

EXHIBIT E-1

AGREED FORM OF ORDER

BEFORE THE [SECURITIES COMMISSIONER]
STATE OF []

CONSENT ORDER ADOPTING DEFINITIVE AGREEMENT RESOLVING DISPUTE REGARDING THE LLOYD'S OF LONDON MARKET

WHEREAS a Coordinating Committee of the North American Securities Administrators Association, Inc. and the Society incorporated by Lloyd's Act of 1871 by the name of Lloyd's ("Lloyd's") have negotiated the State Agreement (a copy of which is attached and incorporated by reference) in resolution of matters regarding the Lloyd's insurance market and questions as to the applicability of state securities law (the "Agreement"); and

WHEREAS the [Securities Commissioner] finds that the adoption of the Agreement in resolution of said matters is appropriate in the public interest;

NOW THEREFORE, IT IS ORDERED AS FOLLOWS:

1. The Agreement is hereby adopted.
2. With respect to matters covered in Article 5 of the Agreement, those matters shall be enforceable under the _____ Securities Act unless otherwise provided in the Agreement.
3. [If applicable] Pursuant to the Agreement, (the effectiveness of which shall be subject to (i) the declaration of the Council of Lloyd's that the R&R Settlement Agreement is unconditional, and (ii) that Lloyd's has fulfilled its obligations under the State Agreement) shall be submitted by the parties thereto, with each party to bear its own costs.
 - [the Cease and Desist Order captioned [Lloyd's] and dated _____ shall be withdrawn with prejudice.]
 - [the pending administrative proceedings under the caption [] shall be terminated.]
 - [stipulated application for dismissal with prejudice of the civil injunctive action denominated as []]
4. The entry of this Order does not constitute a waiver by Lloyd's of any jurisdictional defenses or a consent to jurisdiction except as expressly provided in the Agreement.

- 5. The Agreement constitutes a final and complete resolution of all matters concerning Lloyd's and the persons who are to be released under Lloyd's Reconstruction and Renewal plan Settlement Agreement that are or may be before the [Securities Commissioner] as of the date of this Order.
- 6. Names at Lloyd's who are Names as of the date hereof or become Names prior to their residence in this State or in accordance with the laws and regulations of this State may underwrite in the 1996 syndicate year of account in the Lloyd's market, and may participate in 1996 capacity auctions for syndicate participations (and thereafter, existing State Names shall be permitted to underwrite insurance in the Lloyd's market and participate in capacity auctions pursuant to such procedures as may be agreed upon with the State Securities Regulator or) as set forth in the applicable laws and regulations of this State.

DATED this ____ day of July, 1996.

(Seal)

 Name:
 Title:

Exhibit E

Memorandum of Understanding

This Memorandum of Understanding ("MOU"), entered into this 2d day of July 1996 between undersigned representative of the Society incorporated by Lloyd's Act 1871 by the name of Lloyd's ("Lloyd's") and the Chairman of the Lloyd's Coordinating Committee (the "NASAA Coordinating Committee") of the North American Securities Administrators Association ("NASAA") and the undersigned representatives of the State members of NASAA, reflects the following understandings.

Article I. Introduction.

1.1. By this MOU, the parties set forth the principles of an agreement (referred to herein as the "Agreement") that will be negotiated and thereupon recommended to the State members of NASAA and the Council of Lloyd's, and reflects the intent of the signatories to reach and secure a definitive Agreement.

1.2. Pending the execution of the Agreement, each of the signatories to this MOU undertakes and represents that the undersigned intend to act in a manner entirely consistent with the principles and terms of this MOU.

1.3. Each of the signatories to this MOU undertakes and represents that he or she will use all best efforts to reach and secure the adoption of the Agreement contemplated by this MOU by the members of their respective organizations.

1.4. On or before Wednesday, July 3, 1996, at noon, London time, the undersigned representatives of NASAA undertake to provide representatives of Lloyd's with a report of all NASAA State members that they believe are inclined to resolve this matter in accordance with the principles set forth in this MOU, as well as a report as to those NASAA State members that have indicated their inclination not to do so. The representatives of Lloyd's undertake to advise the representatives of NASAA as to the inclination of the Council of Lloyd's whether or not to resolve this matter in accordance with the principles set forth in this MOU, by 5 p.m., London time, on July 3, 1996.

1.5. The parties agree that a definitive written Agreement shall be prepared and executed by all states accepting the Agreement (the "Participating States") by 5 p.m., Pacific time, on Friday, July 12, 1996.

Article II. Basic Terms.

2.1. Under the Agreement, Names currently resident in the United States (including its possessions and territories) ("US Names") who qualify pursuant to the provisions of Section 2.2, below, shall be eligible to receive an additional allocation of credits to reduce the cost to qualifying US Names of the settlement offer to be offered by Lloyd's under the Lloyd's Reconstruction and Renewal plan ("R&R"), to be

designated as "State Credits," provided that such individuals have otherwise accepted and complied with all the requirements of R&R, and further provided, that R&R is declared unconditional by the Council of Lloyd's.

