

**PART III**

**NOTICE OF COURT MEETING**

**IN THE HIGH COURT OF JUSTICE**

**No. 006389 of 1996**

**CHANCERY DIVISION**

**IN THE MATTER OF THE ORION INSURANCE COMPANY PLC  
(in provisional liquidation)**

**- and -**

**IN THE MATTER OF THE COMPANIES ACT 1985**

**NOTICE IS HEREBY GIVEN that by an Order dated 11 November 1996 made in the above matter, the Court has directed that meetings ("Scheme Meetings") of the Company's Scheme Creditors as defined in the Scheme be held on 14 February 1997 at Glaziers Hall, 9 Montague Close, London Bridge, London SE1 9DD commencing at 11.00 am. All Scheme Creditors are requested to attend at such place and time. The Scheme Meetings will be meetings of those classes of the Company's Scheme Creditors set out below. The classes are as follows:**

- (a) Policyholders and Dual Scheme Creditors;**
- (b) Qualifying ILU Policyholders; and**
- (c) Ordinary Creditors;**

**in each case as described in the Statement furnished pursuant to section 426 of the Companies Act 1985 hereinafter mentioned.**

**The purpose of the Scheme Meetings will be to consider and, if thought fit, to approve (with or without modification) a Scheme of Arrangement proposed to be made between the Company and the Scheme Creditors.**

**A copy of the proposed Scheme of Arrangement under section 425 of the Companies Act 1985 and a copy of the Statement required to be furnished pursuant to section 426 of the Companies Act 1985 are incorporated in the document of which this notice forms part.**

**The Scheme Creditors may vote in person at such of the Scheme Meetings as they are entitled to attend or they may appoint another person, whether a Scheme Creditor or not, as their proxy to attend and vote in their place. Voting forms for use at the Scheme Meetings are enclosed herewith.**

**It is requested that voting forms be lodged with the Joint Provisional Liquidators, the Orion Insurance Company PLC, 56-59 Fenchurch Street, London EC3M 4AD, England, fax number 0171 481 2384 (or if outside the United Kingdom 44 171 481 2384) not less than 48 hours before the time appointed for the Scheme Meetings but if these forms are not lodged they may be handed to the Chairman at the Scheme Meetings. A faxed copy of the Voting Form will be accepted subject to receipt of the original within 7 days of the Scheme Meetings.**

**By the same Order, the Court has appointed Paul Anthony Brereton Evans of No 1 London Bridge, London, SE1 9QL or, failing him, Richard Claude Boys-Stones of No 1 London Bridge,**

**London SE1 9QL to act as Chairman of the Scheme Meetings. The Court has also directed the Chairman to report to it the results of the Scheme Meetings.**

**The Scheme of Arrangement will be subject to the subsequent approval of the Court.**

Dated this 20 day of November 1996

Lovell White Durrant  
65 Holborn Viaduct  
London  
EC1A 2DY  
Reference B3/JBB/RGNS

Solicitors for the Joint Provisional Liquidators

**PART III**

**NOTICE OF COURT MEETING**

**IN THE HIGH COURT OF JUSTICE**

**No. 006390 of 1996**

**CHANCERY DIVISION**

**IN THE MATTER OF THE LONDON AND OVERSEAS INSURANCE COMPANY PLC  
(in provisional liquidation)**

**- and -**

**IN THE MATTER OF THE COMPANIES ACT 1985**

**NOTICE IS HEREBY GIVEN** that by an Order dated 11 November 1996 made in the above matter, the Court has directed that meetings ("Scheme Meetings") of the Company's Scheme Creditors as defined in the Scheme be held on 14 February 1997 at Glaziers Hall, 9 Montague Close, London Bridge, London SE1 9DD commencing at 11.00 am. All such Scheme Creditors are requested to attend at such place and time. The Scheme Meetings will be meetings of those classes of the Company's Scheme Creditors set out below. The classes are as follows:

- (a) Policyholders and Dual Scheme Creditors;**
- (b) Qualifying ILU Policyholders; and**
- (c) Ordinary Creditors;**

