

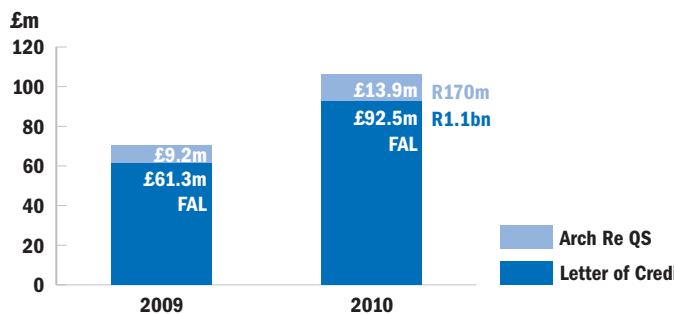


Underwriting at Lloyd's (South Africa)

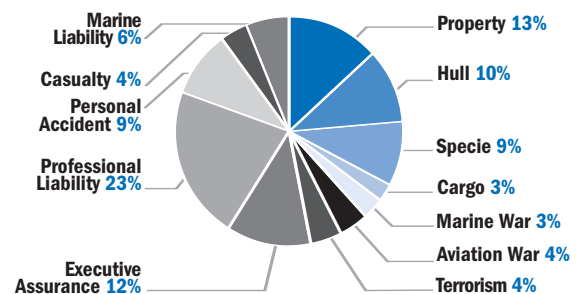
Fact Sheet August 2010

Lloyd's of London has financial strength ratings from Fitch "A+" (Strong); Standard & Poor's "A+" (Strong); and A.M. Best's "A" (Excellent). All Lloyd's syndicates benefit from Lloyd's central resources, including the Lloyd's brand, its network of global licences and the Central Fund. Hence the Lloyd's market rating applies to all business written by all syndicates post 1992.

Total Capitalisation



Projected 2010 Gross Written Premium by Class of Business



We, Arch Underwriting at Lloyd's (South Africa) (Pty) Limited ("AUAL South Africa"), are a service company that is part of the Arch group of companies. We are regulated by Lloyd's in our capacity as a Lloyd's service company. We have authority to enter into contracts of insurance on behalf of the Lloyd's underwriting members of Lloyd's syndicate 2012 which is managed by Arch Underwriting at Lloyd's Ltd ("AUAL").

AUAL (South Africa) has been actively trading since 01 February 2010. Our focus is primarily on Commercial Property risks relating to South African and the rest of Africa domiciled business.

AUAL is the managing agent for Syndicate 2012 and is responsible for the daily management of the syndicate.

Syndicate 2012 has stamp capacity for 2010 of £166m (R2bn).

Arch Syndicate Investments Ltd is the corporate member of Syndicate 2012.

Syndicate 2012 has added capital support through a 15% whole account Quota Share with Arch Reinsurance Ltd.

AUAL, Arch Syndicate Investments and AUAL South Africa are wholly-owned subsidiaries of Arch Capital Group Ltd. ("ACGL")

ACGL is a Bermuda public liability company with approximately \$4.82 bn in capital at 30 June 2010. ACGL underwrites insurance and reinsurance on a worldwide basis through operations in Bermuda, the United States, Europe, Canada, Australia and South Africa, with a focus on specialty lines. For more information about ACGL, you may visit www.archcapgroup.bm or view reports filed periodically by ACGL, with the US Securities and Exchange Commission at www.sec.gov.

AUAL and its affiliate, Arch Insurance Company (Europe) Limited, underwrite marine, property and casualty insurance lines from their head office in London.

Agency Ratings

Indicated below are the financial strength ratings of the principal insurance and reinsurance subsidiaries of ACGL. Also indicated is the Lloyd's market rating from which the syndicate benefits.

Note: Rate of exchange £1 : ZAR 11.99 at 05/02/2010

Financial Strength Rating – Arch*

A.M Best – "A" (excellent)

Standard & Poor's – "A+" (strong)

Moody's – "A2" (good)

Financial Strength Rating – Lloyd's Market

A.M Best – "A" (excellent)

Standard & Poor's – "A+" (strong)

Fitch Ratings – "A+" (strong)

*Financial strength ratings by A.M. Best, Moody's and Standard & Poor's issued to Arch Reinsurance Ltd., Arch Reinsurance Company, Arch Reinsurance Europe Underwriting Limited (rated only by Standard & Poor's), Arch Insurance Company, Arch Specialty Insurance Company, Arch Excess & Surplus Insurance Company and Arch Insurance Company (Europe) Limited.

Lloyd's syndicates benefit from the strength of the Lloyd's brand, global licences and Lloyd's central fund. The Lloyd's central fund is a market wide cover for any valid claim that cannot be met by the member.

The directors deem the financial security of the syndicate to be consistent with the group (see rating above).

Contact Office: Wedgefield Office Park, 17 Muswell Road South, Bryanston, Johannesburg 2021, South Africa. Postal address: PO Box 68383, Bryanston 2021, South Africa Company Registration Number: 2009/004225/07 Authorised to render financial services in terms of the Financial Advisory and Intermediary Services Act, 2002.

The 2010 projections provided for Syndicate 2012 are projections only and are based on information believed to be accurate at the date of preparation and subject to change without notice. There can be no assurance that this will represent the actual breakdown of business class for Syndicate 2012 for 2010. For further information about Syndicate 2012, please visit: www.archinsurance.co.za.

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LLOYD'S Underwriters



Underwriting at Lloyd's (South Africa)

Fact Sheet August 2010

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