2.2. The NASAA Coordinating Committee has required that, to qualify for State Credits, a US Name need satisfy only the following criteria, and such other criteria as shall be established under Section 2.4:

2.2.1. Resides in a Participating State; and

2.2.2. Prior to the application of a Name's funds on deposit with Lloyd's, has experienced a net loss due to participation in the Lloyd's market as an individual unincorporated underwriter.

2.3. Pursuant to the Agreement, Lloyd's shall make available a maximum total of £40,000,000, for use as State Credits. Any and all expenses incurred in the administration of the State Credit allocation program (except costs of any arbitration process provided for in the Agreement, which costs shall be borne by the losing party and, except for the costs incurred in the computation, production, distribution and mailing of final settlement offers, which costs shall be borne by Lloyd's) shall be borne out of those funds. The State Credits will be allocated, *pro rata*, to and among the Names residing in each of the fifty States (and, as applicable, possessions and territories) of the United States, according to uniform standards to be specified in greater detail in the Agreement.

2.3.1. At a minimum it is a Lloyd's requirement that:

(a) Names resident in the Participating States comprise a threshold number of Names entitled to at least 80 percent of the eligible R&R Debt Credits presently available to all US Names; and

(b) The following States become Participating States on or prior to the time specified in Section 1.5 of this MOU: Arizona, Arkansas, California, Colorado, Georgia, Florida, Illinois, Iowa, Massachusetts, Missouri, New York, Ohio, Pennsylvania, Tennessee, Texas, Utah, Virginia, and West Virginia.

2.3.2. In the event that the requirements of subsections (a) and (b) of Section 2.3.1., above, are not met within the time period specified in Section 1.5, above, Lloyd's may, at its sole election, either (i) decline to become a signatory to the Agreement, or (ii) reduce the amount of State Credits made available according to the proportion of debt credits residents of non-Participating States would have otherwise received under the R&R Settlement proposal.

2.3.3. In the event that the requirements of Section 2.3.1 are met, but fewer than all the State members of NASAA become Participating States, the total amount of State Credits shall be reduced according to the proportion of debt credits

residents of non-Participating States would have otherwise received under the R&R Settlement proposal.

2.3.4. Except as otherwise provided in Section 2.3, all reasonable costs associated with the implementation of the allocation of State Credits, exclusive of costs of related legal counsel, shall be satisfied solely by a reduction of the amount otherwise available for such credits, and in no event from Lloyd's or any person to be released in the Agreement.

2.4. The determination of the State Credit allocation process shall be the sole responsibility of NASAA, but will involve no findings of fact (other than facts relating to the US Name's qualifications as set forth in Section 2.2) or law. NASAA shall communicate this process to Lloyd's in writing no later than noon, London time, on Wednesday, July 10, 1996, and instructions as to the allocation of State Credits shall be provided by NASAA to Lloyd's in writing no later than noon, London time, on Tuesday, July 16, 1996. Allocations of State Credits shall be reflected in the finality statement provided to each US Name in connection with the R&R Settlement offer, and shall be the subject of a separate joint communication from NASAA and Lloyd's that will be enclosed with the finality statement. Lloyd's shall assist Participating States in conducting the computation of proposed allocations, and shall bear the costs of the joint communication to the Names who shall receive such proposals.

2.5. In the event that State Credits are offered to Names of Participating States who decline to accept their R&R offer, such credits (up to an amount equal to fifteen percent of the total State Credits allocated, as set forth in Section 2.3, above) shall be reallocated to a separate fund (the "Reallocation Fund"). Any amounts in excess of fifteen percent of the State Credits allocated to each State shall revert to Lloyd's.

2.5.1. The NASAA Coordinating Committee, with the advice and consent of the Participating States, shall appoint (with the consent of Lloyd's, such consent not to be unreasonably withheld) an individual (the "Neutral Evaluator") who may be one person or a group of persons, who shall exercise uniform standards in allocating the Reallocation Fund to qualifying Names.

2.5.2. The Neutral Evaluator's allocation of the Reallocation Fund shall be made on the basis of financial hardship and/or financial sophistication according to guidelines established by the NASAA Coordinating Committee, with advice and consent of the Participating States. The Reallocation Fund allocation guidelines shall be set forth in the Agreement.

2.6. Names shall, as part of their acceptance of R&R, agree to hold harmless, and to pursue no actions (and to seek no relief) of any kind against the Neutral Evaluator, or Lloyd's, with regard to any allocation of State Credits, the Reallocation Fund, or any other aspect of the Agreement.

2.7. It is contemplated that the Agreement will be the subject of a stipulated consent order adopting a resolution of the dispute regarding the Lloyd's market.

2.8. Under no circumstances shall the aggregate amount of State Credits and credits from the Reallocation Fund allocated to any US Name exceed his or her finality obligation under the R&R settlement offer.