**in each case as described in the Statement to be furnished pursuant to section 426 of the Companies Act 1985 hereinafter mentioned.**

**The purpose of the Scheme Meetings will be to consider and, if thought fit, to approve (with or without modification) a Scheme of Arrangement proposed to be made between the Company and the Scheme Creditors.**

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Dated this 20 day of November 1996

Lovell White Durrant  
65 Holborn Viaduct  
London  
EC1A 2DY  
Reference B3/JBB/RGNS

Solicitors for the Joint Provisional Liquidators

## PART IV

### GUIDANCE NOTES FOR COMPLETION OF THE VOTING FORMS

#### SECTION A: VOTING INSTRUCTION

All Scheme Creditors which are partnerships or corporations will need to complete the instruction. It need only be completed by individuals who do not intend to be present at the Scheme Meetings in person. You may still attend the Scheme Meetings and vote as you see fit, notwithstanding the fact that you may have previously used the instruction to appoint someone else to vote for you.

The numbers below refer to the respective parts of the voting instruction.

**ALL YOUR ENTRIES SHOULD BE IN BLOCK CAPITALS.**

- (1) Enter the full name of the Scheme Creditor. If you are the duly authorised agent or attorney of a number of Scheme Creditors, you must complete and lodge the voting instructions sent to each Scheme Creditor whom you are representing, and submit written evidence (which must be satisfactory to the Chairman of the Scheme Meetings) of your authority to execute the voting instructions for each such Scheme Creditor.
- (2) Enter the Scheme Creditor's residential address or, in the case of a company or partnership, its registered office.
- (3) If you are appointing someone other than the Chairman of the Meeting, please delete the words "the Chairman of the Scheme Meetings" and enter that person's name and address. The proxy need not be a Scheme Creditor, but must be an individual who attends the Scheme Meetings in person.
- (4) If you are the duly authorised signatory for a corporation or partnership or the duly authorised agent or attorney of the Scheme Creditor in (1) above, enter the capacity in which you have signed the voting instruction (eg as a director, partner, agent or attorney).
- (5) If you wish to vote for the Scheme, tick the box marked "FOR" in respect of the Company of which you are a Scheme Creditor. If you wish to vote against the Scheme, tick the box marked "AGAINST". If you are a Scheme Creditor of both Orion and L&O including, where appropriate, in respect of the cross-guarantees, you must tick the "FOR" or "AGAINST" boxes in respect of both Companies. You need not tick either box if you wish to give your proxy a discretion as to how he/she is to vote on your behalf.

## PART IV

### GUIDANCE NOTES FOR COMPLETION OF THE VOTING FORMS

#### SECTION B: CLAIMS TABLE FOR VOTING PURPOSES ONLY

All Scheme Creditors should complete this table. Scheme Creditors' estimates of claims will not be used for the purpose of determining Established Liabilities under the provisions of the Scheme. They are for voting purposes only. Use a separate line for each contract or policy of insurance or reinsurance under which you have a claim. If you have claims in more than one currency under the same contract or policy of insurance or reinsurance, use a separate line for each currency. If there are insufficient lines, you should photocopy the claims table and complete as necessary.

If you have an agreed claim arising under a contract or policy of insurance or reinsurance underwritten in part by either or both of the Companies which has not yet been paid, or has only partially been paid, the claim to be entered in the table should be the amount which has not been paid.

At the Scheme Meetings, all amounts will be converted into US Dollars (using the rates of exchange in existence immediately prior to the date of the Scheme Meetings) wholly for the purpose of determining whether or not the statutory majority in favour of the Scheme has been attained.

The letters below refer to the respective columns of the claims table.

