" a group of underwriting members of Lloyd's to which a number is assigned on behalf of the Council of Lloyd's in respect of an underwriting year;

"London Time" means the time at the relevant date in London, England;

"Loss Reserve" the amount reserved to meet known losses on an Insurance Contract which have not been settled;

"Manifest Error" an arithmetical or typographical error which is apparent either on the face of the document concerned or by reference to the information which has been or should, in accordance with the Scheme, have been inserted in the document concerned but has been incorrectly transcribed;

"Net Ascertained Claim" the final balance shown as due to a Scheme Creditor in a Net Valuation Statement;

"Net Debt" the final balance shown as due to the Scheme Company in a Net Valuation Statement;

"Net Debtor" any person who has a Net Debt shown on their Net Valuation Statement;

"Net Valuation Statement" the statement to be prepared in accordance with clause 3.1.2 (setting out only the amount of the Net Ascertained Claim or Net Debt as agreed) or clause 3.2 (setting out the amount of the Net Ascertained Claim or Net Debt and the calculation thereof), as the case may be, in substantially the form set out in Appendix C;

"Nürberger" Nürnberger Allgemeine Versicherungs-AG, (HRB 774), a company incorporated in Germany;

"Post" delivered by hand (including by a generally recognised commercial courier service), prepaid post or airmail;

"Pounds Sterling" pounds sterling, being the lawful currency of the United Kingdom;

"Premium Reserve" the amount of premium reserved to meet losses occurring in the unexpired element of an Insurance Contract;

"Proceedings" any form of proceedings in any jurisdiction or forum including, without limitation, any demand, legal proceedings, regulatory proceedings, insolvency proceedings, arbitration, alternative dispute resolution, judicial review, adjudication, mediation, seizure, distraint, forfeiture, re-entry, execution or enforcement of judgment or enforcement of any Security or any step taken for the purpose of creating or enforcing a lien;

"Property" all forms of property including money, goods, things in action, land and every description of property wherever situated and also any obligation or interest, whether present or future or vested or contingent, arising out of, or incidental to, property;

"Reference Date" the date selected by the Scheme Creditor, to be not earlier than 31 December 2008, as at which the Scheme Creditor has calculated its Scheme Claims;

"Registrar of Companies" the registrar or other officer performing under the Companies Act the duty of registration of companies in England and Wales;

"Released Parties" the Scheme Company, CEDR, any person who holds or has held the position of Chief Executive of CEDR, the Foreign Representative, any person who holds or has held the position of President of the Institute of Actuaries, any person holding, or who has at any time held, the position of Scheme Appointee, Chairman, Vote Assessor and any past or present director of the Scheme Company, including any Delegate, Employee, partner or alternate of any of the foregoing, in each case in their capacity as such;

"Relevant Currency" in relation to a Scheme Creditor, the Scheme Currency which the Scheme Creditor elects on its Claim Form in accordance with clause 2.7, or in the event that no such election is made, US Dollars or, at the discretion of the Scheme Manager, another Scheme Currency;

"Scheme" the scheme of arrangement in the form herein contained, together with any modification thereof or addition thereto approved or imposed by the Court;

"Scheme Adjudicator" any person appointed as such in accordance with clause 6.2 and any person appointed in substitution, replacement for, or addition to him pursuant to clauses 6.3.1.1, 6.5 and 6.6;

"Scheme Appointee" any person holding or who has at any time held the position of Scheme Manager, Scheme Adjudicator or Actuarial Adjudicator including any Employee, Delegate, partner and alternate of such person;

"Scheme Claim" save as excluded below, Scheme Claims shall comprise:

- (a) any claim against the Scheme Company in respect of all or part of a Liability arising under or in relation to an Insurance Contract;
- (b) all Liabilities of the Scheme Company arising under any agreement entered into before the Effective Date by which the Scheme Company has commuted, settled or compromised all or part of its Liability under an Insurance Contract;
- (c) all Liabilities of the Scheme Company arising under any agreement pursuant to which an insurance broker is entitled to brokerage or commission from the Scheme Company in respect of the placing of an Insurance Contract; and
- (d) Liabilities of the Scheme Company arising under rights of contribution and subrogation in respect of an Insurance Contract;

after the application of any relevant counterclaim or right of contribution but in each case prior to the application of any amounts referred to in clauses 3.2.1.4 to 3.2.1.10 inclusive in accordance with the Scheme;

Scheme Claims shall not include:

- (a) save to the extent provided for in an Insurance Contract, Liabilities in respect of fees, costs and expenses (including any tax thereon), in respect of services or advice, payable to service providers, excluding brokers, but including, without limitation, lawyers and loss adjusters;
- (b) all and any Liability from a Scheme Company to any other Scheme Company;
- (c) all and any Liability of Sovereign Marine & General Insurance Company Limited ("**Sovereign**"), a company which is now insolvent, but which wrote business as part of the CUAL Pool between 1989 and 1991. For the avoidance of doubt, no business written by Sovereign, whether through CUAL or otherwise is included in the Scheme;
- (d) the whole or part of any policy of insurance underwritten by the Scheme Company to the extent that it insured, as at the Effective Date, any liability required under any of

the following enactments to be covered by insurance or (as the case may be) by insurance or by some other provisions for securing its discharge:

- (i) Section 1(4A)(d) of the Riding Establishments Act 1964 (or any corresponding enactment for the time being in force in Northern Ireland);
- (ii) Section 1 of the Employers' Liability (Compulsory Insurance) Act 1969 or Article 5 of the Employers' Liability Order (Defective Equipment and Compulsory Insurance) (Northern Ireland) Order 1972;
- (iii) Part VI of the Road Traffic Act 1988 or Part VIII of the Road Traffic (Northern Ireland) Order 1981;
- (iv) Section 19 of the Nuclear Installations Act 1965;

"Scheme Company" as the context requires, Allianz Global, Allianz IARD, Delvag or Nürnberger in respect of the Scheme as it applies to them;

"Scheme Creditor" a creditor of the Scheme Company in respect of a Scheme Claim;

"Scheme Currency"

- (a) for the purposes of Scheme Claims submitted in any currency other than those listed in (b) to (d) below, US Dollars;
- (b) for the purposes of Scheme Claims submitted in Canadian Dollars, Canadian Dollars;
- (c) for the purposes of Scheme Claims submitted in Euros, Euros; and
- (d) for the purposes of Scheme Claims submitted in Pounds Sterling, Pounds Sterling;

in the event that a Scheme Currency is replaced by another unit of currency, references to that Scheme Currency shall, where appropriate, be deemed to refer to such replacement unit of currency and any amounts denominated in the original Scheme Currency shall be converted into the replacement unit of currency at the rate of exchange specified in the legislation introducing the replacement unit of currency;

"Scheme Debt" a Liability which is or may become payable to a Scheme Company arising in connection with an Insurance Contract including, without limitation, reinstatement premiums, claim reserve deposits, refunds, rights of subrogation and reinsurance recoverables, and also including (for the avoidance of doubt) any such Liability arising by virtue of the application of Agreed Claims to reinsurance contracts;

"Scheme Manager" Whittington Insurance Services Limited and any Delegate thereof, or such other person as may be appointed in substitution or replacement of Whittington Insurance Services Limited pursuant to the Scheme, and any Delegate thereof;

"Scheme Rate" the closing mid-point rate of exchange for the Relevant Currency quoted in the Financial Times on the last Business Day of the month preceding the date of the relevant Inwards Valuation Form or Net Valuation Statement or if no such rate is published, such rate as may reasonably be selected by the Scheme Manager;

