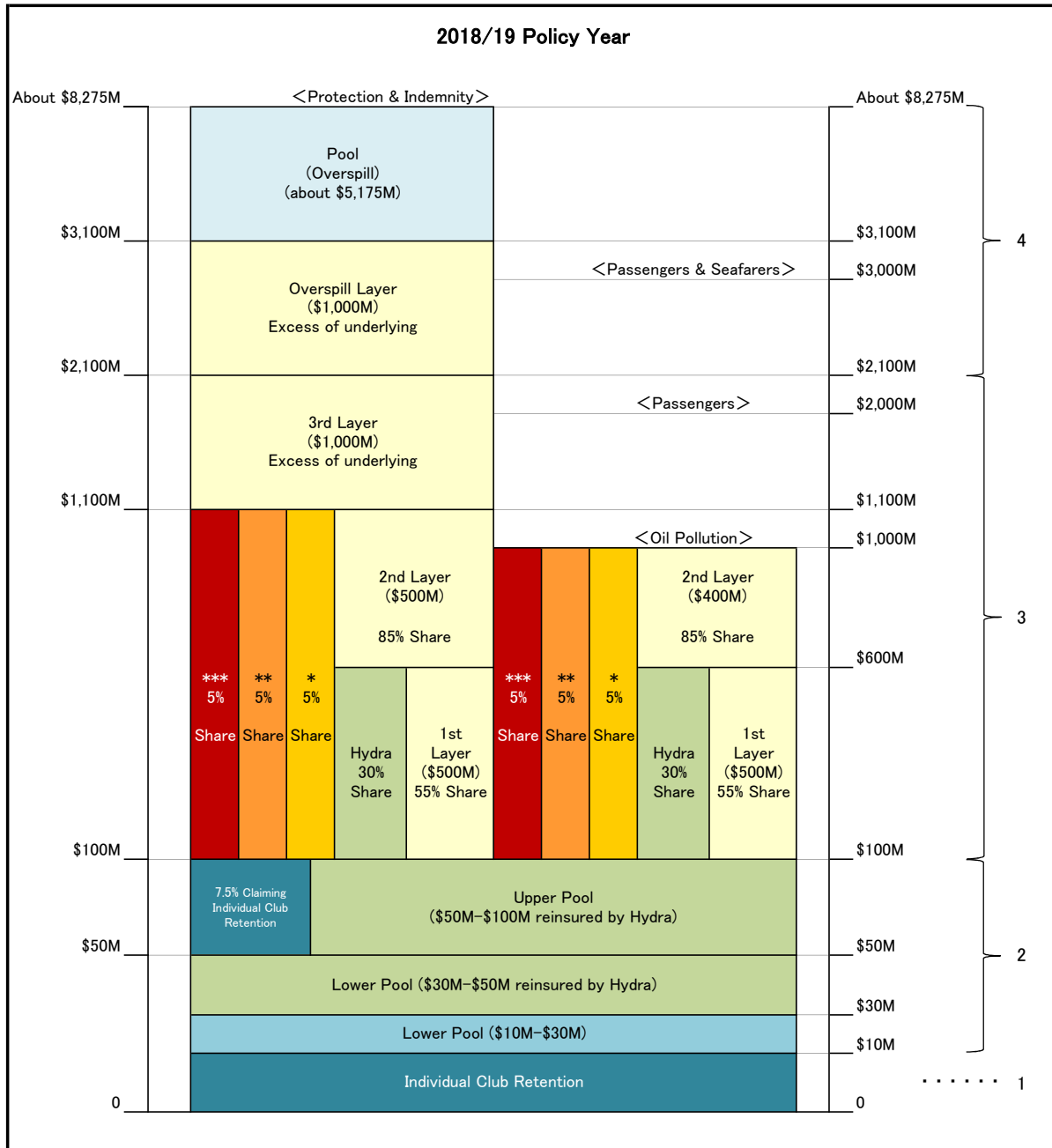


IG Pool and Reinsurance Programme



1. up to US\$10 million (Individual Club Retention)
Each Club retains the first US\$10 million per claim in excess of its member's deductible.
2. from US\$10 million up to US\$100 million (Pool)
Claims in excess of each Club's retention are shared by the Pool up to a limit of US\$100 million. Within the Pool, claims from US\$30 million up to US\$100 million are reinsured by the IG's Bermuda-based captive insurer Hydra.
3. from US\$100 million up to US\$2,100 million (Market reinsurance programme)
The IG arranges market reinsurance to provide reinsurance for claims from US\$100 million up to US\$2,100 million any one claim (US\$1,000 million for oil pollution claims, see further below). This market reinsurance programme is divided into three layers and each layer is underwritten by different reinsurers. A part of the first layer is reinsured by Hydra.
[* , ** & *** are Multi-Year Fixed Placement named "Private Placement".]
4. from US\$2,100 million up to about US\$8,275 million (Overspill)
The IG arranges Overspill Protection for its members of US\$1,000 million. Therefore, claims from US\$2,100 million up to US\$3,100 million are reinsured by the market reinsurance cover. Claims which exceed the IG reinsurance limit (called "Overspill Claims") are shared by all IG Clubs. The Clubs levy calls (Overspill Calls) for contributions on their members for the purpose of providing funds to meet the Clubs' liability to contribute their Overspill Share to an Overspill Claim.

Reinsurance for oil pollution claims is purchased as a separate cover with a limit of US\$1,000 million. Reinsurance for passengers and seafarers claims is subject to a limit of US\$2,000 million for liability for passengers, or of US\$3,000 million for liability for passengers and seafarers claims combined.