**ALL YOUR ENTRIES SHOULD BE IN BLOCK CAPITALS.**

- |                                     |     |  |
|-------------------------------------|-----|--|
| <b>Company</b>                      | (a) | Indicate to which Company each claim relates by writing "ORION" or "L&O" in the space provided.  |
| <b>Nature of Claim(s)</b>           | (b) | If your claim(s) arise(s) under a contract or policy of insurance or reinsurance, enter "INSURANCE". If your claim(s) arise(s) from some other involvement with the Company, enter "OTHER".  |
| <b>Broker</b>                       | (c) | Enter the name of the London broker who placed the contract or policy of insurance or reinsurance on your behalf or, if this is not known, enter the name of any other broker or intermediary who acted on your behalf in relation to the contract or policy. Define the above by writing "PLACING BROKER" or "OTHER" below the name as appropriate.   |
| <b>Broker Reference</b>             | (d) | Enter the contract reference of the broker entered in column (c).  |
| <b>The Company's Risk Reference</b> | (e) | If you entered "INSURANCE" in respect of (b), enter the Company's risk reference number of the contract or policy of insurance or reinsurance under which the claim(s) arise(s). Where appropriate, if you do not have a record of these numbers you should obtain them from your broker. If you entered "OTHER", enter any contract number, invoice number or other particulars known to the Company. |

**Date of Loss** (f) In respect of columns (g), (h), and (i), indicate the date on which the claim arose. Where the same contract or policy gives rise to more than one claim (as might be the case with a proportional treaty, incurred but not reported claims or a periodic supply of services), enter the period of the contract or policy.

**Agreed Claim(s)** (g) For each contract or policy, enter the total amount (ie your claim against all insurers, not just the Company) of any claim, or where there is more than one claim the aggregate amount of any such claims, which has been established by agreement or otherwise but not yet paid. Do not deduct any amount(s) paid on account as these should be shown as a deduction in column (j).

If you have a contract or policy of insurance or reinsurance which will not have expired by the date of the Meeting, also enter the proportion of the premium which relates to the contract's or policy's unexpired period from the date of the Meeting.

**Outstanding Claim(s)** (h) Enter the total estimated amount (ie your claim against all insurers, not just the Company) of any claim, or where there is more than one claim under each contract or policy the aggregate estimated amount of any such claims, which has been reported but not yet agreed.

**IBNR Claim(s)** (i) Enter the total estimated amount (ie your claim against all insurers, not just the Company) of any claim, or where there is more than one claim under each contract or policy of insurance or reinsurance the aggregate estimated amount of any such claims, which has been incurred but not reported. You should also show the basis upon which your estimate has been made, which may be one of the following:

(i) the development of paid claims under the contract or policy of insurance or reinsurance; or

(ii) the development of reported claims under the contract or policy of insurance or reinsurance, ie claims paid together with agreed and/or outstanding claims; or

(iii) the development of the ratio of incurred losses to the total premiums paid by you under the contract or policy of insurance or reinsurance, ie the loss ratio.

If any of the above is relevant in your case, please enter "(i)", "(ii)", "(iii)" as appropriate. In any other case, enter "OTHER". In any event, provide supporting schedules (which may include actuarial analysis) showing how you reached your estimate.

**Letters of Credit, etc** (j) Enter the total available amount (ie all amounts from all insurers, not just the Company) of any letters of credit, trusts, bonds, mortgages, charges, liens, other security interests or payments on account which you have in relation to the contract or policy under

which the claim(s) arise(s). Provide supporting schedules showing an analysis of any such amount(s).

- Net Claim(s)** (k) Enter the total of columns (g), (h) and (i) less column (j).
- Percentage Line** (l) Enter the percentage of the risk (ie of your loss) which the Company has underwritten as detailed in the contract or policy of insurance or reinsurance on which your claim(s) is/are based. If you do not have this information and are unable to obtain it from other sources (such as your insurance broker), enter "UNKNOWN".
- Currency** (m) Enter in words the currency of the amount(s) you have inserted in columns (g) to (k), eg "US DOLLARS", "£ STERLING", etc.



## PART IV

### GUIDANCE NOTES FOR COMPLETION OF THE VOTING FORMS

#### SECTION C: SET-OFF TABLE FOR VOTING PURPOSES ONLY

If you are a Scheme Creditor and owe amounts to a Company as a result of your being a reinsurer or retrocessionaire, you should complete this table. Use a separate line for each contract or policy of reinsurance under which that Company has a claim against you. If the Company has claims in more than one currency under the same contract or policy of reinsurance, use a separate line for each currency. If there are insufficient lines, you should photocopy the set-off table and complete as necessary.

