ASPEN

2010 Loss Development Triangles

2010 Loss Development Triangle Cautionary Language

This report is for informational purposes only and is current as of December 31, 2010. We are under no obligation and do not expect to update or revise this report, whether as a result of new information, future events or otherwise, even when such new data has been reflected in the Company's filings with the U.S. Securities and Exchange Commission (the "SEC") or otherwise. Although the loss development patterns disclosed in this report are an important factor in the process used to estimate loss reserve requirements, they are not the only factors considered in establishing reserves. The process for establishing reserves is subject to considerable variability and requires the use of informed estimates and judgments. Important details, such as specific loss development expectations for particular contracts, years or events, cannot be developed solely by analysing the information provided in this report. In addition to analysing loss development information, management incorporates additional information into the reserving process, such as pricing for insurance and reinsurance products as well as current market conditions. Readers must keep these and other qualifications more fully described in this report in mind when reviewing this information. This report should be read in conjunction with other documents filed by Aspen Insurance Holdings Limited ("Aspen" or the "Company") with the SEC, including the most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q.

Safe Harbor for Forward-Looking Statements

Some of the statements in this report may include forward-looking statements which reflect management's current views with respect to future events and financial performance. Such statements may include forward-looking statements both with respect to the Company in general and the insurance and reinsurance sectors specifically, both as to underwriting and investment matters. Statements which include the words "expect," "intend," "plan," "believe," "project," "anticipate," "seek," "will,", "estimate", "may", "aim", "continue", "guidance" and similar statements of a future or forward-looking nature identify forward-looking statements in this report for purposes of the U.S. federal securities laws or otherwise. The Company intends these forward-looking statements to be covered by the safe harbour provisions for forward-looking statements in the Private Securities Litigation Reform Act of 1995. All forward-looking statements address matters that involve risks and uncertainties. Accordingly, there are or may be important factors that could cause actual results to differ from those indicated in the forward looking statements in this report. Aspen believes these factors include, but are not limited to, (i) changes in the size of the claims payable by Aspen relating to natural catastrophes and other large losses; (ii) trends in rates for property, casualty and specialty insurance and reinsurance; (iii) the possibility of greater frequency or severity of claims and loss activity, including as a result of natural or man-made (including economic and political risks) catastrophic or material loss events, than Aspen's underwriting, reserving, reinsurance purchasing or investment practices have anticipated; (iv) the reliability of, and changes in assumptions to, natural and man-made catastrophe pricing, accumulation and estimated loss models; (v) evolving issues with respect to interpretation of coverage after major loss events; (vi) the effectiveness of Aspen's loss limitation methods; (vii) changes in the total industry losses, or Aspen's share of total industry losses, resulting from past events such as Hurricanes Ike and Gustav and, with respect to such events, Aspen's reliance on loss reports received from cedants and loss adjustors, Aspen's reliance on industry loss estimates and those generated by modeling techniques, changes in rulings on flood damage or other exclusions as a result of prevailing lawsuits and case law; (viii) the impact of acts of terrorism and related legislation and acts of war; (ix) decreased demand for Aspen's insurance or reinsurance products and cyclical changes in the insurance and reinsurance sectors; (x) any changes in our reinsurers' credit quality and the amount and timing of reinsurance recoverables; (xi) changes in the availability, cost or quality of reinsurance or retrocessional coverage; (xii) continuing and uncertain impact of the current depressed economic environment in many of the countries in which we operate; (xiii) the level of inflation in repair costs due to limited availability of labor and materials after catastrophes; (xiv) changes in insurance and reinsurance market conditions; (xv) increased competition on the basis of pricing, capacity, coverage terms or other factors and the related demand and supply dynamics as contracts come up for renewal; (xvi) a decline in Aspen's operating subsidiaries' ratings with S&P, A.M. Best or Moody's; (xvii) Aspen's ability to execute its business plan to enter new markets, introduce new products and develop new distribution channels, including their integration into Aspen's existing operations; (xviii) changes in general economic conditions, including inflation, foreign currency exchange rates, interest rates and other factors; (xix) changes in accounting policies and practices; and (xx) changes in government regulations or tax laws in jurisdictions where Aspen conduct business.

