

30 April 1999

TO ALL MEMBERS

Dear Sirs,

CLASS 5 PROTECTING & INDEMNITY SUPPLEMENTARY AND RELEASE CALLS

At its meeting on 28 April 1999 the Committee reviewed the Supplementary and Release Calls for each open year. Although the cost of claims is continuing to rise, the Committee resolved that the Supplementary Call for 1998/99 could be reduced to 20%, from the initial estimate of 40%, reflecting the very satisfactory investment returns which have again been achieved by LSSO (Bermuda).

In detail, the following decisions were taken by the Committee:

1996/97

All Supplementary Calls have been levied. The Release Call rate will remain at 10%, and the Committee anticipates that the year will be formally closed in October 1999.

1997/98

The 30% Supplementary Call was levied in 1998 but the year must remain open for International Group purposes until 2000. The Release Call rate has been reduced from 20% to 10%.

1998/99

As noted above, the Supplementary Call, originally forecast at 40% of Advance Call, will now be levied at 20%, and debit notes will be issued in July 1999. No further Supplementary Call is expected. The Release Call rate has been reduced to 40% until August 1999 and will thereafter reduce to 20%.

1999/2000

The Supplementary Call estimate remains at 40% with the Release Call rate continuing at 60%, as advised in the Association's Circular (5:259) of 20 October 1998.

Yours faithfully,
A.BILBROUGH & CO. LTD.
(MANAGERS)