Article III. Effect of the MOU and the Agreement.

3.1. The Agreement contemplated by this MOU shall include a complete and final resolution of all claims, proceedings, inquiries, investigations and disputes between the parties thereto arising out of the participation of US Names in the Lloyd's market or that otherwise gave rise to the MOU and the Agreement. The releases contemplated by this provision shall run in favor of Lloyd's, the Participating States, and the persons to be released pursuant to R&R under the terms of a settlement agreement (the "R&R Settlement Agreement"). Lloyd's assent to the Agreement shall constitute a comparable release, resolution and discharge from Lloyd's to the Participating States, and any individual employees thereof.

3.1.1. Nothing in the Agreement shall be deemed to prohibit any Participating State from responding to proper requests for information under Freedom of Information Act statutes, similar state governmental records act statutes, or pursuant to proper subpoenas, or pursuant to a proper information request by a government agency.

3.1.2. Nothing in the Agreement shall be deemed to limit the jurisdiction of any state insurance regulator.

3.1.3. Lloyd's is entering into this MOU, and will enter into the Agreement, expressly in reliance upon its assumption that the Agreement will provide an effective resolution of any and all state civil or administrative liability issues that can arise out of the participation of US Names in the Lloyd's market or that otherwise gave rise to the MOU and the Agreement.

3.1.4. The parties expressly acknowledge that it is their intent, to the maximum extent permissible by law, to resolve any and all state governmental civil or administrative liability issues arising out of the participation of US Names in the Lloyd's market or that otherwise gave rise to the MOU and the Agreement. Toward that end, the NASAA signatories to the Agreement will advise any other state civil or administrative authority contemplating any action against Lloyd's or any participant in the Lloyd's market of which the NASAA signatories are aware that, in their view, the settlement embodied in the Agreement should be accepted by such other state civil or administrative authorities as a complete and satisfactory resolution of all such civil or administrative disputes. Lloyd's expressly acknowledges that the NASAA signatories to the Agreement do not have the power to preclude other state civil or

administrative authorities from taking such action as such authorities otherwise may deem appropriate in the exercise of their statutory duties.

3.2. Upon the execution of the Agreement, each signatory will promptly take any and all steps required to dismiss all litigation in which those signatories are participating against Lloyd's and any persons to be released under the R&R Settlement Agreement, and to withdraw all administrative orders naming Lloyd's and any persons to be released under the R&R Settlement Agreement. Lloyd's shall execute any necessary process to achieve a termination or discontinuance of any proceeding with respect to any Participating State. Each party, including parties released pursuant to R&R, shall bear their own costs in such terminated proceedings.

3.3. Nothing in this MOU or the Agreement, and no allocation of State Credits or of the Reallocation Fund, shall:

3.3.1. constitute an admission of any fact for any purpose;

3.3.2. constitute a waiver with respect to any issue, including but not limited to, the submission to jurisdiction by any party to this MOU or the Agreement;

3.3.3. create any third party beneficiary rights or entitlement in any US Name; or

3.3.4. be deemed to involve any disciplinary or enforcement proceeding against any person.

3.4. Upon the effectiveness of the Agreement, and provided that Lloyd's is not in breach of its obligations thereunder, no Participating State shall:

3.4.1. take any administrative, civil injunctive or similar action preventing the offering of R&R from being made to any US Name, or interfering in any way with the reinsurance of US Names into Equitas; or

3.4.2. take any administrative, civil injunctive or similar action to prevent the implementation of R&R, and Names' reinsurance to close into Equitas, or to undo its implementation after it has been effected.

3.5. The Chairman of the NASAA Coordinating Committee shall promptly after entering into this MOU communicate with the staff of the United States Securities and Exchange Commission (the "SEC") that the MOU has been signed.

3.6. In effecting the Agreement, any administrative action or order issued by any participating NASAA state member with respect to Lloyd's or any of the participants in the Lloyd's market shall be the subject of agreement between Lloyd's and the NASAA members that execute this MOU or the Agreement. No further enforcement proceedings arising out of the participation of US Names in the Lloyd's

market, or that otherwise gave rise to the MOU and the Agreement will be instituted against Lloyds or any person to be released under the R&R Settlement Agreement by any NASAA member that executes this MOU or the Agreement.

3.7. Nothing in the Agreement shall be intended to preclude any party from seeking to enforce the mutual covenants and promises in the Agreement.

Article IV. Confidentiality.

4.1. The parties to this MOU agree, subject to applicable laws, to exercise their best faith efforts to maintain confidentiality of the terms of this MOU until the Agreement has been executed, or the parties otherwise mutually agree.

4.2. Nothing in this MOU or the Agreement contemplated thereby shall be deemed to involve any disciplinary or enforcement proceeding against any person.