For a more detailed description of these uncertainties and other factors, please see the "Risk Factors" section in Aspen's most recently filed Annual Reports on Form 10-K. Aspen undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the dates on which they are made.

In addition, any estimates relating to loss events involve the exercise of considerable judgment and reflect a combination of ground-up evaluations, information available to date from brokers and cedants, market intelligence, initial tentative loss reports and other sources. Due to the complexity of factors contributing to the losses and the preliminary nature of the information used to prepare these estimates, there can be no assurance that Aspen's ultimate losses will remain within the stated amounts.

SECTION 1: INTRODUCTION

This is Aspen's first annual publication of its global loss development triangles. It has the primary goal of providing stakeholders with additional insight into the reserves held on our balance sheet as at December 31, 2010.

Reserves are required owing to the time between the occurrence, reporting and eventual settlement of a loss, which, for some lines of business, can be several years. Since reserves are an estimate of the likely outcome of these future events, they are subject to a degree of volatility. That is, the actual emergence of ultimate losses can be expected to differ, perhaps materially, from any estimate of such losses.

At Aspen our reserving process is an integral part of the business. Our actuaries project over 50 different lines of business and in many cases several sub-sets. They meet regularly with each underwriting team and with senior claims personnel to ensure that as much information as possible is considered before management reach a decision on the point estimate to book in the accounts.

Therefore, while this global loss development triangle publication will provide additional insight into the diversity and loss characteristics of many of our business lines, it is by necessity summary information. The reader should be aware that loss payment and loss reporting patterns are not the only considerations in establishing loss reserves. We caution that an attempt to evaluate our loss reserves using solely the data provided here could be misleading. Important details, such as specific loss development expectations for particular contracts, years, or events cannot be developed by solely analysing information at this level. We also incorporate additional information, such as pricing and market conditions, in our reserve analyses. We also caution strongly against mechanical application of standard actuarial methodologies to project ultimate losses and loss reserves using triangles presented in this report. Mechanical application of reserving methods will fail to take into account important factors including the following:

i. For several reserving classes, our premium volume has changed dramatically in recent years. As older years refer to a substantially different volume of premiums and claims, inferences drawn from patterns relating to those years may lack actuarial credibility. Therefore mechanical application of such techniques would not be appropriate.

ii. For several classes, pricing conditions have changed dramatically in recent years. The extrapolation of loss ratios from prior periods to current conditions would be inappropriate.

iii. Several reserving classes are affected by the presence of large losses, including catastrophes. Loss development for years with a sizeable component of large losses may differ significantly from those years unaffected by large losses.

iv. The composition of the portfolio has changed over time for several reserving classes. In some cases, these changes have been material. Trends derived from a summary of loss development data cannot capture all of these changes. Within Section 6 we provide a high level summary of key changes in the underlying business composition in each of the reserving classes.

Without incorporating this and other critical information, results derived from a direct extrapolation of loss development triangles in this report have the potential to produce inappropriate results.

SECTION 2: DATA

Our loss development triangles and summary exhibits are presented on an accident year basis for both our insurance and reinsurance segments. We rely primarily, but not always, on accident year information for our internal reserve analysis. We utilize underwriting year information in analyzing some of our proportional treaties and we subsequently allocate reserves to the respective accident years.

Each section is in two parts. The first part is a summary as at December 31, 2010 on gross, ceded and net earned premium, paid losses, case reserves, incurred but not reported losses ("IBNR"), ultimate losses and ultimate loss ratios. The second part is the gross loss development triangles of paid loss, paid loss ratio, case incurred loss and case incurred loss ratio.

Data is presented in thousands of U.S. dollars, unless indicated otherwise. All non U.S. dollar data have been converted to U.S. Dollars at 2010 year-end exchange rates in order to remove the impact of changes in exchange rates from historical development.

We do not discount our unpaid losses and loss expense reserves. Inter-company reinsurance transactions have not been reflected in the triangles and do not therefore appear in any of the ceded figures in this report.

In respect of proportional treaties, where we have specific information on loss dates, accurate allocation of paid and reported claims to accident year is made. Where we do not have this information an estimated allocation is made to accident year using the assumption that losses will follow how the premium is earned over the period of the contract.