"Security" any effective deposit or reserve of funds, escrow, cash reserves, trust fund or assets established by the Scheme Company including any Letter of Credit, Loss Reserve or Premium Reserve, to the extent only that it relates to business covered by the Scheme;

"Tax" any form of taxation, levy, duty, charge, contribution, withholding or impost of any nature (including any related fine, penalty, surcharge or interest) imposed, collected or concerned by or payable to any Tax Authority;

"Tax Authority" any government, state municipality or any local state, federal or other fiscal, revenue, customs or excise authority, body or official anywhere in the world (including in the United Kingdom, without limitation, Her Majesty's Revenue & Customs);

"Termination Event" in respect of a company, limited liability partnership or partnership, the occurrence of an Insolvency Event in respect of such company, limited liability partnership or partnership; or

in respect of an individual, the point at which such individual:

- (a) dies;
- (b) is convicted of an indictable offence;
- (c) becomes bankrupt or enters into any composition or arrangement with one or more of its creditors;
- (d) is disqualified from acting as a director of a company under the Company Directors Disqualification Act or is disqualified by any professional body of which he is a member; or
- (e) is admitted to hospital because of a mental disorder or is the subject of an order concerning his mental disorder made by a court having jurisdiction in such matters in England and Wales or elsewhere;

"Undiscounted Agreed Claim" the amount to which a discount is applied in accordance with Appendix E to reach the amount of an Agreed Claim;

"Unpaid Agreed Claim" any claim arising under or balance in relation to an Insurance Contract which, as at the Effective Date, is valid and due having been agreed by or on behalf of the Scheme Company and the party to which it is due, but which has not been paid or discharged by the operation of set-off or otherwise;

"US Dollars" United States dollars, being the lawful currency of the United States of America;

"Vote Assessor" the person appointed as such by the Court in relation to the Creditors' Meetings;

"Website" the website at www.CUAL-Scheme.co.uk.

SCHEDULE II

SCHEME COMPANY NAME DETAILS

ALLIANZ GLOBAL CORPORATE & SPECIALTY (FRANCE)

(known as *Compagnie d'Assurances Maritimes Aeriennes et Terrestres* ("CAMAT") when writing in the CUAL Pool)

Allianz Global Corporate & Specialty (France) is an insurance company incorporated under the laws of France. It was incorporated in France on 4 May 1955 as *Compagnie d'Assurances Maritimes Aeriennes et Terrestres*. On 21 April 1998 its name changed to AGF Marine Aviation Transport. On 1 July 2002, it changed its name to Allianz Marine & Aviation (France). On 17 July 2006, its name was changed to Allianz Global Corporate & Specialty (France). Allianz Global is EEA authorised and it is regulated by the French regulator.

ALLIANZ IARD

(known as *Assurances Générales de France I.A.R.T.* ("AGF") when writing in the CUAL POOL)

Allianz IARD is an insurance company incorporated under the laws of France. It was incorporated in France on 7 February 1912 under the name *Compagnie Assurances Générales Accidents, Vol, Maritimes, Risque Divers, Reassurances* and was registered on 12 February 1912.

On 1 January 1969, its name was changed to *Assurances Générales de France Incendie, Accidents, Réassurances, Transport* as a result of a merger between *Assurances Générales de France A.G. IART* and *Assurances Générales de France, Le Phenix IARD*. On 13 September 2009, it changed its name to Allianz IARD. Allianz IARD is EEA authorised and is regulated by the French regulator.

DELVAG LUFTFAHRTVERSICHERUNGS-AG ("DELVAG")

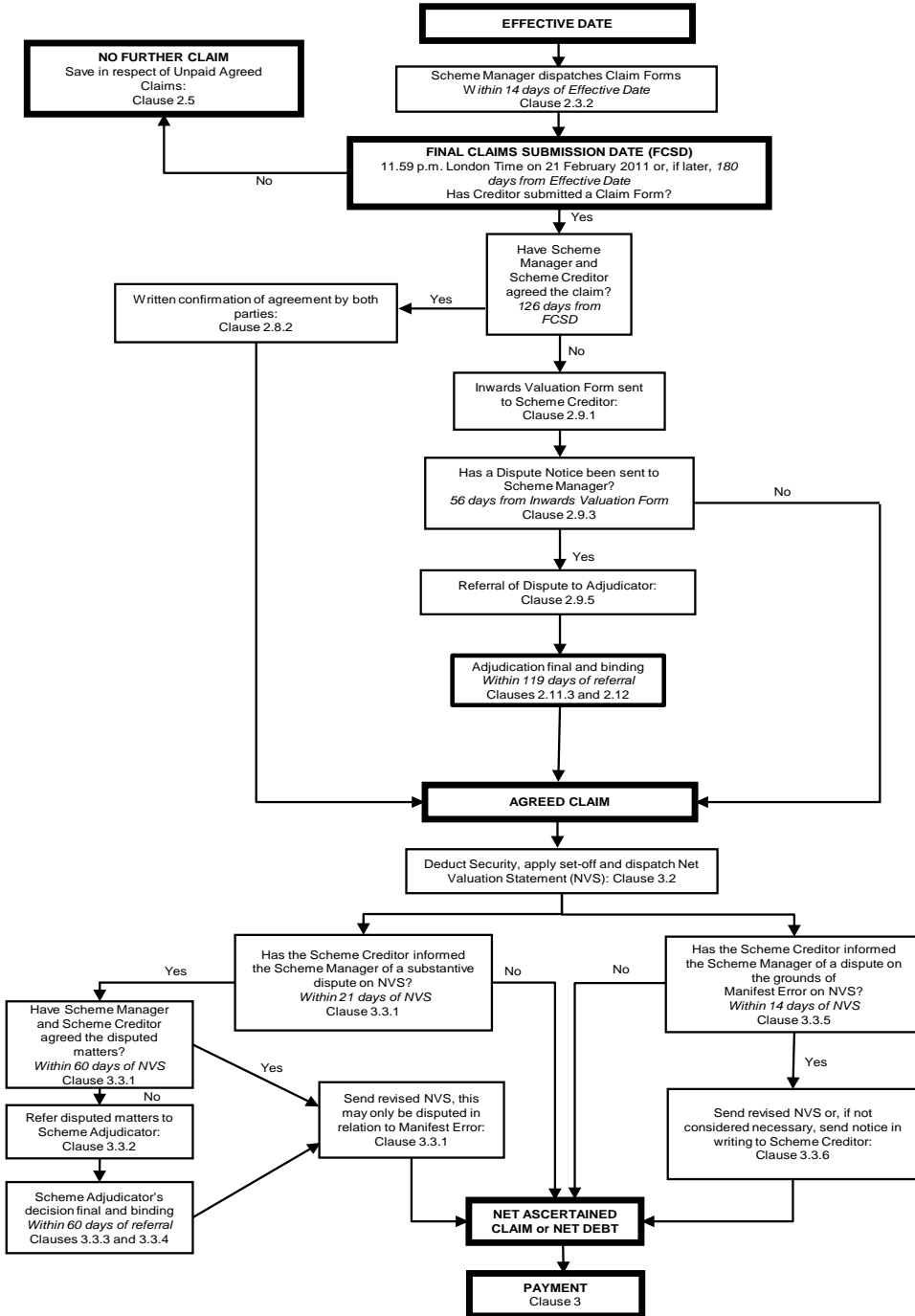
Delvag is an insurance company, incorporated under the laws of Germany. It was incorporated in Germany on 12 August 1924 as *Aero Lloyd AG*. On 18 April 1928, its name changed to *Deutsche Luftversicherungs-AG*. On 25 August 1954, it changed its name to *Deutsche Lufthansa Selbstversicherungs-AG*. It changed its name to *Delvag Luftfahrtversicherungs-AG* on 6 September 1968. Delvag is EEA authorised and is regulated by the German regulator.