If a Company has an agreed claim arising under a contract or policy of insurance underwritten by yourself which has not yet been paid, or has only partially been paid, the claim to be entered in the set-off table should be the amount which you have not paid.

At the Scheme Meetings, all amounts will be converted into US Dollars (using the rates of exchange in existence immediately prior to the date of the Scheme Meetings) wholly for the purpose of determining whether or not the statutory majority in favour of the Scheme has been obtained.

The letters below refer to the respective columns of the set-off table.

ALL YOUR ENTRIES SHOULD BE IN BLOCK CAPITALS.

- |                            |  |
|----------------------------|--|
| <b>Company</b>             | (a) Indicate to which Company each amount relates by writing "ORION" or "L&O" in the space provided.   |
| <b>Broker</b>              | (b) Enter the name of the London broker who placed the contract or policy of reinsurance on behalf of the Company or, if this is not known, enter the name of any other broker or intermediary who acted on the Company's behalf in relation to the contract or policy. Define the above by writing "PLACING BROKER" or "OTHER" below the name as appropriate. |
| <b>Broker Reference</b>    | (c) Enter the contract reference of the broker entered in column (b).  |
| <b>Your Risk Reference</b> | (d) Enter the risk reference number of the contract or policy of reinsurance under which the claim(s) arise(s).  |
| <b>Inception Date</b>      | (e) Enter the date on which your liability to reinsure the Company under the contract commenced.   |
| <b>Agreed Claim(s)</b>     | (f) For each contract, enter the total amount (ie the claim against you by the Company) of any claim, or where there is more than one claim the aggregate amount of any such claims, which has been established by agreement or otherwise but not yet paid. Provide supporting schedules in respect of each amount entered.                                    |

- Outstanding Claim(s)** (g) Enter the total estimated amount (ie the claim against you by the Company) of any claim, or where there is more than one claim the aggregate estimated amount of any such claims, which the Company has against you arising under each contract or policy and which has been reported but not yet agreed. Provide supporting schedules in respect of each amount entered.
- Other Balances** (h) Enter the total estimated amount of any balance owed by you to the Company and which arises other than under a contract or policy of reinsurance.
- Total** (i) Enter the total of columns (d), (e) and (f).
- Currency** (j) Enter in words the currency of the amount(s) you have inserted in columns (f) to (h), eg "US DOLLARS", "£ STERLING", etc.

## PART IV

### GUIDANCE NOTES FOR COMPLETION OF THE VOTING FORMS

#### SECTION D: THE CREDITORS' COMMITTEE VOTING FORM

The Creditors' Committee Voting Form features the names of all nominees eligible to sit on the Companies' Creditors' Committee. You may vote for a maximum of seven of the nominees so listed by placing a tick in the appropriate box(es). If you choose to vote for only one of the nominees, the value attributed to that vote will be equivalent to the whole of the value of your total estimated net claim against the Companies (excluding your claim under the cross-guarantees). If you choose to vote for seven (for example) of the nominees listed, the value attributed to each vote shall be equivalent to one seventh of the estimated value of your total net claim against the Companies.

Information concerning each of the nominees listed on the Creditors' Committee Voting Form is provided below. All the nominees are Scheme Creditors of the Companies unless stated otherwise. The members of the informal creditors' committee of the Companies are denoted by an "\*" except in the case of NNOFIC, where the member of the informal creditors' committee has been a fellow group company, Nat-Ned.

(1) Anderson Kill & Olick ("Anderson Kill")

Anderson Kill, the United States law firm, is the authorised representative of creditors with excess general liability claims against the Companies in respect of toxic torts, asbestos-related damage, environmental damage and product liability.