The data in each section is unadjusted with respect to significant loss events. We have provide some reserving notes at the end of each of the insurance and reinsurance reserving classes which detail the latest gross, ceded and net of reinsurance position for the 2004 hurricanes : Charley, Frances, Songda, Ivan, and Jeanne, the 2005 hurricanes : Katrina, Rita and Wilma, 2007 events : Windstorm Kyrill, UK Flooding and California Wildfires, 2008 hurricanes : Ike and Gustav and 2010 events : Earthquakes in Chile and New Zealand and Deepwater Horizon.

We include a Glossary at the end of this report with definitions of terms used.

SECTION 3: RESERVING CLASS DESCRIPTIONS

The following provides background commentary on the underlying business composition in each reserving class.

INSURANCE SEGMENT

Property

Our property insurance reserving class comprises U.K. commercial property and construction and U.S. commercial property (excess and surplus lines basis), written on a primary, excess, quota share and facultative basis. In 2010, we established Aspen Risk Management Limited ("ARML"), which will primarily distribute U.K. regional commercial property and liability business.

- *U.S. Property:* The U.S. commercial property team covers mercantile, manufacturing, municipal and commercial real estate business.

- *U.K. Property:* The U.K. commercial property insurance team provides physical damage and business interruption coverage as a result of weather, fire, theft and other causes. Our client base is predominantly U.K. institutional property owners, middle market corporate and public sector clients.

Casualty

This reserving class comprises U.K. commercial liability, global excess casualty and U.S. casualty insurance, written on a primary, quota share and facultative basis. In 2010, we significantly reduced the amount of contractor business written in the U.S.

- *U.K. Commercial Liability*: The U.K. commercial liability team provides employers' liability coverage and public liability coverage for insureds domiciled in the U.K. and Ireland.

- *Global Excess Casualty*: The global excess casualty line writes large, sophisticated and risk managed insureds worldwide and covers broad-based risks at high attachment points, including general liability, commercial and residential construction liability, life science, railroads, trucking, product and public liability and associated types of cover found in general liability policies in the global insurance market.

- *U.S. Casualty*: The U.S. casualty account primarily consists of lines written within the general liability and umbrella liability insurance segments. Coverage on our general liability line is offered on those risks that are primarily miscellaneous, products liability, contractors (general contractors and artisans), real estate and retail risks and other general liability business.

Marine, Energy and Aviation

This reserving class comprises marine, energy and construction ("M.E.C.") liability, energy physical damage, marine hull, specie, and aviation, written on a primary, quota share and facultative basis. In 2010, we hired a team in the U.S. which writes U.S. inland marine and ocean risks.

- *M.E.C. Liability:* The M.E.C. liability business includes marine liability cover mainly related to
- the liabilities of ship-owners and port operators, including reinsurance of Protection and Indemnity Clubs ("P&I Clubs"). It also provides liability cover

for companies in the oil and gas sector, both onshore and offshore and in the power generation and U.S. commercial construction sectors.

- *Energy Physical Damage:* Energy physical damage provides insurance cover against physical damage losses in addition to Operators Extra Expenses ("OEE") for companies operating in the oil and gas exploration and production sector.

- *Marine Hull:* The marine hull team insures physical damage for ships (including war and associated perils) and related marine assets.

- *Specie:* The specie business line focuses on the insurance of high value property items on an all risks basis, including fine art, general and bank related specie, jewelers' block and armored car.

- *Aviation:* The aviation team writes physical damage insurance on hulls and spares (including war and associated perils) and comprehensive legal liability for airlines, smaller operators of airline equipment, airports and associated business and non-critical component part manufacturers. We also provide aviation hull deductible cover.

Financial and Professional

This reserving class comprises financial institutions, professional liability (including management & technology liability) and financial and political risks, written on a primary, quota share and facultative basis.

- *Financial Institutions:* Our financial institutions business is written on both a primary and excess of loss basis and consists of professional liability, crime insurance and D&O cover, with the largest exposure comprising risks headquartered in the U.K., followed by Australia and the U.S. and then Canada and Western Europe. We cover financial institutions including commercial and investment banks, asset managers, insurance companies, stockbrokers and insureds with hybrid business models.

- *Professional Liability:* Our professional liability business is written out of the U.S. (including Errors and Omissions ("E&O")) and the U.K. and is written on both a primary and excess of loss basis. The U.K. team focuses on risks in the U.K. with some Australian and European business while the U.S. team focuses on the U.S. We insure a wide range of professions including lawyers, surveyors, accountants, architects and engineers.