4.3. The parties to this MOU agree that any NASAA or Lloyd's press release or similar public announcements regarding the announcement of the execution of the MOU and the Agreement shall be jointly approved in writing by designated representatives of the NASAA Coordinating Committee and Lloyd's, and no party hereto shall discuss or characterize the MOU or the Agreement in a manner that is inconsistent with the terms of such jointly approved releases or announcements. The other parties to this MOU and the parties to the Agreement shall use their best efforts to make any press release or similar public announcements consistent with the spirit of any NASAA release or announcement.

Article V. Notices.

5.1. Notices under this MOU to any of the NASAA members that are signatories to it shall be made to:

North American Securities Administrators Association
1 Massachusetts Avenue, N.W.
Suite 310
Washington, DC 20001
Attn: Neal A. Sullivan, Executive Director

with a copy to: Philip A. Feigin
Colorado Securities Division
1580 Lincoln
Suite 420
Denver, CO 80203

5.2. Notices under this MOU to Lloyd's shall be made to:

Lloyd's of London
Attention: Secretary
One Line Street
London, EC3M 7HA, England

with a copy to: Harvey L. Pitt, Esquire
Fried, Frank, Harris, Shriver & Jacobson
1001 Pennsylvania Avenue, N.W.
Washington, D.C. 20004

Article VI. Future Activities.

6.1. The Agreement shall specify, as to each State that is prepared to permit current State Names to (a) continue to underwrite insurance in the Lloyd's market and (b) participate in capacity auctions for syndicate participations, the procedures under which it is prepared to permit such underwriting and participation to take place. No person resident in the State shall be solicited as new Names except pursuant to procedures set forth in the laws and regulations of each such State.

6.2. Nothing in the Agreement or in any order or proceeding to be terminated pursuant to the Agreement shall be deemed to affect, limit or restrict Lloyd's and any Lloyd's market participant's business or its ability to participate in offerings or rely on any exemption, including, without limitation, the Securities Limited Offering Exemption, as and to the extent now or hereafter adopted in the relevant State.


Article VII. Miscellaneous.

7.1. No party to the Agreement shall do indirectly that which they have undertaken in the Agreement to refrain from doing directly.

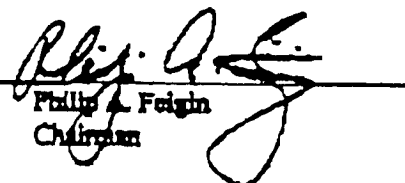
7.2 It is expressly understood that this MOU expresses the intentions of the parties to reach agreement on the basis of the principles herein, and that this MOU creates no binding or enforceable obligation on the part of any party.

SIGNED THIS 24 DAY OF JULY, 1996.

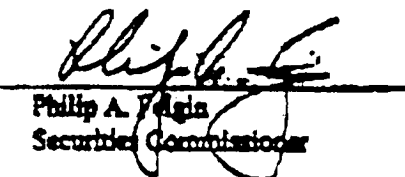
The Society of Lloyd's

By: 
Harvey L. Pitt, Esquire
Counsel to the Society of Lloyd's

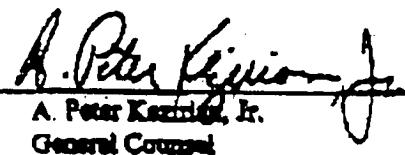
NASAA Coordinating Committee

By: 
Philip A. Feigin
Chairman

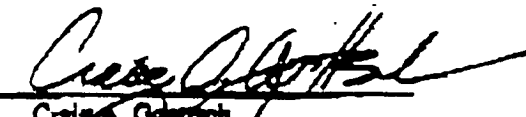
State of Colorado Securities Commission

By: 
Philip A. Feigin
Securities Commissioner

Corporations Department, State of California

By: 
A. Peter Kazirig, Jr.
General Counsel

Securities Bureau, State of Iowa

By: 
Craig A. Gosselin
Superintendent of Securities

**Arizona Corporation Commission
Consumer Division**

By: Don R. Hanks
Don R. Hanks
Director of Consumer

Exhibit F

NASAA AGREEMENT

This Agreement made as of this 11th day of July, 1996 (the "NASAA Agreement") by and between:

- the Society incorporated by Lloyd's Act 1871 by the name of Lloyd's ("Lloyd's"), with an address at One Lime Street, London EC3M 7HA, and
- the Coordinating Committee of the North American Securities Administrators Association (the "Coordinating Committee"), with an address at One Massachusetts Ave., NW, Washington, DC 20001,

WHEREAS, Lloyd's and the Coordinating Committee entered into a Memorandum of Understanding dated July 2, 1996, a copy of which is annexed as Exhibit 1; and

WHEREAS, Lloyd's and certain of the State Securities Members of NASAA (the "State Securities Regulators"), in recognition of their respective regulatory capacities, and for the reasons set forth therein, entered into an agreement (the "State Agreement") on July 11, 1996, a copy of which (without supporting exhibits) is annexed as Exhibit 2; and

WHEREAS, Lloyd's and the Coordinating Committee, recognizing the need for mutual cooperation, wish to facilitate the implementation of the State Agreement;

the parties hereto agree as follows:

Article 1 - The Process

- (A) Names resident in the States whose Securities Regulators are signatories to the State Agreement ("State Names") and who accept and comply with all of the requirements of R&R ("Qualified State Names") shall be eligible for a special allocation to reduce the amounts due in respect of their Finality Statements, issued as a part of the R&R

Settlement Offer ("State Credits") if the State Names qualify pursuant to the provisions of paragraphs (B) and (C) below, provided the R&R Settlement Offer is declared unconditional by the Council of Lloyd's. The maximum aggregate amount of State Credits offered to all State Names shall be U.K. £40 million.

