

**FOR IMMEDIATE RELEASE**

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**Joint scheme administrator announces further increase to payment percentage for OIC and L&O scheme creditors**

Dan Schwarzmann, partner at PricewaterhouseCoopers LLP and joint scheme administrator of OIC Run-Off Limited ("OIC") and The London and Overseas Insurance Company Limited ("L&O"), is pleased to announce a revised payment percentage of 48% has been set. This follows a recent review of the financial position of OIC and L&O and represents a further increase of 3% on the previous payment level.

The revised payment percentage means that scheme creditors who have received a payment of 45% of their established liabilities and are entitled to the extra 3%, will receive an additional payment within 90 days. Policyholders whose claims are yet to be established in accordance with the existing scheme of arrangement will receive payment as soon as OIC and L&O's 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") will continue to be paid in full in accordance with the specific arrangements within the scheme of arrangement.

NNOFIC and other parties are continuing to assess the appropriateness of an amending scheme of arrangement which could crystallise and settle OIC and L&O's future liabilities to scheme creditors and allow the run-off to be closed. The joint scheme administrators and the creditors' committee both believe the overall proposals to be in the best interests of all scheme creditors and, if an amending scheme of arrangement is to be issued to scheme creditors, it should be during 2008.

Dan Schwarzmann, partner at PricewaterhouseCoopers LLP and joint scheme administrator said:

"I am very pleased to be able to announce another increase in the payment percentage for creditors of OIC and L&O following a review of the companies' financial position.

"We are continuing in our discussions with NNOFIC and certain other parties regarding the appropriateness of an amending scheme of arrangement. I am hopeful these proposals can be agreed to allow the run-off of these businesses to be closed."

**ENDS****Contacts:**

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### **Note(s) to Editor:**

1. By the end of December 2007, OIC and L&O had paid US\$191 million to Qualifying ILU Policyholders in respect of established liabilities covered by the NNOFIC/ILU arrangements and US\$397 million to the other scheme creditors with established liabilities.
2. Whittington Insurance Services Limited ("Whittington"), the run-off management company for OIC and L&O, will be processing the additional payment during April 2008. Any queries surrounding claims' agreement and payments should be directed to Whittington on +44 (0)20 7423 5390
3. OIC and L&O's existing Scheme of Arrangement became effective on 7 March 1997.
4. OIC was previously known as 'The Orion Insurance Company plc'
5. The initial payment level was set at 15% in October 1997.

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