- *Management & Technology Liability:* We write on both a primary and excess basis D&O insurance, technology-related policies in the areas of network privacy, misuse of data and cyber liability and warranty and indemnity insurance in connection with, or to facilitate, corporate transactions.

- *Financial and Political Risks:* The financial and political risks team writes business covering the credit/default risk on a variety of project and trade transactions, as well as political risks, terrorism (including multi-year war on land cover), piracy and K&R. We write financial and political risks worldwide but with concentrations in a number of countries, such as China, Egypt, Kazakhstan, Russia, South Korea, Switzerland, U.K. and Turkey.

REINSURANCE SEGMENT

Property Catastrophe

Property catastrophe reinsurance is generally written on a treaty excess of loss basis where we provide protection to an insurer for an agreed portion of the total losses from a single event in excess of a specified loss amount. In the event of a loss, most contracts provide for coverage of a second occurrence following the payment of a premium to reinstate the coverage under the contract, which is referred to as a reinstatement premium. The coverage provided under excess of loss reinsurance contracts may be on a worldwide basis or limited in scope to selected regions or geographical areas.

Property Other

Other Property Reinsurance is written on excess of loss, pro rata and facultative basis (U.S. and international) and includes our risk solutions business.

Treaty excess of loss reinsurance provides coverage to a reinsured where it experiences a loss in excess of its retention level on a single "risk" basis. A "risk" in this context might mean the insurance coverage on one building or a group of buildings for fire or explosion or the insurance coverage under a single policy which the reinsured treats as a single risk. This line of business is generally less exposed to accumulations of exposures and losses but can still be impacted by natural catastrophes, such as earthquakes and hurricanes.

Our treaty pro rata reinsurance product provides proportional coverage to the reinsured. We share original losses in the same proportion as our share of premium and policy amounts within contractual terms. Pro rata contracts typically involve close client relationships including regular audits of the cedants' data and is written for primary insurers in the U.S. as well as worldwide.

Our risk solutions business writes property insurance risks for a select group of U.S. program managers.

Casualty Reinsurance

Casualty reinsurance is written on an excess of loss, pro rata and facultative basis and consists of U.S. treaty, international treaty, and casualty facultative. The casualty treaty reinsurance business we write in the U.S. and internationally includes excess of loss and pro rata reinsurance which are applied to portfolios of primary insurance policies. Our U.S. treaty business comprises exposures to workers' compensation (including catastrophe), medical malpractice, general liability, auto liability, professional liability and excess liability including umbrella liability. Our international treaty business reinsures exposures mainly with respect to general liability, auto liability, professional liability, workers' compensation and excess liability. We also write casualty facultative reinsurance, both U.S. and international. Our excess of loss positions come most commonly from layered reinsurance structures with underlying ceding company retentions.

Specialty Reinsurance

Specialty reinsurance is written on an excess of loss and pro rata basis and consists of credit and surety reinsurance, structured risks, agriculture reinsurance and specialty lines (marine, aviation, satellite).

Our credit and surety reinsurance business consists of trade credit reinsurance, international surety reinsurance (mainly European, Japanese and Latin American risks and excluding the U.S.) and a political risks reinsurance portfolio.

In February 2010, we started writing agricultural reinsurance out of our Zurich office. This business consists of European and Latin American agriculture reinsurance primarily written on a treaty basis covering crop and multi-peril business.

Our specialty line of business is composed principally of reinsurance treaties covering interests similar to those underwritten in marine, energy, liability and aviation insurance, as well as contingency, terrorism, nuclear, personal accident and crop reinsurance. We also write satellite insurance and reinsurance.

SECTION 4: OVERVIEW OF RESERVING METHODOLOGY

Reserving approach. We are required by U.S. GAAP to establish loss reserves for the estimated unpaid portion of the ultimate liability for losses and loss expenses (“ultimate losses”) under the terms of our policies and agreements with our insured and reinsured customers. Our loss reserves comprise the following components:

- case reserves to cover the cost of claims that were reported to us but not yet paid;
- reserves for incurred but not reported (“IBNR”) claims to cover the anticipated cost of claims incurred but not reported; and
- a reserve for the expense associated with settling claims, including legal and other fees and the general expenses of administering the claims adjustment process, known as Loss Adjustment Expenses (“LAE”).