- (B) The Coordinating Committee, in its sole discretion and judgment, has determined a uniform procedure to allocate State Credits among State Names (the "Process"). The Process, attached hereto as Exhibit 3, involves no findings of fact or findings of law, and is not, in particular, based on factual or legal determinations concerning any matters that have been in dispute between the State Securities Regulators and Lloyd's. It is expressly recognized by the parties to this NASAA Agreement that Lloyd's has not endorsed or approved any aspect of the Process.
- (C) A State Name shall be eligible to participate in the State Program if he or she resides in a state whose Securities Regulator has executed the State Agreement, and who
- (i) has amounts due in respect of his or her Finality Statements as a result of participation in the Lloyd's market as an individual unincorporated Name at Lloyd's; and
 - (ii) satisfies such other criteria set by the Coordinating Committee, as described in Exhibit 3 attached hereto.
- (D) Lloyd's will compute the proposed allocations under the terms described in the Process. At Lloyd's sole cost, and no later than five days following the mailing of Lloyd's Settlement Offer Document to State Names, Lloyd's Director, Finance shall certify in writing to the State Securities Regulators who are signatories to the State Agreement by letter delivered to the Coordinating Committee that the Finality Statement provided to each State Name (or his or her personal representative, executor, administrator, guardian

or counsel) in connection with the R&R Settlement Offer Document includes a calculation of State Credits which conforms materially with the Process.

- (E) In the event State Credits are offered to State Names who decline to accept their R&R settlement offer, such credits (up to an amount equal to fifteen percent (15%) of the total State Credits, up to a maximum of U.K. £6.0 million) shall be reallocated to a separate fund (the "Reallocation Fund"). This Reallocation Fund shall be distributed to qualified State Names by a neutral evaluator or evaluators (the "Neutral Evaluator") in accordance with the terms of Exhibit 3 to this NASAA Agreement.
- (F) Under no circumstances shall the amount of State Credits (including those credits reallocated in accordance with sub-paragraph (E)) allocated to any State Name exceed the amounts due in respect of his or her finality statement.
- (G) State Names shall be required by Lloyd's, as part of the State Names' acceptance of the R&R Settlement Agreement, to release the Neutral Evaluator, Lloyd's, and all persons to be released under the R&R Settlement Agreement, with regard to any aspect of the performance of this Agreement, and the State Agreement, including, without limitation, the allocation and reallocation of State Credits.

Article 2 - The Communication

- (A) The Coordinating Committee and Lloyd's have agreed to a joint communication for the Coordinating Committee and Lloyd's to State Names (the "Communication"), a copy of which is attached as Exhibit 4. The Communication shall be printed and dispatched to State Names with the Settlement Offer Document and the Finality Statement, at Lloyd's expense.
- (B) The parties to this Agreement shall use their best efforts to ensure that any press release or similar public announcement made by any participating State Securities Regulator is

consistent with the spirit of any jointly-worded Lloyd's-NASAA release or announcement.

Article 3 - The Neutral Evaluator

- (A) The Coordinating Committee, acting with the advice and consent of the participating States Securities Regulators, shall appoint (with the consent of Lloyd's, such consent not to be unreasonably withheld) one or more persons (up to a total of five persons) to serve as the Neutral Evaluator, and to apply uniform standards in performing the reallocation provided for in Article 1(E) of this Agreement, pursuant to the standards set forth in Exhibit 3, hereto.
- (B) After the initial allocations to Qualified State Names are made by the Neutral Evaluator, the Neutral Evaluator shall notify Lloyd's of the reallocation of all reallocated State Credits to Qualified State Names pursuant to Article 1(E) of this NASAA Agreement and Exhibit 3 hereto.
- (C) Upon receiving the notification referred to in Article 3(B) above, Lloyd's shall promptly effect the allocation of all State Credit in the designated amount to each such designated State Name.
- (D) The allocations made by the Neutral Evaluator, including the distribution of the Reallocation Fund, shall be final and nonreviewable by any person, entity or tribunal.
- (E) Nothing in this Agreement shall be deemed to limit the jurisdiction of any state insurance regulator.
- (F) Nothing in this Agreement, and no allocation or reallocation of State Credits, shall:

- (1) constitute any admission of any fact or concession of any legal principle for any reason, or a finding or order for purposes of Rule 803 of the Federal Rules of Evidence or any comparable state provision;
 - (2) constitute a waiver with respect to any issue, including but not limited to submission to jurisdiction by any party to this Agreement, except for purposes of Article 5 of this Agreement;
 - (3) be deemed to involve any disciplinary or enforcement proceeding against any person within the meaning of any federal or state law;
 - (4) create any third party beneficiary right or entitlement of, or any obligation to, any State Name; or
 - (5) be deemed to constitute any finding or approval of any State Securities Regulator with respect to any materials disseminated by, or any activities of, Lloyd's or any person to be released under the R&R Settlement Agreement.
- (H) Provided that Lloyd's is not in breach of its obligations under this Agreement, the Coordinating Committee shall not take any action that would have the effect of interfering with R&R settlement offers being made to any U.S. Name or the reinsurance of the liabilities of any U.S. Name into Equitas, or have the effect of undoing the implementation of R&R or Equitas reinsurance after it has been effected.

Article 4 - Notices

- (A) Notices under this Agreement shall be given by telecopy, with a confirmatory letter by airmail, postage prepaid, to the persons indicated below, or to such successor persons, addresses or telecopy numbers as each such person may indicate by notice hereunder. A notice hereunder shall be deemed to be given when received by telecopy if received

between 9:00 a.m. and 5:00 p.m. local time at the place of receipt; or otherwise shall be deemed to be received at 9:00 a.m. on the next business day at the place of receipt. A telecopy confirmation shall serve as *prima facie* evidence that a telecopy has been received.

(B) Notices shall be addressed as follows:

(1) If to the Coordinating Committee, to:

Coordinating Committee
North American Securities Administrators Association
One Massachusetts Avenue, N.W., Suite 310
Washington, D.C. 20001

(2) If to Lloyd's, to:

Lloyd's
One Lime Street
London EC3M 7HA
Attention: Secretary to the Council
Telecopy: (44 171) 327-6122

with a copy to:

Fried, Frank, Harris, Shriver & Jacobson
1001 Pennsylvania Avenue, N.W.
Washington, D.C. 20004
Attention: Harvey L. Pitt
Telecopy: 202/639-7003

Article 5 - Governing Law and Jurisdiction

(A) This Agreement shall be governed by the laws of the State of New York without reference to its provisions on conflicts of laws.

(B) Any claim or controversy arising from, or in connection with, this Agreement shall be subject to arbitration in the City of New York in accordance with the Expedited

Procedures under the Commercial Arbitration Rules (the "Rules") of the American Arbitration Association (the "AAA"). If the parties do not agree on the choice of an arbitrator within forty-eight hours, the arbitrator shall be selected in accordance with Rule 54 of the Rules, provided that all of the panelists presented by the AAA shall be retired federal judges, the list shall be returnable within forty-eight hours and the parties shall simultaneously notify the AAA of any non-preemptory objection to a proposed arbitrator, stating the reasons therefor. For good cause shown by either party, the arbitrator can reduce the notice period provided in Rule 55 of the Rules to three days. Notwithstanding Rule 57 of the Rules, unless otherwise agreed by the parties, the award (that can subsequently be confirmed in writing) shall be rendered not later than seven days from the date of the hearing. The arbitrator shall have the power to award legal fees to the prevailing party if he determines it is just and equitable to do so. The arbitrator shall not have the power to award punitive damages. The order of the arbitrator shall be final and nonreviewable.

- (C) Lloyd's hereby consents to the nonexclusive jurisdiction of the courts of any State for the limited purpose of (i) the grant of interim judicial relief pending arbitration; and (ii) the enforcement of an arbitral award issued to the Coordinating Committee as a prevailing party pursuant to this Article 5. The Coordinating Committee hereby consents to the jurisdiction of the state courts of the State of New York for the limited purpose of (i) the grant of interim judicial relief pending arbitration; and (ii) the enforcement of an arbitral award to Lloyd's as a prevailing party pursuant to this Article 5. Nothing in this Agreement shall be construed as effecting a general waiver or consent to jurisdiction by any party hereto.

Article 6 - Amendments

This Agreement may only be amended in writing.

Article 7 - Entire Agreement

- (A) This Agreement and the Exhibits and Schedules attached hereto: (i) constitute the entire agreement between the parties with respect to the subject matter hereof; and (ii) except as expressly provided, are not intended to and shall not be construed to confer upon any persons other than the parties hereto any rights or remedies hereunder.
- (B) The execution of this Agreement shall not operate to repeal the April 29, 1996 NASAA Conditional Standstill Agreement, except to the extent any provision of this Agreement is inconsistent with such Conditional Standstill Agreement.

Article 8 - Waivers

Any agreement on the part of a party to any extension or waiver shall be valid only if set forth in writing by the party granting the extension or waiver. No waiver of any of the provisions of this Agreement shall be deemed to or shall constitute a waiver of any other provision hereunder.

