



News release

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OIC Run-Off Limited and The London and Overseas Insurance Company Limited (in Amending Scheme of Arrangement) - announcement of an increased Payment Percentage to 65%

A revised Payment Percentage of 65% has been set under the Amending Scheme of Arrangement of OIC Run-Off Limited and The London and Overseas Insurance Company Limited (together the "Companies"). This represents an increase of 7% on the previous Payment Percentage.

Dan Schwarzmenn, Partner at PwC and Joint Scheme Administrator of the Companies, said:

"Scheme Creditors who have already received a payment of 58% in respect of their Established Liabilities should receive an additional 7% payment within 90 days. Policyholders whose claims are yet to be agreed will receive payment as soon as the Companies' liabilities to them become established."

"Established Liabilities covered by the arrangement between Nationale-Nederlanden Overseas Finance and Investment Company Unlimited ("NNOFIC") and The Institute of London Underwriters ("ILU"), known as Qualifying Established Liabilities, will continue to be paid in full."

With regard to the estimated final Payment Percentage, Dan Schwarzmenn commented:

"Further increases in the Payment Percentage are anticipated during 2018 and 2019 as the claims agreement process continues. The Explanatory Statement highlighted an estimated final Payment Percentage of 78%. We will have a revised estimate by early 2018."

"It is expected that the majority of distributions, due to increases to the Payment Percentage, should have occurred by September 2019. Distributions after that date may however be necessary if, for example, pre-1969 L&O Policyholders revert to run-off as outlined in the Explanatory Statement."

ENDS



Notes for editors

1. By the end of June 2017, the Companies had paid US\$216 million to Qualifying ILU Policyholders in respect of Established Liabilities covered by the NNOFIC/ILU arrangements and US\$687 million to the other Scheme Creditors with Established Liabilities.
2. OIC Run-Off Limited was previously known as 'The Orion Insurance Company Plc'.
3. Armour Risk Management Limited ("Armour"), the run-off management company for the Companies, will be processing the additional payment during the period October 2017 to December 2017. Any queries surrounding claims' agreement and payments should be directed to Armour on +44 (0)20 7382 2020.
4. Defined terms have the meaning set out in the Amending Scheme dated 8 October 2014.

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