Anderson Kill is a member of the creditors' committee of the English & American Insurance Company Limited ("E&A") and the Bermuda Fire & Marine Insurance Company Limited ("BF&M") and represents more than twenty-five policyholders with claims against such companies as Bryanston Insurance Company Limited ("Bryanston"), St Helen's Insurance Company Limited, Andrew Weir Insurance Company Limited ("Andrew Weir") as well as the Companies themselves. Mark Keenan, head of Anderson Kill's Insurance Division, would represent Anderson Kill on the Creditors' Committee.

(2) Beazer East Inc ("Beazer") (formerly known as Koppers Company, Inc)

Beazer has substantial excess comprehensive general liability claims against the Companies in respect of environmental property damage. William Giarla, Corporate Counsel for Beazer, would represent Beazer on the Creditors' Committee.

(3) Chicago Bridge & Iron Company ("Chicago Bridge")

Chicago Bridge has general liability claims, largely comprising pollution liability, against the Companies. William Streng, Assistant Counsel and Attorney for Chicago Bridge, would represent Chicago Bridge on the Creditors' Committee. He has supervised coverage litigation against various carriers, including various London underwriters, and is a member of Chicago Bridge's Risk Management Task Force.

(4) Cigna Reinsurance Co (UK) Limited ("Cigna")\*

The Cigna Group have marine and non-marine excess of loss claims against the Companies. Michael Durkin, Managing Director of Cigna, who has over fifteen years of International reinsurance experience, would represent the Cigna Group on the Creditors' Committee.

(5) Commercial Union Assurance Company plc ("Commercial Union")

Commercial Union has marine excess of loss claims against the Companies. Terry Burt, who has worked for Commercial Union for 26 years, would represent Commercial Union on the Creditors' Committee. He previously represented Commercial Union on the creditors' committee of Halvanon Insurance Company Limited (in liquidation) from 1988 until 1994.

(6) CSX Corporation ("CSX")

CSX has general liability, employers' liability and rail/road liability claims against the Companies. James Thibodeaux, Assistant Manager of the CSX Casualty Insurance Department, would represent CSX on the Creditors' Committee. He has over 20 years of Transportation Risk Management experience.

(7) Dow Corning Corporation ("Dow Corning")

Dow Corning has substantial non-marine (largely consisting of breast implant) claims against the Companies. Dow Corning is an active participant in other London market insolvencies including Andrew Weir, Bryanston, BF&M, KWELM and E&A. Kevin Scroggin, Risk Manager for Dow Corning with regard to its worldwide operations, would represent Dow Corning on the Creditors' Committee. He currently represents Dow Corning on the creditors' committees of KWELM and E&A.

(8) Equitas Limited ("Equitas")

Equitas has delegated responsibility for the run-off of all individual syndicates at Lloyd's in respect of all years of account up to and including 1992. Equitas has also provided retrocessional cover for the liabilities of those syndicates. John Winter, who is the Managing Director of Whittington Syndicate Management Limited, would represent Equitas on the Creditors' Committee. He has been closely involved in the run-off of insurance companies since 1978 and recently in the review of reserving for Equitas.

(9) Howrey & Simon

Howrey & Simon, the United States law firm, is the authorised representative of creditors with, primarily, environmental property damage claims against the Companies under primary and excess general liability insurance policies. Charles Samel, Attorney and Partner at Howrey & Simon, would represent Howrey & Simon on the Creditors' Committee.

(10) NNOFIC\*

NNOFIC has claims under the original CPLA and will have further claims under the CPLA both as defined on pages 80 and 83, in addition to other claims which will be subordinated in the Scheme. Jan Wurfbain, ING Insurance's corporate legal counsel, would represent NNOFIC on the Creditors' Committee. He has over thirty years experience in legal insurance matters and is a former adviser to the Netherlands government on marine insurance.

(11) The Institute of London Underwriters ("ILU")\*

The ILU is the authorised representative of many of its member companies which principally have marine, aviation and transit claims against the Companies. Edward Walker, the ILU's membership Financial Director, would represent the ILU on the Creditors' Committee. He currently represents the ILU on numerous creditors' committees including E&A, Andrew Weir and Chancellor Insurance Company Limited ("Chancellor") and on the informal creditors' committee of Charter Reinsurance Company Limited ("Charter Re") and Fremont Insurance Company (UK) Limited ("Fremont").