Article 9 - Miscellaneous

- (A) No party to this Agreement shall do indirectly that which it has undertaken in this Agreement to refrain from doing directly, provided however, that nothing in this Agreement shall operate to preclude the North American Securities Administrators Association from filing any brief, *amicus curiae*, in any appellate tribunal, on any issue of law.
- (B) Time is of the essence with respect to provisions of this Agreement calling for performance by a specified time.

- (C) Each party hereto acknowledges that breach of certain obligations hereunder cannot be remedied by the payment of money damages. In such event, a party shall have the right, in addition to any other rights it may have, to an order of specific performance of this Agreement.
- (D) If either party to this Agreement believes that the other party is in material breach of any provision hereof, no action or proceeding to enforce compliance with this Agreement shall be instituted unless the party deemed to be in material breach is given written notice, and ten (10) business days either to cure any such defect or to satisfy the complaining party that no material breach in fact has occurred.
- (E) Nothing in this Agreement is intended to bind or impose any obligation on any State Securities Regulator.

Article 10 - Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall be considered one and the same instrument.

Article 11 - Representation

- (A) The Coordinating Committee enters into this Agreement after being advised, by Lloyd's, that Lloyd's has the authority to enter into this Agreement, and has secured any necessary approvals therefor.
- (B) Lloyd's enters into this Agreement after being advised, by the Coordinating Committee, that the Coordinating Committee has the authority to enter into this Agreement, and has secured any necessary approvals therefor.

Exhibit G

CONDITIONAL STANDSTILL AGREEMENT

This Conditional Standstill Agreement (the "Agreement") is made this 29th day of April 1996, by and between the Lloyd's Coordinating Committee of the North American Securities Administrators Association ("NASAA") (referred to as the "Committee") and the Corporation of Lloyd's ("Lloyd's").

RECITALS

WHEREAS the Committee entered into an agreement with Lloyd's dated April 3, 1996 (the "Standstill Agreement");

WHEREAS the Standstill Agreement will expire by its terms on April 30, 1996 and the Committee and Lloyd's wish to provide for the continuation of a standstill agreement, subject to the terms set forth herein; and

WHEREAS it is the intention of both Lloyd's and the Committee that this Agreement will take effect, and remain in effect, with respect to any State, so long as that State does not act inconsistently with paragraph 3, below;

NOW THEREFORE, it is agreed as follows:

1. Lloyd's will neither solicit nor accept individuals resident in the states as new Names except pursuant to procedures set forth in the relevant laws and regulations of the respective states, or specific procedures for doing so agreed upon between Lloyd's and the respective States;

2. Until May 15, 1996, neither Lloyd's nor any assignee will draw upon, or cause to be drawn upon, assets or letters of credit supplied by a Name who is a resident of any State, or seek recourse against other assets of any such Name (except, in the limited circumstances that a Name fails to renew a letter of credit about to expire, Lloyd's reserves the right to draw down; or except in the event of a major catastrophic loss requiring the payment of a Name's insurance underwriting liability);

3. From and after May 15, 1996, neither Lloyd's nor any assignee will draw upon, or cause to be drawn upon, assets or letters of credit supplied by a Name who is a resident of any State, or seek recourse against other assets of any such Name (except, in the limited circumstances that a Name fails to renew a letter of credit about to expire, Lloyd's reserves the right to draw down; or except in the event of a major catastrophic loss requiring the payment of a Name's insurance underwriting liability) unless it provides fourteen (14) days written notice to a Name, and simultaneously provides a copy of same to the state securities administrator for the state in which the Name resides. In any case where Lloyd's seeks to draw down, the state securities administrator is in no way precluded or inhibited by the Agreement from taking whatever action, if any, said administrator considers appropriate to prevent in

4. Lloyd's represents that any Name who is a resident of any State and who accepts all aspects of Lloyd's plan of Reconstruction and Renewal ("R&R") shall be allowed to do so on the basis of the figures presented in their "indicative finality statement" or their "finality statement," whichever they choose, provided, however, either offer is conditioned on the final implementation of R&R. Nothing in this Agreement shall be construed as precluding any Name who wishes to do so from negotiating an individual settlement with the Lloyd's Financial Recovery Department ("FRD"). It is the Committee's understanding - and a specific basis for their entry into this Agreement - that with the exception of the option of the FRD process, no U.S. Name is, as of the date of the execution of this Agreement and until at least May 31, 1996, being asked to commit to any final resolution and there is no obligation for such Name to take any action at the time of the execution of this Agreement through at least May 31, 1996 with respect to the implementation of R&R:

5. Except as otherwise provided in paragraph 3. above, the Committee agrees that it will not, and also agrees that it will recommend that each State should not, prior to September 3, 1996, take any legal or administrative action that interferes with the implementation of R&R or the payment of claims to policy holders by (a) restricting in any manner, including the imposition of any lien upon, any Lloyd's Premiums Trust Funds or Lloyd's Central Funds maintained for the benefit of policyholders, or (b) restricting communications with names resident in the state;

6. Nothing in this Agreement shall be construed as affecting the authority or powers of the insurance regulators of the United States;

