
CIRCULAR TO SCHEME CREDITORS and POTENTIAL SCHEME CREDITORS



In relation to the following English and Australian Scheme Companies:

- HIH Casualty & General Insurance Limited (In Liquidation and subject to Schemes of Arrangement) ACN 008 482 291
- FAI General Insurance Company Limited (In Liquidation and subject to Schemes of Arrangement) ACN 000 327 855
- World Marine & General Insurances Pty Limited (In Liquidation and subject to Schemes of Arrangement) ACN 000 093 112
- FAI Insurances Limited (In Liquidation and subject to Schemes of Arrangement) ACN 004 304 545

And in relation to the following additional Australian Scheme Companies:

- CIC Insurance Limited (In Liquidation and subject to a Scheme of Arrangement) ACN 004 078 880
- FAI Traders Insurance Company Pty Limited (In Liquidation and subject to a Scheme of Arrangement) ACN 000 177 177
- FAI Reinsurances Pty Limited (In Liquidation and subject to a Scheme of Arrangement) ACN 004 401 138
- HIH Underwriting & Insurance (Australia) Pty Limited (In Liquidation and subject to a Scheme of Arrangement) ACN 004 906 110

We are writing to you because you are a scheme creditor or a potential scheme creditor of one or more of the above HIH Scheme Companies. In accordance with the provisions of the HIH Group Scheme(s) we attach the following:

- a) Notice of Estimation Date - this notifies creditors of the Estimation Date under the Scheme(s) which is the date upon which the Run-off Period in the Scheme(s) will end and the Estimation Period in the Scheme(s) will begin. The Estimation Date will be 31 May 2013.
- b) Final Claim Form for Estimation, "FCF" – to be completed by creditors if appropriate and returned to the Scheme Administrators
- c) Instructions for Completion and Return of the FCF.

Where possible, we have pre-populated the FCF with claim amounts. In such instances, if you are in agreement with the pre-populated claim amount(s) and have no additional claim(s), no further action is required. However, if you believe that you have a claim in the HIH Scheme(s) and either a) the FCF is not pre-populated; or b) you are not in agreement with the pre-populated claim amount, then you are required to amend and complete the attached FCF (and, if necessary, provide additional information) and return it to the Scheme Administrators in accordance with the attached instructions.

Creditors' attention is drawn to the requirement to lodge a separate FCF for each scheme company against which they want to assert a claim.

If you do not receive an acknowledgement of receipt of your FCF within 21 days of lodgement of the form you must contact the HIH Help Desk (see Notice of Estimation Date for contact details) to ensure that your FCF has been received by the Scheme Administrators.

In the event that creditors require any clarification relevant to their individual circumstances, they are requested to contact the HIH Help Desk.

Catch-up dividends will continue to be paid on a quarterly basis during the Estimation phase of the Schemes. Accordingly creditors will receive catch-up distributions within three to six months of the agreement by the Scheme Administrators of any increases in their Established Scheme Claim amounts.

Dated at Sydney this 15th day of February 2013

Anthony Gregory McGrath
Scheme Administrator
Australia

Christopher John Honey
Scheme Administrator
Australia

John Mitchell Wardrop
Scheme Administrator
England

Michael Steven Walker
Scheme Administrator
England

NOTICE OF ESTIMATION DATE

In relation to the following English and Australian Scheme Companies:

HIH Casualty & General Insurance Limited
(In Liquidation and subject to Schemes of Arrangement) ACN 008 482 291

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(In Liquidation and subject to a Scheme of Arrangement) ACN 004 906 110

Notice is given in accordance with clause 24 of the Australian Scheme of each of the companies noted above and also in accordance with clause 24 of the English Scheme of each of the first four companies noted above that the Estimation Date (as defined in the English Schemes and the Australian Schemes) has been set at: 31 May 2013.

Clause 25 of the English and Australian Scheme provide that no Scheme Creditor shall be entitled to have any Liability determined to be an Acknowledged Creditor Claim unless:

- prior to the Estimation Date it has already been determined to be an Acknowledged Creditor Claim in accordance with clause 11;
- a Final Claim Form for Estimation is completed by the Scheme Creditor detailing each of its Liabilities and returned to the Scheme Company so as to reach the Scheme Company, on or before the date three months after the Estimation Date; or
- prior to the Estimation Date a Proceeding has been commenced in accordance with the English Scheme or the Australian Scheme which has not been determined by the Estimation Date.

