

FOR IMMEDIATE RELEASE

Foundation of European Captive Insurance and Reinsurance Owners' Association (ECIROA)

Luxembourg, 22 August 2008 : ECIROA today announced its foundation in Luxembourg. The new association has as object the protection and support of the captive industry as well as representation of its members in discussions with official, regulatory bodies. The Association is aimed at being a forum for captive owners where these can exchange experience across border, business sector or line of insurance business. Membership is open to any European company owning a captive.

The notary deed was signed in the presence of its five founding members Deutsche Bank, Evonik Degussa, EADS, ArcelorMittal and Deutsche Bahn on 19 August 2008. The General Meeting elected Mr. Günter Dröse (Deutsche Bank), Mr. Hans-Joachim Fippinger (Evonik Degussa) and Mr. Hans-Jürgen Allerdissen (Deutsche Bahn) to an interim Board of Directors. A new General Meeting will be held within three months in order to open up for new members to join the Board of Directors as well as the association's working groups. The Board later held a first Board Meeting whereby Mr. Dröse was elected interim Chairman and Mr. Fippinger interim Vice-Chairman. During this Board Meeting ten new members were admitted. Member companies are currently major European companies from a variety of industries and business sectors with seats in Germany, the Netherlands and Denmark representing well over 30 captive companies. The captives are located primarily in Luxembourg, Ireland and Malta.

In order to get country specific inputs into its working groups and to become true Pan-European the Association wants to attract further members from all European Countries. Now there is one official body – ECIROA - which will be acknowledged as the representative of Captive owners and thus a direct, competent counterparty for all national and supranational regulatory bodies which may have influence on captives' activities. The association will become involved when specific problems of captives require attention.

One of the first projects the Association will be focusing on is **Solvency II**, the new regulatory requirements for insurance firms that operate in the European Union. Eciroa aims to find simplifications suitable for the nature of captives under Pillar I, II and III as previously set forth in a « Position Paper on Treatment of Captives in Solvency II » which has already been distributed among interested parties. Captives usually have a simple risk structure compared to a commercial (re)insurance undertaking. The association therefore believes that supervisors should develop a different and more appropriate supervisory approach to captives taking into consideration their nature, size and purpose.

« Although we join the negotiations of Solvency II in an already advanced stage there is still enough time left to develop the new framework into a perfect Solvency II regime also for captives », said Günter Dröse, Interim-Chairman of ECIROA. For this, the association will work together with supervisors and EU bodies as well as with other associations such as FERMA and its members, like AIRMIC (UK), AMRAE (France) and NARIM (the Netherlands).

For further information, please contact the secretariat :

Jeanette Rödbro

+352 42 122 550

jeanette.roedbro@db.com