7. This Agreement is made without prejudice to the position of any party affected by this Agreement. Nothing herein shall waive any defense or position that may be asserted by Lloyd's, any person or entity involved in the sale of insurance through Lloyd's of London, or the state securities administrators. Lloyd's expressly denies any liability under the securities laws of the State and the jurisdiction of any of the State's securities laws over any aspect of the matters covered herein. The Regulators expressly assert such jurisdiction and liability; and

8. Nothing herein will supersede any existing administrative or judicial orders, stay or otherwise delay any proceedings in actions brought by any state or Lloyd's, or be deemed to be a concession on the part of Lloyd's, the Committee or any state securities administrator as to any issue, legal proposition, factual assertion, or the application of any State securities law.

Agreed to on behalf of the Corporation of Lloyd's

By: William C. Marston, U.S. Circuit Court
Name/Title

Date: April 29, 1976

Agreed to on behalf of:

NASAA Lloyd's Coordinating Committee

By: Philip A. Feigin
Philip A. Feigin
Colorado Securities Commissioner
Chairman, Lloyd's Coordinating Committee

Date: April 29, 1976

IN WITNESS WHEREOF, the undersigned, being duly authorized, have executed this Agreement as of the 11th day of July, 1996.

LLOYD'S

Dated: September 24, 1996

By: Alex Bartlett
Name: Alex Bartlett
Title: Attorney for Lloyd's

THE STATE SECURITIES REGULATORS

STATE OF MISSOURI

Dated: September 21, 1996

By: Douglas F. Wilburn
Name: Douglas F. Wilburn
Title: Commissioner of Securities



SUPPLEMENTAL AGREEMENT - MISSOURI

The following supplemental agreement is entered into in conjunction with, and as an amendment of, and in consideration of, the execution of the State Agreement dated as of July 11, 1996 by and among the Society Incorporated by Lloyd's Act 1871 by the name of Lloyd's ("Lloyd's") and the Missouri Commissioner of Securities (the "Commissioner") acting under the direction of the Missouri Secretary of State for the State of Missouri.

The State Agreement is hereby modified as follows:

WHEREAS, the Commissioner and Lloyd's wish to enter into the substance of the State Agreement but wish to modify some of its terms and provide additional terms; and

WHEREAS, the Commissioner is taking no position with respect to whether any State Names resident in Missouri should or should not accept their Reconstruction and Renewal plan settlement offers.

1. Article 1(B) is amended by adding the following sentence at the end of the Article:

Level 1 and Level 2 State Credits of State Names resident in Missouri ("Missouri Names") will be calculated to provide the same level of benefit as Names comparably situated in states that have joined the State Agreement previously and were included in the computational pool (July 23, 1996 computer run). The State Credits so allocated by Lloyd's will be in addition to those in the computational pool calculated on July 23, 1996. State Credits so provided to State Names resident in Missouri who do not accept R&R will be reallocated in accordance with Article 1(F) hereof, and Missouri Names will be eligible to participate in Level 3 State Credits in accordance with Article 1(F) hereof and the Process.

2. Article 5 is amended by adding the following new Paragraph (D):

Lloyd's will give the Commissioner at least 21 days prior notice (or such shorter period of time as the parties may agree is reasonable under the circumstances) prior to taking any action in the State of Missouri with respect to Names now or formerly resident in Missouri pursuant to Article 5(A) or (B). Notwithstanding this provision, Lloyd's shall not draw down any letter of credit of a Missouri Name who has chosen not to accept R&R prior to November 1, 1996, without the prior approval of the Commissioner.

3. Article 7(A) is hereby amended in its entirety to read as follows:

This Agreement shall be governed by and construed under the laws of the State of Missouri.

4. Article 7(B) is hereby amended as follows:

- (a) In line 4, the word "St. Louis" shall be substituted for the words "the City of New York".
- (b) The following sentence is added after the second sentence of Article 7(B):

The only persons who shall be eligible to serve as arbitrators under this Agreement shall be retired or senior judges of federal courts located within the federal Eighth Circuit.

5. Lloyd's will neither solicit nor accept individuals resident in Missouri as new Names except pursuant to procedures set forth by the Commissioner and in the relevant laws and regulations of the State of Missouri, or pursuant to specific procedures for doing so agreed upon between Lloyd's and the Commissioner.
6. All other terms and provisions of the State Agreement shall apply as specified in the State Agreement.

In witness whereof, the parties have executed this Supplemental Agreement as of September 24, 1996.

LLOYD'S

STATE OF MISSOURI
OFFICE OF THE SECRETARY OF STATE
OFFICE OF THE COMMISSIONER OF
SECURITIES

By: Alex Bartlett
Name: Alex Bartlett
Title: Attorney for Lloyds
Dated: Sept. 24, 1996

By: Donald E. Wilburn
Name: Donald E. Wilburn
Title: Commissioner of Securities
Dated: September 24, 1996