Scheme Creditors must submit their final Estimation of claims against the Scheme Companies by midnight 2 September 2013 (British Summer Time) being three months after the Estimation Date. (Final Claim Forms for Estimation received after this date will not be considered). Scheme Creditors should note that if a claim has been agreed as an Acknowledged Creditor Claim there is no requirement to complete a Final Claim Form for Estimation for those specific claims, which are already accepted.

Estimates should be filed on the Final Claim Form for Estimation attached to this notice as posted or available direct from the Scheme Administrators on request, or available on the HIH website, the address for which is www.hih.com.au.

For a copy of the English or Australian Scheme document please contact the relevant Scheme Administrators (address noted below) or visit the HIH website.

The contact details for the HIH Help Desk for creditor's enquiries are as follows:

Australian Scheme Creditors

Tel: +61 (0)2 9650 5777
E mail: estimation@hih.com.au
Fax: +61 (0)2 9650 5760

English Scheme Creditors

Tel: +44 (0) 20 7743 0858
E mail: hihenquiries@asta-uk.com
Fax: +44 (0) 20 7743 0901

Anthony Gregory McGrath
Scheme Administrator
Australia

Christopher John Honey
Scheme Administrator
Australia

John Mitchell Wardrop
Scheme Administrator
England

Michael Steven Walker
Scheme Administrator
England

FINAL CLAIM FORM FOR ESTIMATION



Contents

Section A	Your Scheme Creditor details
Section B	Your Established Scheme Claim
Section C	Your final Scheme claim details
Section D	Amounts the Scheme Company owes to you
Section E	Amounts you Owe to the Scheme Company

Scheme Company:

SECTION A – YOUR SCHEME CREDITOR DETAILS

(1) Scheme Creditor's name:

(2) Scheme Creditor / Potential Scheme Creditor
Principal Identification Number
(PID):

(3) Address of Scheme Creditor:

(4) Name & contact details of authorised
representative of the Scheme Creditor to whom
all enquiries concerning this Final Claim Form
for Estimation may be addressed (Block
Capitals):

Telephone number (including country and area
code):

E mail address:

Fax number (including country and area code):

Please add any of the above details that are missing and correct any details that are out of date.



SECTION B – YOUR ESTABLISHED SCHEME CLAIM

Your Established Scheme Claim is the amount upon which your Scheme distribution payments are or will be based. It represents the net value of all Acknowledged Creditor Claim transactions with adjustments for any security that you hold (e.g. letters of credit or retained reserves to the extent that they have not already been drawn down or released with our approval) and any balances to which set off rights apply.

According to the Scheme Company's records your current Established Scheme Claim upon which Scheme distribution payments are or will be based is:

(5) Current Established Scheme Claim:

This amount is derived from the following individual currency balances:

For the purposes of making distributions, the Schemes of Arrangement provide mechanisms for the conversion of amounts which were incurred in currencies other than Australian Dollars, US Dollars, Sterling or Euros and for the conversion of amounts incurred in multiple currencies. See clauses 37.6 and 37.7 of the Australian Schemes and clauses 31.6 and 31.7 of the English Schemes. Future movements in currency exchange rates may therefore impact upon Established Scheme Claims as currently reported.

In the event that your Established Scheme Claim changes before the Estimation Date of 31 May 2013 for reasons other than currency rate movements, we will send you an updated Final Claim Form for Estimation (Final Claim Form).

The inclusion of an amount as an Established Scheme Claim does not, of itself, mean that your claim has been released for distribution payment purposes.

If no amount is shown above as an Established Scheme Claim, it means that either:

- a) You do not currently have an Acknowledged Creditor Claim; or
- b) Your Acknowledged Creditor Claim has not been released for distribution payment purposes and is currently withheld.

In either case, you should proceed in accordance with Option 3 below.

If an amount is shown above as an Established Scheme Claim, the following options are available to you:

OPTION 1

If you agree that your final Established Scheme Claim as at the Estimation Date of 31 May 2013 will be as shown above AND you have no outstanding and / or additional Liabilities that you wish to notify for determination as an Acknowledged Creditor Claim, **THERE IS NO NEED TO TAKE ANY FURTHER ACTION AND YOU NEED NOT RETURN THIS FORM** unless you have made a change to your details in Section A. If this is the case, please return this form so that the change of details can be noted.

Your final Scheme distribution will be based on the above Established Scheme Claim subject to any future adjustments relating to any Acknowledged Creditor Claim(s) and/or any security or set-off identified by the Scheme Administrators. As stated above, in the event of any change to your Established Scheme Claim, we will send you an updated Final Claim Form.

