



PRESS RELEASE

Insuresport Mutual Ltd (IML) To Suspend Operations

The Board of Directors of Insuresport Mutual Ltd have today announced that it will suspend the writing of new business and not invite renewals after 30 November 2008.

IML was set up in response to a concerted lobby from National Sports Associations, including members of the CCPR, for an alternative to the conventional placement of insurance. This came as a direct result, 5 or 6 years ago, of the "hardening" of markets, with significant increases in premium and, in some cases, difficulty obtaining satisfactory cover.

As a consequence IML was launched on 1 December 2006, with support from the CCPR and Perkins Slade Ltd. More than 300 National Associations, representing three million individual participants, have subsequently joined the IML Scheme.

Ron Forrest, Co-Chairman of IML said:

"In reality, in the two years that IML has been trading, conditions have "softened" considerably and significantly more capacity has become available in the composite markets, enabling satisfactory cover to be obtained at reasonable cost. As a result the requirement for an alternative, such as IML, is currently not so great. IML, therefore, has decided for now to suspend the writing of new business and not invite renewals after 30 November. National Sports Associations covered by IML will see their arrangements remain in place until their next date of renewal. Any claims arising from those arrangements will continue to be handled in exactly the same way."

John Ollard, Finance Director of the CCPR and Co-Chairman of IML said:

"The role of the CCPR is to provide specialist support to its Member Governing and Representative Bodies of Sport and Recreation in the United Kingdom. In the aftermath of 9/11 and other events, many of our members came to us complaining about unfair increases in premium and requesting an alternative. The fact that so many National Associations participated in IML is a testament to the value of its work."

Richard Doubleday, Director of Sport at brokers Perkins Slade Ltd said:

"Until further notice, Perkins Slade clients will have their insurances placed on a conventional basis, using underwriters who have been involved in sport and recreation for many years. The transition will be seamless. Although insurance market conditions are currently to the benefit of sport and recreation in general, it is very possible they will harden at some point in the future and premiums will rise. We expect the IML Board will continue to monitor the markets and, if and when they do change, Insuresport Mutual will consider inviting renewals once more."

Editors notes:

1. The Central Council of Physical Recreation is the National Association of some 270 Governing and Representative Bodies of Sport and Recreation in the United Kingdom.
2. Perkins Slade Ltd are sports specialist insurance brokers, based in Birmingham.
3. IML was set up on 1 December 2006. The rationale was as follows:

Perkins Slade provide a unique Civil Liability Policy for Sport and Recreation. Effectively it covers all non criminal legal liability in a single wording, embracing Public and Products Liability, Professional Indemnity, Libel and Slander and Directors' and Officers' Indemnity. It was created specifically for National Sport and Recreation Associations.

From 1988 to 2006 it was underwritten by Insurers Royal & Sun Alliance and in that time over 300 National Associations have joined the Scheme, providing protection for over 3 million individual participants.

In 2006, when IML was launched, 50% of all risks were placed with Royal & Sun Alliance. The remaining 50% was placed with IML.

A "Mutual" operates to offer protection to its members and is run on behalf of these members (those who buy cover from the Mutual). This Mutual only offers cover to sports organisations, activity business and leisure activities. The Mutual has a Board, comprised of representatives from CCPR, Perkins Slade, and an independent director and advisors (lawyers, accountants etc). Heritage Mutual Management Ltd provides management services to the Mutual and Great Lakes UK (a member of the Munich Re Group) provides insurance to the Mutual.

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