Prior to the selection by management of the reserves to be included in our financial statements, our actuarial team employs a number of techniques to establish a range of estimates from which they consider it reasonable for management to select a ‘best estimate’ (the “actuarial range”).

Case Reserves. For reported claims, reserves are established on a case-by-case basis within the parameters of coverage provided in the insurance policy or reinsurance agreement. In estimating the cost of these claims, we consider circumstances related to the claims as reported, any information available from cedants, lawyers and loss adjustors and information on the cost of settling claims with similar characteristics in previous periods. In addition, for significant events such as the 2005 and 2008 hurricanes, for example, the detailed analysis of our potential exposures includes information obtained directly from cedants which has yet to be processed through market systems enabling us to reduce the time lag between a significant event occurring and establishing case reserves. This additional information is also incorporated into the analysis used to determine the actuarial IBNR. Reinsurance intermediaries are used to assist in obtaining and validating information from cedants but we establish all reserves. In addition, we may engage loss adjusters and perform on site cedant audits to validate the information provided. Disputes do occur with cedants, but the number and frequency are generally low. In the event of a dispute, intermediaries are used to try to resolve the dispute. If a resolution cannot be reached, then the contracts typically provide for binding arbitration.

IBNR Reserves. The need for IBNR reserves arises from time lags between when a loss occurs and when it is actually reported and settled. By definition, we do not have specific information on IBNR claims so they need to be estimated by actuarial methodologies. IBNR reserves are therefore generally calculated at an aggregate level and cannot generally be identified as reserves for a particular loss or contract. We calculate IBNR reserves by line of business and by accident year within that line. Where appropriate, analyses may be conducted on sub-sets of a line of business. IBNR reserves are calculated by projecting our ultimate losses on each line of business and subtracting paid losses and case reserves.

Sources of information. Claims information received typically includes the loss date, details of the claim, the recommended reserve and reports from the loss adjusters dealing with the claim. In respect of pro rata treaties we receive regular statements from cedants (bordereaux) which provide paid and outstanding claims information, often with large losses separately identified. Following widely reported loss events such as natural catastrophes and airplane crashes we adopt a proactive approach to establish our likely exposure to claims by reviewing policy listings and contacting brokers and policyholders as appropriate.

Actuarial Methodologies. The main projection methodologies that are used by our actuaries are:

- Initial expected loss ratio method: This method calculates an estimate of ultimate losses by applying an estimated loss ratio to an estimate of ultimate earned premium for each accident year. The estimated loss ratio is based on one or more of (a) an analysis of our own claims experience to date, (b) pricing information (c) industry data and (d) an analysis of a portfolio of similar business written by Wellington Syndicate 2020[1], as available, adjusted by an index reflecting how insurance rates, term and conditions have changed

- Bornhuetter-Ferguson method: The BF method uses as a starting point an assumed IELR and blends in the loss ratio, which is implied by the claims experience to date using benchmark loss development patterns on paid claims data ("Paid BF") or reported claims data ("Reported BF"). Benchmark development patterns may be derived from our own data or industry data sources. Although the method tends to provide less volatile indications at early stages of development and reflects changes in the external environment, it can be slow to react to emerging loss development and can, if the IELR proves to be inaccurate, produce loss estimates which take longer to converge with the final settlement value of loss.

- Loss development ("Chain Ladder") method: This method uses actual loss data and the historical development profiles on older accident years to project more recent, less developed years to their ultimate position.

- Exposure-based method: This method is used for specific large typically catastrophic events such as a major hurricane. All exposure is identified and we work with known market information and information from our cedants to determine a percentage of the exposure to be taken as the ultimate loss.

In general terms, the IELR method is most appropriate for lines of business and/or accident years where the actual paid or reported loss experience is not yet mature enough to modify our initial expectations of the ultimate loss ratios. Typical examples would be recent accident years for lines of business in the casualty reinsurance segment. The BF method is generally appropriate where there are few reported claims and a relatively less stable pattern of reported losses. Typical examples would be our treaty risk excess line of business in our reinsurance segment and marine hull line of business in our insurance segment. The Chain Ladder method is appropriate when there are relatively stable patterns of loss emergence and a relatively large number of reported claims. Typical examples are the U.K. commercial property and U.K. commercial liability lines of business in the insurance segment.