OPTION 2

If you agree that your current Established Scheme Claim is as shown above but you wish to notify details of outstanding and/or additional Liabilities for determination as an Acknowledged Creditor Claim, YOU MUST provide details of those outstanding and/or additional Liabilities in SECTIONS C AND D AND, IF APPLICABLE, SECTION E.

OPTION 3

If you do not agree that your Established Scheme Claim is as shown above or if no amount is shown above and you wish to notify Liabilities for determination as an Acknowledged Creditor Claim, YOU MUST delete any Established Scheme Claim amount(s) shown at (7) in Section C and provide full details of the total Liabilities – including any amount(s) that you believe may have already been agreed. Whilst there is no need to provide any supporting documents for amounts that have already been agreed by the Scheme Company, further documentation may be requested in some cases.

NOTES:

1. Before completing Sections C, D and E, please read carefully the Instructions for Completion, which you should have received with this form, which include details of the supporting documentation that must be submitted with this Final Claim Form.
2. You must complete a separate section D and, if applicable, section E for each currency in which your claims are denominated. In this regard, you should note that, whilst claims may be admitted in the relevant policy currency, Scheme distribution payments will only be paid in Australian Dollars, US Dollars, Sterling or Euros - see clause 37.6 of the Australian Schemes and clause 31.6 of the English Schemes.
3. If you wish to complete and submit your Final Claim Form electronically, you may access and download a soft copy at www.hih.com.au. If you adopt this approach, an electronic signature of your authorised representative must be included at (16) in section C. If an electronic signature is not available you must also submit a signed copy of Section C in pdf format. The soft copy of the entire form - together with the pdf of the signed Section C, if applicable, should be forwarded to:

Australian Scheme Creditors
estimation@hih.com.au

English Scheme Creditors
hihenquiries@asta-uk.com

4. A separate Final Claim Form must be completed for each Scheme Company against which you wish to assert a claim.

SECTION C – YOUR FINAL SCHEME CLAIM DETAILS



I/We notify the following Liabilities for determination:

All Currencies – please specify

(6)	Currency (see Note 2 in Section B):							
(7)	Your Established Scheme Claim as shown in (5) above: NB: Delete this figure if you do not agree with it.							
	PLUS							
(8)	Amounts due/claims paid / expenses incurred and any premium returns. Note: this figure must be supported by the detail in Section D and must agree with the total of column (26) in Section D:							
(9)	Outstanding reserves. Note: this figure must be supported by the detail in Section D and must agree with the total of column (27) in Section D:							
(10)	IBNR. Note: this figure must be supported by the detail in section D and must agree with the total of column (28) in Section D:							
	LESS							
(11)	Discounts. Note: this figure must be supported by the detail in Section D and must agree with the total of column (29) in Section D:							
(12)	Balances available under letters of credit or other security. Note: this figure must be supported by the detail in Section D and must agree with the total of column (30) in Section D:							
(13)	Amounts you owe to the Scheme Company. Note: this figure must be supported by the detail in Section E and must agree with the total of column (42) in Section E:							
(14)	TOTAL NET LIABILITIES FOR DETERMINATION Note: The total for each currency must agree with the total of column (31) in Section D less the total of column (42) in Section E.							

Are you registered for GST / VAT?

Yes No

(15) Name (Block Capitals):

(17) Signature:

(16) Position / Capacity (Block Capitals):

(18) Date:



SECTION D – AMOUNTS THE SCHEME COMPANY OWES TO YOU

*Note: You must supply documentation to support the figures set out in these columns. Full details of the supporting documentation required are set out in Notes (26) to (31) of the Instructions for Completion.

Scheme Creditor: Scheme Creditor PID:

Currency: Scheme Company:

(19) Scheme Company contract / policy number	(20) Class of business	(21) Contract / policy inception date	(22) Participation percentage	(23) Policy limit	(24) Broker name or reference number or your reference	(25) Scheme Company claim number (if known)	(26) Amounts due/ claims paid / expenses incurred and any premium returns	(27) Outstanding reserves	(28) IBNR	(29) Less discounts	(30) Less any credit balances such as those under letters of credit or other security	(31) Net total	
Totals													

Total must agree with (8) in Section C Total must agree with (9) in Section C Total must agree with (10) in Section C Total must agree with (11) in Section C Total must agree with (12) in Section C