(12) International Policyholders Association ("IPA")\*

The IPA is the authorised representative of creditors who principally have excess product liability claims against the Companies. It is a non-profit making organisation, the purpose of which is to protect the interests of corporate policyholders in relation to insolvent United States and London market insurance companies. Jean O'Hare, an Attorney at Pfizer Inc., would represent the IPA on the Creditors' Committee. She joined Pfizer in 1988 and since 1990 has worked as Pfizer's insurance lawyer. The IPA is currently represented on the creditors' committees of Andrew Weir, Bryanston, E&A and KWELM.

(13) Lloyd's Insurance Brokers Committee ("LIBC")\*

The LIBC represents the views of Lloyd's brokers. Joe R Fryer, General Manager of the Bowring Group Finance Division, would represent the LIBC on the Creditors' Committee. He has worked for Bowring Group for over 34 years.

(14) Lloyd's Underwriters Association ("LUA")\*

The LUA is an authorised representative of creditors (largely Lloyd's syndicates) who principally have general excess of loss claims against the Companies. Alan Peake, a Chartered Insurer and technical adviser to the LUA, would represent the LUA on the Creditors' Committee. He currently represents the LUA on numerous creditors' committees including those of Andrew Weir, Chancellor, E&A, National Employers Mutual, Trinity Insurance Company Limited, Scan Re Insurance Company Limited, RMCA Reinsurance Limited, ICS Reinsurance Private Limited, as well as being on several informal creditors' committees, including Charter Re, Fremont and Municipal General Insurance Company Limited.

(15) The Mercantile and General Reinsurance Company plc ("M&G")

M&G has fire, accident, marine excess of loss, aviation and LMX claims against the Companies. Richard Jordan, who has twenty-two years experience with M&G dealing with all aspects of non-life reinsurance, would represent M&G on the Creditors' Committee.

(16) Newman Martin and Buchan Limited ("Newman Martin")

Newman Martin is the authorised representative of creditors with claims against the Companies arising under general liability and employers liability policies. Ron Haddon, Financial Director of Newman Martin, would represent Newman Martin on the Creditors' Committee.

(17) Nossaman Guthner Knox & Elliott ("Nossaman")

Nossaman, the United States law firm, is the authorised representative of creditors with asbestos, environmental and construction claims against the Companies. J Ernest Hartz, Attorney and Partner at Nossaman, would represent Nossaman on the Creditors' Committee.

(18) Parkes-Young Limited

Parkes-Young Limited is the landlord of one of the Companies' former London offices and has claims against the Companies in respect of unpaid rent. Jack Claydon would represent Parkes-Young Limited on the Creditors' Committee. Mr Claydon is a chartered accountant and has formerly acted as a receiver and liquidator.

(19) Rockwell International Corporation ("Rockwell")

Rockwell has umbrella and excess liability claims against the Companies. Jon Drucker, Attorney at Troop Meisinger Steuber & Pasich, would represent Rockwell on the Creditors' Committee. He sits on the creditors' committees of Andrew Weir and E&A.

(20) Royal Global

Royal Global is the authorised representative of creditors with property, casualty, marine and aviation reinsurance claims against the Companies. Nigel Morson, Underwriting Services Manager of Royal Global (Reinsurance Operations), would represent Royal Global on the Creditors' Committee. He has extensive experience in liquidation, bad debt and commutation matters.

(21) Swidler & Berlin

Swidler & Berlin, the United States law firm, is the authorised representative of creditors with property damage claims against the Companies. Richard Fields, Attorney at Swidler & Berlin, would represent Swidler & Berlin on the Creditors' Committee.

(22) Westinghouse Electric Corporation ("Westinghouse")\*

Westinghouse's claims against the Companies comprise mainly personal injury claims allegedly arising out of exposure to asbestos and other toxic substances. David Strasser, attorney for Westinghouse, would represent the company on the Creditors' Committee. He currently represents Westinghouse on the creditors' committee of Andrew Weir and is responsible for the company's dealings with Bryanston, E&A and KWELM.