Reserving Procedures and Process. Our actuaries generally calculate the IELR, BF and Chain Ladder methods for each line of business and each accident year. They then provide a range of ultimates within which the best estimate is most likely to fall. This range will usually reflect a blend of the various methodologies. These methodologies do involve significant subjective judgments reflecting many factors such as changes in legislative conditions, changes in judicial interpretation of legal liability policy coverages and inflation. Our actuaries collaborate with underwriting, claims, legal and finance in identifying factors which are incorporated in their range of ultimates in which management's best estimate is most likely to fall. The actuarial ranges are not intended to include the minimum or maximum amount that the claims may ultimately settle at, but are designed to provide management with ranges from which it is reasonable to select a single best estimate for inclusion in our financial statements.

[1] Wellington Underwriting plc was an initial investor and sponsor of Aspen when it was formed in 2002

There are no differences between our year-end and our quarterly internal reserving procedures and processes in the sense that our actuaries perform the basic projections and analyses described above for each line of business.

Selection of reported gross reserves. Management, through its Reserve Committee, then reviews the range of actuarial estimates, and any other evidence before selecting its best estimate of reserves for each line of business and accident year. This provides the basis for the recommendation made by management to the Audit Committee and Board of Directors regarding the reserve amounts to be recorded in the Company's financial statements. The Reserve Committee is a management committee and from 2011 consists of the Head of Risk (Chair of the Reserve Committee), the Group Chief Actuary, the Chief Financial Officer and senior members of our underwriting and claims staff.

Each line of business is reviewed in detail by management, through its Reserve Committee, at least once a year. Additionally, for all lines of business, we review the emergence of actual losses relative to expectations every fiscal quarter. If warranted from these loss emergence tests, we may accelerate the timing of our detailed actuarial reviews.

Uncertainties. While the management selected reserves make what we believe to be a reasonable provision for unpaid loss and loss adjustment expense obligations, we note that the process of estimating required reserves does, by its very nature, involve uncertainty and therefore the ultimate claims may fall outside the actuarial range. The level of uncertainty can be influenced by such factors as the existence of coverage with long duration reporting patterns and changes in claims handling practices, as well as the other factors described above.

Because many of the coverages underwritten involve claims that may not be ultimately settled for many years after they are incurred, subjective judgments as to the ultimate exposure to losses are an integral and necessary component of the loss reserving process. We review regularly our reserves, using a variety of statistical and actuarial techniques to analyze current claims costs, frequency and severity data, and prevailing economic, social and legal factors. Reserves established in prior periods are adjusted as claims experience develops and new information becomes available.

Estimates of IBNR are generally subject to a greater degree of uncertainty than estimates of the cost of settling claims already notified to us, where more information about the claim event is generally available. IBNR claims often may not be apparent to the insured until many years after the event giving rise to the claims has happened. Lines of business where the IBNR proportion of the total reserve is high, such as liability insurance, will typically display greater variations between initial estimates and final outcomes because of the greater degree of difficulty of estimating these reserves.

Lines of business where claims are typically reported relatively quickly after the claim event tend to display lower levels of volatility between initial estimates and final outcomes. Reinsurance claims are subject to a longer time lag both in their reporting and in their time to final settlement. The time lag is a factor which is included in the projections to ultimate claims within the actuarial analyses and helps to explain why in general a higher proportion of the initial reinsurance reserves are represented by IBNR than for insurance reserves for business in the same class. Delays in receiving information from cedants are an expected part of normal business operations and are included within the statistical estimate of IBNR to the extent that current levels of backlog are consistent with historical data. Currently, there are no processing backlogs which would materially affect our financial statements.

Allowance is made, however, for changes or uncertainties which may create distortions in the underlying statistics or which might cause the cost of unsettled claims to increase or reduce when compared with the cost of previously settled claims including:

- changes in our processes which might accelerate or slow down the development and/or recording of paid or incurred claims;
- changes in the legal environment (including challenges to tort reform);
- the effects of inflation;
- changes in the mix of business;
- the impact of large losses; and
- changes in our cedants' reserving methodologies.