NÜRNBERGER ALLGEMEINE VERSICHERUNGS-AG ("NÜRNBERGER")

Nürnberg is an insurance company, incorporated under the laws of Germany. Nürnberg was incorporated in Germany on 6 December 1952 under its present name. Nürnberg is EEA authorised and is regulated by the German regulator.

SCHEDULE III

FLOW CHART: ESTABLISHING NET ASCERTAINED CLAIMS



SCHEDULE IV
SPECIMEN PROXY AND VOTING FORM

PROXY AND VOTING FORM

IN RELATION TO

THE SCHEMES OF ARRANGEMENT PROPOSED BY THE SCHEME COMPANIES REFERRED TO BELOW PURSUANT TO PART 26 OF THE COMPANIES ACT 2006, CONCERNING BUSINESS UNDERWRITTEN BY CAMOMILE UNDERWRITING AGENCIES LIMITED ("CUAL") ON THEIR BEHALF

**ALLIANZ GLOBAL CORPORATE & SPECIALTY (FRANCE)
("CAMAT")
(known as Compagnie d'Assurances Maritimes Aeriennes et Terrestres
("CAMAT") when writing in the CUAL Pool)**

**ALLIANZ IARD ("AGF")
(known as Assurances Générales de France I.A.R.T. ("AGF") when
writing in the CUAL Pool)**

DELVAG LUFTFAHRTVERSICHERUNGS-AG ("DELVAG")

NÜRNBERGER ALLGEMEINE VERSICHERUNGS-AG

("NÜRNBERGER")

(THE "SCHEME COMPANIES")

Please read the following notes and guidance regarding vote submission prior to completing this Proxy and Voting Form.

- (A) **In order to vote at the Creditors' Meetings, you are requested to return your completed Proxy and Voting Form to Whittington Insurance Services Limited ("Whittington"), the proposed Scheme Manager (see address and contact details below) as soon as possible, and in any event, so that it is received by 11.59pm London Time on [●].** Scheme Creditors may send their forms by post, e-mail or fax. Forms returned by e-mail (in pdf format) or fax will only be accepted if they are legible. If completed Proxy and Voting Forms are not received by 11.59pm London Time on [●], they may be handed in at the registration desk prior to the commencement of the Creditors' Meetings.

Proposed Scheme Manager
Whittington Insurance Services Limited 33 Creechurch Lane London EC3A 5EB United Kingdom
Please mark all correspondence "For the attention of The CUAL Account Manager"
Contact: The CUAL Account Manager Telephone: +44 (0)20 7743 0903 Fax: +44 (0)20 7743 0901 Email: CUAL- Scheme@Whittingtoninsurance.com

- (B) Any alteration to the Proxy and Voting Form must be initialled by the person who signs it.
- (C) If you are a duly authorised agent and/or an attorney of a number of Scheme Creditors, you should ensure that a separate Proxy and Voting Form is completed in respect of each Scheme Creditor for which you act (photocopying the form as many times as necessary).
- (D) The Chairman of the Creditors' Meetings will be Frank Attwood and the Vote Assessor will be David Hindley of Deloitte LLP. The Chairman will determine the right and entitlement of a Scheme Creditor to vote in a particular Creditors' Meeting (either at all, or in relation to particular contracts for which it has submitted values on its Voting Form) and any other matters arising in relation to the votes, save the value of each vote. The Vote Assessor will determine the value of each vote and report his findings to the Chairman. The Chairman will (subject to his determination on the points referred to above) adopt the values determined by the Vote Assessor in order to determine whether the relevant majorities, by number and value, have been achieved at each Creditors' Meeting. However, if all the votes in a particular Creditors' Meeting are cast in the same direction, the Vote Assessor will not review the values of the votes cast at such Creditors' Meeting. In such circumstances the values for which each Scheme Creditor is admitted to vote in such Creditors' Meeting will be determined by the Chairman.

- (E) Your completed Voting Form, together with the supporting evidence supplied with it, should be sufficient to enable the Vote Assessor to assess the reasonableness of your valuation.
- (F) To assist you in completion of the Voting Form, you should have received a schedule accompanying your Voting Form containing the policy details held by Whittington in respect of those Insurance Contracts known to it which it considers may give rise to Scheme Claims and details of any known Unpaid Agreed Claims arising under those Insurance Contracts.

Please be aware that the schedule accompanying your Voting Form can also be supplied electronically in Microsoft Excel format by the proposed Scheme Manager. You are strongly encouraged to request this and to enter your policy and claims data on the Excel spreadsheet, where possible, because this should be easier for you than entering it on the paper spreadsheet. Alternatively, if you so wish, a blank schedule can be downloaded in Microsoft Excel from the Website at www.CUAL-scheme.co.uk. If you enter your data on the Excel spreadsheet, this should be submitted as described in paragraph (A), along with the Proxy Form in Part I and the Voting Form signature page on page 42 of this document. Please ensure that all documents submitted are marked with the relevant Scheme Creditor name and Creditor Reference.

- (G) **CLAIMS AND SUPPORTING EVIDENCE MUST BE SUBMITTED AT POLICY LEVEL AS AT A DATE NOT EARLIER THAN 31 DECEMBER 2008.**

Each claim must be made under a specified Insurance Contract. In the event that a single claim impacts more than one Insurance Contract, please enter a separate claim for each Insurance Contract. Failure to do this may result in the Vote Assessor being unable to accept the value you have submitted without amendment, or at all. Please contact Whittington if you have any queries regarding the submission of your claim for voting purposes.

- (H) Please ensure that you correctly identify any Insurance Contract(s) additional to those set out by Whittington, in respect of which you intend to claim for voting purposes. Before your claim to vote at the relevant Creditors' Meeting can be admitted, the Chairman will be obliged to satisfy himself that your claim relates to business falling within the Scheme.
- (I) The Scheme Companies have been advised that particulars as to estimates of the amount of any future claims furnished by a Scheme Creditor for voting purposes may not be protected by privilege under English law (or other relevant laws) and may be discoverable by a third party with a claim against the Scheme Creditor in any action or proceeding to which the Scheme Creditor may be a party. You should consult your legal adviser as to the consequences for you of furnishing such particulars in relation to any litigation in which you are or may become involved.
- (J) Please supply as much information as possible to support your submitted vote value. Guidance is given in the Actuarial Methodology in the Scheme as to the type of supporting evidence which the Actuarial Adjudicator will expect to see in relation to

claims submitted in the Scheme. This guidance is also relevant as to the type of information which should be supplied in relation to your voting submissions. In general, the amount of evidence needed to support large Scheme Claims will be greater than that required for smaller Scheme Claims.

For each Insurance Contract on the Voting Form to which a Scheme Creditor adds values it should supply a list of the losses that it is asserting against that Insurance Contract, the values of which should add up to the values asserted for that Insurance Contract on the Voting Form. This list of losses should show, for each loss, the data outlined below:

- CUAL and/or Scheme Creditor policy references which should tie up to the reference that is shown on the Voting Form for the relevant policy.
- For Direct Policies, the loss name or for reinsurance policies, the name of the Original Insured
- Scheme Creditor's Claim Number
- Loss Type
- Date of Loss
- Description of Loss
- Unpaid Claims
- Undiscounted Outstanding
- Undiscounted IBNR

In preparing their supporting evidence Scheme Creditors should have regard to Attachment G of the Actuarial Methodology ("Suggested Supporting Documentation") and they should specify the policy(s) and individual claim(s) or claim types that the supporting evidence refers to.

