
OMEGA INSURANCE HOLDINGS LIMITED
TERMS OF REFERENCE OF INVESTMENT
COMMITTEE

As adopted on 16 September 2006, and amended by
Board Resolution on 14 September 2007 and 22 May
2009

Dewey & LeBoeuf
No.1 Minster Court
Mincing Lane
London EC3R 7YL

Omega Insurance Holdings Limited
(the "Company")

Investment Committee
Terms of Reference

On 6 September 2006, pursuant to the Bye-laws of the Company, the Board of Directors (the "**Board**") resolved to establish an Investment Committee of the Board and other key employees (the "**Committee**"). These Terms of Reference were adopted by the Board on 16 September 2006, and amended by Board Resolution on 14 September 2007 and 22 May 2009.

1. Membership

- 1.1 The Committee shall be appointed by the Board and shall consist of not less than two independent Non-executive Directors, and the Group Financial Director. For the avoidance of doubt, the Chairman of the Company and any other Executive Director shall be entitled to be a member of the Committee.
- 1.2 The Chairman of the Committee shall be appointed by the Board.
- 1.3 Appointments to the Committee shall be made by the Board on the recommendation of the Company's Nomination Committee in consultation with the Chairman.
- 1.4 A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee. A quorum shall be two members.
- 1.5 The Committee may invite other Directors and employees of the Company and its subsidiaries to attend its meetings as it considers necessary for its effective operation.
- 1.6 The Company Secretary or his or her nominee shall be the Secretary of the Committee. The Secretary will keep a record of the membership of the Committee and of the dates of changes to the membership.

2. Authority

- 2.1 The Committee is authorised by the Board to investigate any activity within its Terms of Reference. It is authorised to seek any information it requires from any employee of the Company and its subsidiaries (the "**Group**") and all such employees are directed to co-operate with any request made by the Committee.
- 2.2 The Committee is authorised by the Board (subject first to informing the Board of its intention to do so) to obtain outside legal or other independent professional advice at the Company's expense and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

3. Duties

The Committee is responsible for doing all such things necessary for monitoring the management of the investments of the Group, but not its syndicate investments, including but not limited to:

- 3.1 recommending investment strategies, guidelines and policies for the Boards of the Company and other members of the Group to approve annually;
- 3.2 recommending the appointment of fund managers for all investments to the relevant Boards;
- 3.3 monitoring the performance of the investment strategies against set benchmarks;
- 3.4 monitoring cash flow and liquidity of the Company and the other members of the Group;
- 3.5 reviewing treasury policy of the Company;
- 3.6 receiving and reviewing reports on investment performance and reporting to the Board. These reports shall consist of the independent adviser report, the investment manager's report and the forecast investment return; and
- 3.7 establishing and monitoring compliance with investment operating guidelines relating to custody of investments, internal control and accounting.

4. Reporting responsibilities

- 4.1 The Secretary of the Committee shall minute the proceedings of all meetings of the Committee including a record of the names of those present. The minutes, but not necessarily all the related background papers, shall be made available by the Secretary of the Committee for inspection by any member of the Board.
- 4.2 The Chairman of the Committee will report to the Board on significant matters considered, recommended or decided by the Committee.
- 4.3 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

5. Frequency of meetings

- 5.1 The Committee shall meet as and when requested by either its Chairman or, if different, the Chairman of the Company, and its Chairman will ensure that such meetings are held sufficiently frequently for the Committee to fulfil its duties.
- 5.2 Notwithstanding 5.1 above, Committee meetings shall be held at least four times a year and as far as is practicable once every quarter.

6. Notice of meetings

Reasonable notice in writing of the meetings of the Committee shall be given to each member of the Committee. For the purposes of this clause, notice in

writing shall include notice sent by electronic means as deemed appropriate by the members of the Committee.

7. Other

- 7.1 At the request of the Chairman of the Committee, other Directors of the Company may be invited to attend meetings but, in the event of a vote, may not vote.
- 7.2 The Committee shall on a regular basis, not less frequently than annually, review its own performance and the adequacy and sufficiency of these Terms of Reference and report its conclusions to the Board.
- 7.3 The Committee shall make these Terms of Reference available on request, explaining its work and the authority delegated to it by the Board.

8. Annual General Meeting

The Chairman of the Committee shall attend the Annual General Meeting of the Company and be prepared to respond to any shareholder questions on the Committee's activities.

Adopted on 16 September 2006
and amended on 14 September 2007
and 22 May 2009

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Committee Chairman