

NOTICE OF SCHEME CREDITORS' MEETING

IN THE HIGH COURT OF JUSTICE (IN ENGLAND)
CHANCERY DIVISION
COMPANIES COURT
IN THE MATTER OF

No. 13425 of 2009

HIGHLANDS INSURANCE COMPANY (U.K.) LIMITED (IN ADMINISTRATION)

and

IN THE MATTER OF THE COMPANIES ACT 2006

NOTICE IS HEREBY GIVEN that, by an order dated 30 April 2009 made in the High Court of Justice in the matter of Highlands Insurance Company (U.K.) Limited (in Administration) (the "**Company**"), a meeting (the "**Scheme Meeting**") was ordered to be summoned of Scheme Creditors (as defined in the Scheme hereinafter mentioned) of the Company for the purpose of considering and if thought fit, agreeing to a scheme of arrangement proposed to be made between the Company and its Scheme Creditors pursuant to Part 26 of the Companies Act 2006 (the "**Scheme**").

The Scheme Meeting will be held on 18 June 2009 at 10.00 am at PricewaterhouseCoopers LLP, One Embankment Place, London WC2N 6RH.

The chairman of the Scheme Meeting will address Scheme Creditors generally on the Scheme and on issues relevant to voting on the Scheme at the commencement of the Scheme Meeting.

Only Scheme Creditors may attend and vote at the Scheme Meeting, either in person or by proxy. Scheme Creditors are requested to complete the voting form (comprising of a form of proxy and a claims table) and return it to the Company, c/o PRO Insurance Solutions Limited, Bruton Court, Bruton Way, Gloucester, GL1 1DA, United Kingdom; email: pro_hicukhelpline@pro-ltd.co.uk; fax: +44 (0) 1452 782 582, marked for the attention of Áine Davies/Ian Leighton, by 5.00 pm on 16 June 2009, although if not so returned, it may be handed in by them at the registration desk at the Scheme Meeting prior to its commencement.

Each Scheme Creditor will be required to register its attendance at the Scheme Meeting. Registration will commence at 09.00 am.

The Scheme is proposed between the Company and its Scheme Creditors (being those persons who have, or may in the future have, a claim against the Company in respect of a liability to which the Company was subject at 1 November 2007 or to which it became subject after that date arising directly or indirectly out of any direct contract or policy of insurance of any kind whatsoever (save those entered into pursuant to Section 1(1) of the Employers' Liability (Compulsory Insurance) Act 1969)).

A letter from the Company, pursuant to Part 26 of the Companies Act 2006, is provided with this Notice. Also enclosed are voting forms for use at the Scheme Meeting.

By the order, the High Court of Justice has appointed Dan Schwarzmann or failing him Mark Batten to act as chairman of the Scheme Meeting and has directed the chairman to report the results of the Scheme Meeting to the court.

The Scheme will be subject to the subsequent sanction of the High Court of Justice.

Dated: 1 May 2009

Clifford Chance LLP
10 Upper Bank Street
London E14 5JJ