You should supply supporting evidence sufficient to enable the Vote Assessor to review the data, methods and assumptions that you have used in determining the value of your claims. If you are unsure as to what evidence to provide in relation to your Scheme Claims, you should contact Whittington as soon as possible.

- (K) In deciding the value for which a claim will be admitted for voting purposes, the Vote Assessor will review the information available from the Scheme Company's records and the supporting information provided by the relevant Scheme Creditor with its Voting Form. If the Vote Assessor considers that the vote value submitted by the Scheme Creditor is reasonable, it will be admitted at that amount. If the Vote Assessor disagrees with the value submitted on the Scheme Creditor's Voting Form and cannot resolve the matter with the Scheme Creditor, the Vote Assessor shall determine what he considers to be a fair and reasonable assessment of the Scheme Creditor's vote value.
- (L) Votes will be valued as at the date of the Creditors' Meetings with a discount to reflect the time value of money. Creditors' set-off will be applied in respect of, and only in respect of amounts arising in relation to Insurance Contracts which are established as due from Scheme Creditors to the Scheme Company at the date of the

Creditors' Meetings. If the Vote Assessor determines that the value of a Scheme Creditor's vote is zero, or that following the application of set-off their net position is that of a debtor rather than a creditor of the Scheme Company in relation to the CUAL business, their vote will not be taken into account by the Chairman when determining the majorities either by number or by value at the Creditors' Meetings.

- (M) As Scheme Claims are denominated in various currencies, for the purpose of voting at the Creditors' Meetings, Scheme Claims will be converted into US Dollars. The conversion rates used will be the closing mid-point rates of exchange on the last Business Day of the month prior to the Creditors' Meetings as published in the Financial Times UK edition or, if no such rates are published, at such rates as may reasonably be selected by the Chairman.
- (N) Where a claim is rejected in whole or in part, the Chairman will advise the Scheme Creditor of this decision, prior to the Creditors' Meetings where practicable, and in any event prior to any hearing of the Scheme Companies' petition to sanction the Scheme.
- (O) The Chairman will prepare a report on the values for which Scheme Creditors' Scheme Claims have been admitted to vote, whether the votes were in favour of the Scheme or against it and whether or not an indicative valuation for the claims had previously been provided by the Scheme Company, which will be submitted to the Court as part of any application to sanction the Scheme.
- (P) **The admission of a claim for voting purposes does not constitute an admission of the existence or amount of any Liability of the Scheme Company and will not bind the Scheme Company or Scheme Creditors. Estimates of claims produced for voting purposes, whether by Scheme Creditors or the Vote Assessor, will not determine the amount that will be paid to the Scheme Creditor concerned under the Scheme, but will be used for voting purposes only. A Scheme Creditor must submit a Claim Form after the Effective Date, if it intends to assert a Scheme Claim, other than an Unpaid Agreed Claim.**

PART I: PROXY FORM

To be used at the meetings of Scheme Creditors (the "**Creditors' Meetings**") to vote on the schemes of arrangement proposed by the Scheme Companies to be held at [Central London venue] at 11 am London Time on [●]

PLEASE COMPLETE THE FORM IN BLOCK CAPITALS.

(Note: If you are the duly authorised agent and/or attorney of a Scheme Creditor or a number of Scheme Creditors, please complete a proxy form in respect of each Scheme Creditor which you represent (photocopying the form as many times as necessary), and provide evidence (which must be satisfactory to the Chairman of the relevant Creditors' Meeting) of your authority to execute the proxy form on each Scheme Creditor's behalf. Please note that each Scheme Creditor which is a company, within a group of companies, or a participant in an underwriting pool, Lineslip Binder or similar arrangement, should complete its own separate proxy form.)

(1) I / WE

(Scheme Creditor name)

Creditor reference: _____

(to be quoted in all future correspondence)

OF

(Scheme Creditor address)

BEING A SCHEME CREDITOR OF ONE OR MORE OF THE SCHEME COMPANIES,

(Note: On pre-populated forms, the name and address of the Scheme Creditor will have been entered by the proposed Scheme Manager. Please amend if incorrect. Alternatively where a broker or agent of a Scheme Creditor is completing this form, please enter the name and address of the Scheme Creditor, together with all former names, in block capitals.)

(2) WILL / WILL NOT BE ATTENDING THE CREDITORS' MEETINGS
(Delete as applicable)

(Note: If you do not intend to attend the Creditors' Meetings in person (or, if a corporation, by an authorised representative), but still wish to cast your vote, then you must appoint a proxy holder to attend and vote on your behalf by completing section (3))

(3) I / WE HEREBY APPOINT: either

(a) the Chairman of the Creditors' Meetings; or

(b) _____

(Name of person to be appointed)

as my/our proxy holder to act for me/us at such of the Creditors' Meetings as I am/we are entitled to attend for the purpose of considering and, if thought fit, approving (with or without modification) the Scheme referred to in the notice summoning the Creditors' Meetings, or any adjournment thereof, to vote on my/our behalf and in my/our name for or against the Scheme (with or without modification) or as my/our proxy holder may elect, as hereinafter indicated.

(Note: if you wish to appoint the Chairman as your proxy, please leave part (b) blank. If you wish to appoint an alternative proxy, please delete the words in (a) and insert in block capitals in (b) the name of the person to be appointed. The person appointed as your proxy holder does not need to be a Scheme Creditor.)

(4) I / WE HEREBY INSTRUCT MY / OUR PROXY HOLDER TO VOTE AS FOLLOWS:

(Note: Please indicate how you instruct your proxy holder to vote in respect of each Scheme

Company and class against which you have claims. You may have claims which fall in both classes for a Scheme Company, in which case you can vote in each class.

If you wish to vote for the Scheme, enter a in the box marked "FOR". If you wish to vote against the Scheme, enter a in the box marked "AGAINST". If you wish your proxy to have discretion to vote for or against the Scheme, enter a in the box marked "AT DISCRETION".

If you have appointed the Chairman of the Creditors' Meetings as your proxy, you must not tick the box marked "AT DISCRETION". The Chairman cannot exercise discretion as to the direction of votes cast by him as proxy holder and will not be validly appointed as a proxy unless the direction of the vote is indicated.)

	FOR the Scheme (with or without modification)	AGAINST the Scheme	AT DISCRETION Do not tick this box if you have appointed the Chairman as your proxy holder
ALLIANZ GLOBAL (CAMAT) Non-IBNR class			
ALLIANZ GLOBAL (CAMAT) IBNR class			
ALLIANZ IARD (AGF) Non-IBNR class			
ALLIANZ IARD (AGF) IBNR class			
DELVAG Non-IBNR class			
DELVAG IBNR class			
NÜRNBERGER Non-IBNR class			
NÜRNBERGER IBNR class			

(5) PLEASE SIGN BELOW TO VALIDATE THE APPOINTMENT

Unsigned forms will not operate as a valid appointment of proxy or voting form.

(Note: If you are a duly authorised representative of a corporation or a partnership or other unincorporated body of persons, or the duly authorised agent and/or attorney of a Scheme Creditor or a number of Scheme Creditors, then enter the capacity in which you have signed the form (for example, director, partner or agent and/or attorney). A signature on this form shall constitute the giving of a warranty that the signatory has been duly authorised by the relevant Scheme Creditor to sign the form on their behalf.)

