

30 November 1999

TO ALL MEMBERS

Dear Sirs

CLASS 5 PROTECTING & INDEMNITY ADVANCE, SUPPLEMENTARY AND RELEASE CALLS

At its meeting in New York on 19 October 1999, the Committee reached the following decisions, which reflect the Association's continuing satisfactory financial position:

1996/97: All Supplementary Calls have been levied and the Committee has therefore resolved that the year should now be closed without further Call.

1997/98, 1998/99 and 1999/2000:

The Committee reaffirmed the decisions reached at their meeting on 28 April 1999 which were advised in the Association's Circular of 30 April 1999 (5:276):

1997/98: The Release Call rate will remain at 10% until the year can be formally closed in October 2000.

1998/99: The Supplementary Call was levied at 20% in August 1999, compared with the original forecast of 40%. No further Supplementary Call is expected and the Release Call rate will continue at 20%.

1999/2000: The Supplementary Call estimate remains at 40%, with the Release Call rate 20% higher. The Supplementary Call will be reviewed in April 2000.

Policy Year 2000/2001

The Committee authorised a general Advance Call increase of 5% for this Policy Year. The Committee also agreed an initial estimated Supplementary Call of 40%, with the Release Call rate to be 20% higher.

In the Association's Circular of 1 February 1999 (5:272) Members were advised of the Committee's decision that both Advance and Supplementary Calls should be paid by instalment. That instalment basis will continue to apply for Calls due in 2000/2001.

Yours faithfully
A BILBROUGH & CO LTD
(MANAGERS)