Signature:	
Name:	
Position/Capacity:	
Email:	
Telephone Number:	
Fax Number:	
Date:	

PART II – VOTING FORM

GUIDANCE NOTES FOR COMPLETION OF THE VOTING FORM

CLAIMS AND SUPPORTING EVIDENCE MUST BE SUBMITTED AT POLICY LEVEL AS AT A DATE NOT EARLIER THAN 31 DECEMBER 2008. PLEASE CONTACT WHITTINGTON IF YOU HAVE ANY QUERIES REGARDING THE SUBMISSION OF YOUR CLAIM FOR VOTING PURPOSES.

Particulars as to estimates of the amount of any Outstanding and IBNR claims, and supporting evidence provided by a Scheme Creditor in relation to such claims may not be protected by privilege under English law (or other relevant laws) and may be discoverable by a third party with a claim against the Scheme Creditor in any action or proceeding to which the Scheme Creditor may be a party. Scheme Creditors should consult their legal advisers as to the consequences for them of providing such particulars in relation to any litigation in which they are or may become involved.

You should read the general notes on pages 34 to 37, and the specific instructions to the Voting Form on pages 44 to 48 carefully. The numbers in brackets on the spreadsheet correspond to the numbered instructions on pages 44 to 48.

The admission of a Scheme Claim for voting purposes by the Chairman will not constitute an admission of the existence or amount of any liability of a Scheme Company and will not be binding in the valuation of any Scheme Claim.

Please complete a separate spreadsheet for each different currency.

Scheme Creditor name:

Scheme Creditor Reference:

Scheme Creditor E-mail:

To the best of my knowledge and belief the information on this Voting Form is correct.

Signed:

Name:

Position:

Date:

Instructions for completion of the Voting Form

PLEASE REMEMBER THAT CLAIMS AND SUPPORTING EVIDENCE MUST BE SUBMITTED AT POLICY LEVEL AS AT A DATE NOT EARLIER THAN 31 DECEMBER 2008.

Please be aware that the schedule accompanying your Voting Form can also be supplied electronically in Microsoft Excel format by the proposed Scheme Manager. You are strongly encouraged to request this and to enter your policy and claims data on the Excel spreadsheet, where possible, because this should be easier for you than entering it on the paper spreadsheet. Alternatively, if you so wish, a blank schedule can be downloaded in Microsoft Excel from the Website at www.CUAL-scheme.co.uk. If you enter your data on the Excel spreadsheet, this should be submitted as described in paragraph (A), along with the Proxy Form in Part I and the Voting Form signature page on page 42 of this document. Please ensure that all documents submitted are marked with the relevant Scheme Creditor name and Creditor Reference.

(1) **Reference Date**

The "as at date" of the calculation of your Scheme Claim, being a date not earlier than 31 December 2008.

(2) **Currency**

Please enter the currency in which your claims are submitted. Scheme Claims may be submitted in one or more Scheme Currencies (US Dollars, Euros, Canadian Dollars and Pounds Sterling), or, if different, the currency of the original contract. Please use a different form for each currency in which you wish to submit Scheme Claims.

As Scheme Claims are denominated in various currencies, any Scheme Claims which are not denominated in US Dollars will be converted into US Dollars for the purpose of vote valuation at the Creditors' Meetings. The conversion rate used will be the relevant closing mid-point rates of exchange on the last Business Day of the month prior to the Creditors' Meetings, as published in the Financial Times UK edition or, if no such rates are published, at such rates as may reasonably be selected by the Chairman.

(3) **Class**

This is the class of business used by CUAL to record policies in its books.

If you are adding policies please define the class of business using the following table:

Abbreviation	Class
Fire	Fire policies
CAR/EAR	Construction All Risks/ Erection All Risks policies
Liab.	Liability policies

Abbreviation	Class
All Risks	All Risk policies
P.A.	Personal Accident policies
Crime	Crime policies
Cont.	Contingency policies
Livestock	Livestock policies
Treaty	Proportional policies

(4) **U/W Year**

The policy underwriting year.

(5) **CUAL Contract Reference**

The CUAL reference number on the Insurance Contract under which any claim(s) arises.

If there is any Insurance Contract not referred to in the accompanying Schedule, which you would like to add, please specify the CUAL reference number in respect of it. If you do not have the CUAL reference number, please specify your reference number on the Insurance Contract under which the claim(s) arise and provide a copy of the policy schedule or cover note and the schedule of insurers with particulars of each claim in supporting schedules (where applicable). If you do not have a record of these numbers please obtain them from your broker.

(6) **Stamp Code**

The London Market Underwriting Code for the relevant Insurance Contract.

If you need to enter this code and do not have a record of these numbers, please obtain them from your broker.

(7) **Signing Number**

The London Market Signing Date and Number allocated by Xchanging to the original premium when it was processed through the bureau.

(8) **Stamp Split**

The Stamp Split represents the percentage line underwritten or assumed by the relevant Scheme Company under the Insurance Contract.

If only one Scheme Company underwrote the Insurance Contract then enter the appropriate initial to represent that company (using the "Stamp Split Key" shown

below and on the policy schedule that accompanied the Voting Form) followed by 100%, for example, for a risk underwritten by just CAMAT you should enter C 100%. However, where more than one Scheme Company participated on the same Insurance Contract, please insert the percentage allocated to each Scheme Company to apportion the value of each of your Insurance Contracts between the Scheme Companies, for example, a risk where the CUAL line was split 25% to CAMAT, 25% to AGF, 30% to Delvag and 20% to Nürnberger should be entered as: C 25%, A 25%, D 30% and N 20%.

Stamp Split Key: C = CAMAT (Allianz Global), D = Delvag, A = AGF (Allianz IARD), N = Nürnberger

(9) **Limit Narrative**

Details or information (not contained in the other columns) which may assist with the identification of the Insurance Contract.

(10) **Limit**

The maximum amount payable under the Insurance Contract, either overall or with reference to a particular section of the Insurance Contract.

(11) **Excess**

The amount or proportion of some or all losses arising under the Insurance Contract that you must bear.

(12) **Inception and Expiry**

The date when each Insurance Contract commenced and expired (i.e. the policy period). In the case of continuous Insurance Contracts or Insurance Contracts of more than 12 months plus odd time, each annual renewal will be shown as a separate Insurance Contract.

(13) **Original Insured**

The name of the original insured under the Insurance Contract.

(14) **Broker Name and Broker Reference**

The name of the London broking company which placed the Insurance Contract.

If you are adding or amending the form and, if the London placing broker is not known, please specify any other broking company or intermediary (if known) who acted on your behalf in relation to the Insurance Contract, and enter, in addition, either "placing broker" or "other" as applicable.

There is also space to enter two broker's contract references for each Insurance Contract. There are two spaces available for each contract because London brokers will often quote two references when placing business and these will help the proposed Scheme Manager to identify any contracts you have added. If you do not have a record of these references please obtain them from your broker.

(15) Order and Signed Line

The percentage of the Insurance Contract which was placed in the London Market and the line underwritten by the CUAL Pool.

WHEN ENTERING INFORMATION IN RESPECT OF AN INSURANCE CONTRACT NOT ALREADY LISTED, PLEASE DO SO IN THE SAME FORMAT AS THE PRE-POPULATED FORM ATTACHED, IN ACCORDANCE WITH THE NOTES ABOVE.

For Agreed and Outstanding Claims:

(16) Unpaid Claims

Enter the value of any Scheme Claim which is valid and due having been agreed by you and the party to which it is due and paid or discharged by you, but which has not been paid or discharged by the Scheme Company.

If you consider that any values shown in respect of Unpaid Agreed Claims (defined in the paragraph below) in the accompanying schedule are incorrect, state the amounts which you have arising under each Insurance Contract.

An Unpaid Agreed Claim is any claim arising under or balance in relation to an Insurance Contract which, as at the Effective Date, is valid and due having been agreed by or on behalf of the Scheme Company and the party to which it is due, but which has not been paid or discharged by the operation of set-off or otherwise.

(17) Undiscounted Outstanding Claims

Enter the undiscounted value, as at the Reference Date selected by you, in respect of losses notified to you for which you assert that an amount will become due for payment to you by the Scheme Company as a Scheme Claim, excluding any amounts already included in Unpaid Claims.

(18) Discounted Outstanding Claims

Enter the value of the losses in column (17) following the application of a discount to reflect the time value of money. Please explain and provide documentation supporting the discounting percentage applied.

(19) Total

Enter the total of columns 16 and 18.

For IBNR Claims:

(20) Undiscounted IBNR Claims

Enter the undiscounted value, as at the Reference Date selected by you of Scheme Claims in respect of losses which have been incurred by you, but not notified to you, for which you assert that an amount will become due for payment to you by the Scheme Company as a Scheme Claim, excluding any amounts already included in

columns (16) or (18) and provide particulars of your estimates in supporting schedules.

(21) **Discounted IBNR Claims**

Enter the value of the losses in column (20) following the application of a discount to reflect the time value of money. Please explain and provide documentation supporting the discounting percentage applied.

(22) **Sums Available to be Set-Off for Voting Purposes**

This refers to liquidated and established amounts in respect of reinsurance due from Scheme Creditors as well as any other liquidated and established amounts due from Scheme Creditors in respect of Scheme business. Creditors' set-off will be applied in respect of and only in respect of amounts which are established as due from Scheme Creditors to the Scheme Company at the date of the Creditors' Meetings. If you owe amounts to a Scheme Company in connection with business covered by the Scheme, please enter these here, in the currency of the contract under which they arise, in the Voting Form for the relevant Scheme Company.

SCHEDULE V

EXPLANATION OF RELIEF UNDER CHAPTER 15 OF THE UNITED STATES BANKRUPTCY CODE

Each Scheme Company intends to apply for recognition of its Scheme and additional relief from the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") under Chapter 15 of Title 11 of the United States Code (the "Bankruptcy Code"). The recently enacted Chapter 15 incorporates the Model Law on Cross-Border Insolvency promulgated by the United Nations Commission on International Trade Law. Chapter 15 replaces section 304 of the Bankruptcy Code and applies to all ancillary cases filed on or after 17 October 2005.

Any application for recognition in the United States of the Schemes under Chapter 15 will begin with the filing of a petition on behalf of each of the Scheme Companies. A prerequisite for relief under Chapter 15 is the existence of a foreign proceeding. For the purposes of Chapter 15, a "foreign proceeding" is defined as "a collective judicial or administrative proceeding in a foreign country, including an interim proceeding, under a law relating to insolvency or adjustment of debt in which proceeding the assets and affairs of the debtor are subject to control or supervision by a foreign court, for the purpose of reorganisation or liquidation." This new definition is substantially similar to that used in section 304.

Although cases decided under section 304 are not necessarily applicable to Chapter 15, the Bankruptcy Court may consider such cases as persuasive when considering language in Chapter 15 that is similar to language previously contained in section 304. Following case law developed under section 304, bankruptcy courts applying Chapter 15 have concluded that schemes of arrangement under section 425 of the Companies Act 1985 (and thus Part 26 of the Companies Act 2006) (and similar statutes) qualified as foreign proceedings because the scheme process is a judicial proceeding to adjust debts. Based upon this rationale, the Bankruptcy Court will be asked to find that the Schemes proposed for the Scheme Companies qualify as foreign proceedings for the purposes of Chapter 15.

Chapter 15 draws a distinction between a foreign "main" proceeding and a foreign "nonmain" proceeding. A foreign main proceeding refers to "a foreign proceeding pending in the country where the debtor has the center of its main interests." While Chapter 15 does not define what constitutes the "center of its main interests," it contains the presumption that a debtor's registered office is the center of a debtor's main interests. A foreign nonmain proceeding refers to a foreign proceeding pending in a country where the debtor has an "establishment." An establishment is defined as "any place of operations where the debtor carries out a nontransitory economic activity."

Based upon the definitions set forth in the Bankruptcy Code, it is intended that the Schemes of each Scheme Company will be sought to be recognised as foreign nonmain proceedings. Each Scheme Company intends to seek relief from the Bankruptcy Court in the form of an order providing, among other things, that:

1. its Scheme (including any amendments or modifications of that Scheme) be recognised and given full force and effect and be binding on and enforceable against all Scheme Creditors in the United States;

2. all of its Scheme Creditors be permanently enjoined and restrained from:
 - 2.1 seizing, repossessing, transferring, relinquishing or disposing of any property of the Scheme Company or the proceeds of such property, to third parties, that is not in compliance with its Scheme;
 - 2.2 commencing or continuing proceedings against the Scheme Company or any of its property that is involved in the foreign proceedings, or the proceeds thereof, and seeking discovery of any nature against the Scheme Company that is not in compliance with its Scheme;
 - 2.3 enforcing any judicial, quasi-judicial, administrative or regulatory judgment, assessment or order or arbitration award and commencing or continuing any act or any proceeding to create, perfect or enforce any lien, set-off, attachment, garnishment or other claim against the Scheme Company or any of its property or any proceeds thereof, including, without limitation, rights under reinsurance or retrocession contracts;
 - 2.4 invoking, enforcing or relying on the benefits of any statute, rule or requirement of federal, state or local law or regulation requiring the Scheme Company to establish or post security in the form of a bond, letter of credit or otherwise as a condition of prosecuting or defending any proceeding and such statute, rule or requirement will be rendered null and void for proceedings; **provided, however, that** nothing in the order shall in any respect affect any security in existence at the Effective Date, or the replacements for such security; and
 - 2.5 withdrawing from, setting off against, or otherwise applying property that is the subject of any trust or escrow agreement, letter of credit or similar agreement in which the Scheme Company has an interest in excess of amounts expressly authorised by the terms of the trust, escrow, letter of credit or similar agreement; and
 - 2.6 declaring or treating the filing of the Chapter 15 pleadings or the Scheme as a default or event of default under any agreement, contract or arrangement.
3. the Net Ascertained Claim or Net Debt (as defined in the Scheme) shall be final and binding on each Scheme Company and each Scheme Creditor;
4. all persons and entities in possession, custody or control of property of the Scheme Company or the proceeds thereof, are required to turn over and account for such property or proceeds to the Scheme Company or the Scheme Manager;
5. nothing in the order would prevent the continuance or commencement of proceedings against any person, entity or other insurer other than the Scheme Company, **provided, however, that** if any third party shall reach a settlement with, or obtain a judgment against, any person or entity other than the Scheme Company, such settlement or judgment shall not be binding on or enforceable against the Scheme Company or its property, or any proceeds thereof;
6. pursuant to Rule 7065 of the US Bankruptcy Rules, the security provisions of Rule 65(c) of the Federal Rules of Civil Procedure be waived;
7. the Bankruptcy Court would retain jurisdiction with respect to the enforcement, amendment, or modification of the order under Chapter 15 of the Bankruptcy Code and

all adversary proceedings in connection therewith properly commenced and within the jurisdiction of the Bankruptcy Court;

8. the High Court of Justice of England and Wales has exclusive jurisdiction to hear and determine any suit, action, claim or proceeding and to settle any dispute which may arise out of the construction or interpretation of the Scheme, or out of any action taken or omitted to be taken by any of the Scheme Parties (as defined in paragraph 11 of this Schedule) in connection with the administration of the Scheme; **provided, however, that** in relation to the determination of Scheme Claims nothing in the order affects the validity of provisions determining governing law and jurisdiction, whether contained in any contract between a Scheme Company and any of its Scheme Creditors or otherwise;
9. no action taken by the duly appointed Foreign Representative, the Scheme Company, CEDR, any person who holds or has held the position of Chief Executive of CEDR, any person who holds or has held the position of President of the Institute of Actuaries in England, any person holding or who has at any time held the position of Scheme Manager, Scheme Adjudicator or Actuarial Adjudicator, the Chairman of the Creditors' Meetings, the Vote Assessor and any past or present director of the Scheme Company, including their respective successors, delegates, directors, officers, agents, employees, representatives, advisers or attorneys, or any of them, in preparing, disseminating, applying for, implementing or otherwise acting in furtherance of the Scheme, and/or (where appropriate) the Creditors' Meetings any further order for additional relief in the cases filed under Chapter 15 of the Bankruptcy Code, or any adversary proceedings in connection therewith as may be commenced under the Bankruptcy Code, will be deemed to constitute a waiver of the immunity afforded to the Scheme Company, CEDR, any person who holds or has held the position of Chief Executive of CEDR, any person who holds or has held the position of President of the Institute of Actuaries in England, any person holding or who has at any time held the position of Scheme Manager, Scheme Adjudicator or Actuarial Adjudicator, the Chairman of the Creditors' Meetings, the Vote Assessor and any past or present director of the Scheme Company, including their respective successors, delegates, directors, officers, agents, employees, representatives, advisers or attorneys, or any of them, pursuant to section 306 or section 1510, as applicable, of the Bankruptcy Code; and
10. all persons be permanently enjoined and restrained from commencing or continuing any proceeding against the duly appointed Foreign Representative, the Scheme Company, CEDR, any person who holds or has held the position of Chief Executive of CEDR, any person who holds or has held the position of President of the Institute of Actuaries in England, any person holding or who has at any time held the position of Scheme Manager, Scheme Adjudicator or Actuarial Adjudicator, the Chairman of the Creditors' Meetings, the Vote Assessor and any past or present director of the Scheme Company, including their respective successors, delegates, directors, officers, agents, employees, representatives, advisers or attorneys, or any of them (the "**Pre-Scheme Parties**"), with respect to any claim or cause of action, in law or in equity, arising out of or relating to any action taken or omitted to be taken as of the Effective Date by any of the Pre-Scheme Parties in connection with the Chapter 15 cases or in preparing, disseminating, applying for or implementing the Scheme or the order;
11. except as otherwise provided in the order, all persons be permanently enjoined and restrained from commencing or continuing any proceeding against the duly appointed

Foreign Representative, the Scheme Company, CEDR, any person who holds or has held the position of Chief Executive of CEDR, any person who holds or has held the position of President of the Institute of Actuaries in England, any person holding or who has at any time held the position of Scheme Manager, Scheme Adjudicator or Actuarial Adjudicator, the Chairman of the Creditors' Meetings, the Vote Assessor and any past or present director of the Scheme Company, including their respective successors, delegates, directors, officers, agents, employees, representatives, advisers or attorneys, or any of them (the "**Scheme Parties**"), or any of them, with respect to any claim or cause of action, in law or in equity, which may arise out of the construction or interpretation of the Scheme or out of any action taken or omitted to be taken by any of the Scheme Parties in connection with the administration of the Scheme;

12. all persons that are beneficiaries of letters of credit established by, on behalf of, or at the request of the Scheme Company, or parties to any trust or escrow agreement or similar arrangement in which the Scheme Company has an interest, shall be required to:
 - 12.1 provide notice to the Scheme Company and the Scheme Manager and their United States Counsel of any drawdown on any letter of credit established by, on behalf of, or at the request of, the relevant Scheme Company, or any withdrawal from, set-off against, or other application of property that is the subject of any escrow or trust agreement or similar arrangement in which a Scheme Company has an interest, together with information sufficient to permit the Scheme Company and the Scheme Manager to assess the propriety of such action, including, without limitation, the date and amount of such drawdown, withdrawal, set-off or other application and a copy of any agreement pursuant to which such drawdown, withdrawal, set-off or other application was made and provide such notice and other information contemporaneously therewith; **provided however**, no drawing against any letter of credit or withdrawal from any escrow, trust or similar arrangement shall be made in connection with any commutation unless the amount of such drawing has been agreed in writing with the Scheme Company and the Scheme Manager; and
 - 12.2 turn over and account to the Scheme Company and the Scheme Manager for all funds resulting from the drawdown of any letter of credit or the application of funds subject to any trust, escrow or similar arrangement in excess of the amount expressly authorised by the terms of the contract, trust or other agreement pursuant to which such letter of credit, trust, escrow or similar arrangement was established;
13. the Scheme Company and the Scheme Manager be authorised to transfer to the foreign proceedings for distribution pursuant to the Scheme any monies or assets of the Scheme Company which the Scheme Company or the Scheme Manager have or may hereafter recover;

14. all persons that have a claim of any nature or source against the Scheme Company and who are parties to any proceeding in which a Scheme Company is or was a party or in which a Liability of a Scheme Company may be established, shall be required to place the Scheme Company and the Scheme Manager and their United States Counsel on the master service list of any such proceeding and to take such other steps as may be necessary to ensure that such Counsel receives:
 - 14.1 copies of all documents served by the parties to such proceeding or issued by the court, arbitrator, administrator, regulator or other official having jurisdiction over such proceeding; and
 - 14.2 any and all correspondence or other documents circulated to parties named on any service list;
 15. the order be served:
 - 15.1 by United States mail, first-class prepaid, on or before the date prescribed by the Bankruptcy Court upon the parties in interest;
 - 15.2 by publication on the Website; and
 - 15.3 by publication in The Wall Street Journal (US Edition) and Business Insurance on or before the date prescribed by the Bankruptcy Court;
- and that such service will be good and sufficient service and adequate notice for all purposes.

SCHEDULE VI

LIST OF DOCUMENTS AVAILABLE FOR INSPECTION

1. The Scheme, the Explanatory Statement and their respective Appendices and schedules.
2. Order of the Court dated 17 December 2009 directing the convening of the Creditors' Meetings.
3. Copies to the above documents will be available for inspection by Scheme Creditors after the date hereof until the close of the Creditors' Meetings at the offices of Whittington Insurance Services Limited, 33 Creechurch Lane, London EC3A 5EB, United Kingdom and in New York at the offices of Sidley Austin LLP, 787 Seventh Avenue, New York, NY 10019, United States of America during ordinary business hours from Monday to Friday (excluding public holidays).

SCHEDULE VII

CURRICULA VITAE OF THE CHAIRMAN, VOTE ASSESSOR AND THE ACTUARIAL ADJUDICATOR

FRANK ATTWOOD - CHAIRMAN

Frank Attwood began his career at RSM Robson Rhodes ("**RSMRR**") where he was a partner from 1974 to 2004. During this time Frank was the co-ordinator for the RSMRR Insurance practice, the CEO of RSM International (1990 – 1996) and the chairman of RSMRR Management Board (1999 – 2004).

Frank has extensive experience as an auditor and advisor to the insurance sector, and of companies in solvent and insolvent schemes of arrangement including KWELM companies, Charter Re, Insurance Corporation of Singapore, HIR (UK) and others in provisional liquidation or run-off. He has previously been chairman of Scheme Creditors' Meetings, most recently for Deutsche Ruck UK, a solvent scheme approved in 2009. He is proposed as the alternate chairman of the Scheme Creditors' Meeting prospectively envisaged for the Ridgewell Fox Underwriting Pool. Frank is formerly a member of the ICAEW's insurance sub-committee and chairman of the APC/APB Lloyd's working party.

Frank's present roles include a non-executive directorship of a large international medical indemnity organisation with a UK insurance subsidiary. He has recently acted as co-ordinator of an international reinsurance run-off for a Middle East reinsurer, and as advisor to a UK reinsurance subsidiary of a European group evaluating a prospective UK scheme of arrangement.

Frank is the deputy chairman of the International Ethics standard Board for Accountants and has been an expert witness on numerous insurance/reinsurance disputes in several jurisdictions. Frank has been appointed under the ICAEW President's Appointments Scheme to determine reinsurance and other disputes.

**DAVID J HINDLEY BSC FIA – VOTE ASSESSOR AND
ACTUARIAL ADJUDICATOR**

David obtained a first class honours degree in Pure Mathematics and Statistics from Exeter University. He began his actuarial career in 1984, when he joined Mercantile and General Reinsurance ("M&G").

During his 6 years at M&G, David worked in the non-life actuarial department and was involved in a wide range of projects, including analysis of reserves and rating of reinsurance contracts. He qualified as an actuary in 1988 and joined Bacon & Woodrow as a consultant in 1990. He became a partner of the firm in 1997. Following the merger of the insurance division of Bacon & Woodrow with Deloitte & Touche on 1 May 2001, David is now a partner of Deloitte LLP.

David's clients include general insurance companies, reinsurers, Lloyd's syndicates, run-off companies and captives. He provides financial and strategic advice to these clients covering areas such as reserving, valuation, business planning, risk management and capital modelling. He has also acted as the Independent Expert for a number of Part VII transfers under the Financial Services and Markets Act 2000. He has had extensive involvement with both solvent and insolvent schemes of arrangement where his roles have included the following:

- Scheme Actuary for Bryanston Insurance Company Limited;
- Scheme Actuary for Trinity Insurance Company Limited;
- Vote Adjudicator and Scheme Actuary for the WFUM Pools' Schemes of Arrangement; and
- Scheme Adjudicator for Great Lakes Reinsurance (UK) Plc.

Through his various roles in connection with schemes of arrangement, David has reviewed and reached agreement with some 300 creditors in respect of their scheme claims many of which have had exposure to asbestos, pollution and other long-tailed latent claims liabilities.

David has written a number of papers and articles and has spoken at various conferences and seminars. He has also been an active member of a number of the Actuarial Profession's working parties. These activities have covered topics such as financial reinsurance, claims reserving, Lloyd's Reinsurance to Close and management information. Most recently he was the chairman of the Schemes of Arrangement and Business Transfers working party which presented its paper at the 2009 UK Actuarial Profession's General Insurance Conference (GIRO).

David was the chairman of the General Insurance Board of the Faculty and Institute of Actuaries from 2004 to 2005 and was a member of the Council of the Institute of Actuaries from 2004 to 2009.

SCHEDULE VIII

NOTICE OF CREDITORS' MEETINGS

IN THE HIGH COURT OF JUSTICE Nos. 21910, 21911, 21912 and 21913 of 2009
CHANCERY DIVISION
COMPANIES COURT

IN THE MATTERS OF
ALLIANZ GLOBAL CORPORATE & SPECIALTY (FRANCE)

(a company incorporated in France)

AND

ALLIANZ IARD

(a company incorporated in France)

AND

DELVAG LUFTFAHRTVERSICHERUNGS-AG

(a company incorporated in Germany)

AND

NÜRNBERGER ALLGEMEINE VERSICHERUNGS-AG

(a company incorporated in Germany)

AND

IN THE MATTER OF THE COMPANIES ACT 2006 OF GREAT BRITAIN

PROPOSED SOLVENT SCHEMES OF ARRANGEMENT

NOTICE IS HEREBY GIVEN that by an Order dated 17 December 2009 made in the above matters, the High Court of Justice of England and Wales has directed that meetings ("**Creditors' Meetings**") of the Scheme Creditors (as defined in the Scheme) of the companies listed above (the "**Scheme Companies**") be convened for the purpose of considering and, if thought fit, approving (with or without modification) the schemes of arrangement proposed to be made between the Scheme Companies and their Scheme Creditors pursuant to Part 26 of the Companies Act 2006 (the "**Scheme**").

The Creditors' Meetings will be held at [●], United Kingdom on [DATE] commencing at 11 am London Time at which place and time all such Scheme Creditors are requested to attend. Registration will begin at 10 am London Time.

The Court has ordered that each Scheme Company should convene two meetings of its Scheme Creditors to vote on its Scheme as follows:

- (1) one meeting of its Scheme Creditors in relation to their IBNR Claims (being losses which have been incurred by a Scheme Creditor, but not notified to it, for which it

asserts that an amount will become due for payment to it by the Scheme Company as a Scheme Claim); and

- (2) one meeting of its Scheme Creditors in relation to their Scheme Claims other than IBNR Claims.

Scheme Creditors which have Scheme Claims falling into both of these classes will be able to vote in each meeting.

Downloadable files of the Scheme, the Explanatory Statement and the Proxy and Voting Form are available on the Website at www.CUAL-Scheme.co.uk. If you require any further printed copies or a list of your policies which, where known, may be affected by the Scheme, then please contact Whittington Insurance Services Limited ("**Whittington**") the proposed Scheme Manager, on the contact details below and a copy will be sent to you free of charge.

Scheme Creditors may vote in person (or, if a corporation, by a duly authorised representative) at the Creditors' Meetings or they may appoint another person, whether a Scheme Creditor or not, as their proxy to attend and vote in their place.

Completed Proxy and Voting Forms should be returned to Whittington at the address below as soon as possible, and in any event, so that they are received by 11.59 pm London Time on [●]. Scheme Creditors may send their forms by Post, E-mail or fax. Forms returned by E-mail or fax will only be accepted if they are legible. If completed Proxy and Voting Forms are not received by 11.59 pm London Time on [●], they may be handed in at the registration desk prior to the commencement of the Creditors' Meetings. Scheme Creditors are however urged to return the completed forms in advance of the Creditors' Meetings.

The Court has directed that Frank Attwood (or, failing him, William Nigel James Montgomery of Sidley Austin LLP) be appointed to act as Chairman at the said Creditors' Meetings and has directed the Chairman to report the result of the Creditors' Meetings to the Court. The Court has appointed David Hindley of Deloitte LLP to act as the Vote Assessor for the purposes of determining the value of each Scheme Creditor's vote.

Any Scheme Creditor should contact Whittington if they are unclear about or have any questions concerning the action they are required to take in order to vote on the Scheme, or would like to discuss the way in which its claims data is likely to be evaluated under the Scheme process, including the Actuarial Methodology.

If approved by the requisite majorities of Scheme Creditors, the Scheme will be subject to the subsequent sanction of the Court.

Dated this [●] day of [●].

Whittington Insurance Services Limited

33 Creechurch Lane
London EC3A 5EB

United Kingdom

Contact: The CUAL Account Manager

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