These factors are incorporated in the recommended reserve range from which management selects its best point estimate.

There are specific areas of our selected reserves which have additional uncertainty associated with them. For example, in the property reinsurance segment there is still the potential for adverse development from litigation associated with Hurricane Katrina. In casualty reinsurance, there are additional uncertainties associated with claims emanating from the global financial crisis. There is also a potential for new areas of claims to emerge as underlying this segment are many long-tail lines of business. In the insurance segment, we wrote a book of financial institutions risks which have a number of notifications relating to the financial crisis in 2008 and 2009 and there is a specific area of uncertainty relating to a book of New York Contractor business. In each case, management believe that they have selected an appropriate best estimate based on current information and current analyses.

Loss Reserving Sensitivity Analysis: The most significant key assumptions identified in the reserving process are that (1) the historic loss development and trend experience is assumed to be indicative of future loss development and trends, (2) the information developed from internal and independent external sources can be used to develop meaningful estimates of the initial expected ultimate loss ratios, and (3) no significant losses or types of losses will emerge that are not represented in either the initial expected loss ratios or the historical development patterns.

The selected best estimate of reserves is typically in excess of the mean of the actuarial reserve estimates. The Company believes that there is potentially significant risk in estimating loss reserves for long-tail lines of business and for immature accident years that may not be adequately captured through traditional actuarial projection methodologies. As discussed above, these methodologies usually rely heavily on projections of prior year trends into the future. In selecting its best estimate of future liabilities, the Company considers both the results of actuarial point estimates of loss reserves as well as the potential variability of these estimates as captured by a reasonable range of actuarial reserve estimates. In determining the appropriate best estimate, the Company reviews (i) the position of overall reserves within the actuarial reserve range, (ii) the result of bottom up analysis by accident year reflecting the impact of parameter uncertainty in actuarial calculations, and (iii) specific qualitative information on events that may have an effect on future claims but which may not have been adequately reflected in actuarial mid-point estimates, such as the potential for outstanding litigation or claims practices of cedants to have an adverse impact.

In order to show the potential variability in the Company's estimate of loss reserves, the internal actuaries use stochastic modeling techniques around their mean estimate. We believe that stochastic modeling provides a distribution against which selected reserves can be assessed for which we show the probability of various outcomes relative to the actuarial mean estimate. Stochastic modeling provides a range of potential outcomes as reserve movements will be caused by any number of factors, and as such it is unlikely that only one factor will change in a given period; stochastic modeling techniques will reflect the impact from many factors. The output from the stochastic modeling is more meaningful at a segmental level and is therefore not provided at a line of business level.

Actuarial range of gross reserves. We show in the following tables management's selected best estimate as at the last two financial year-ends with the actual percentile that they represent. We also show the 10th, 25th, actuarial mean estimate, 75th and 90th percentiles. Unallocated claims handling expenses have been included at a constant amount across all reserve distributions.

	Gross Reserves as at December 31, 2010						
Segment	Management's Selected Reserve	Percentile	10th	25th	Mean	75th	90th
	$M	%	$M	$M	$M	$M	$M
Reinsurance	2,343.8	74%	1,691.9	1,879.5	2,132.4	2,355.2	2,614.2
Insurance	1,476.7	72%	1,108.0	1,210.9	1,371.9	1,499.9	1,669.7
Diversification			379.7	225.2	0.0	-184.7	-413.8
Total	3,820.5	88%	3,179.6	3,315.6	3,504.3	3,670.4	3,870.1

	Gross Reserves as at December 31, 2009						
Segment	Management's Selected Reserve	Percentile	10th	25th	Mean	75th	90th
	$M	%	$M	$M	$M	$M	$M
Reinsurance	2,069.4	73%	1,540.0	1,698.5	1,895.8	2,078.2	2,281.5
Insurance	1,261.7	69%	982.8	1,068.8	1,187.6	1,293.7	1,414.5
Diversification			295.8	162.6	0.0	-147.8	-300.5
Total	3,331.1	86%	2,818.6	2,929.9	3,083.4	3,224.1	3,395.5

The above represents distributions from our internal capital model for reserving risk based upon our current state of knowledge and application of actuarial principles. The model itself has many explicit and implicit assumptions relating to the incurred pattern of claims, the expected ultimate settlement amount, inflation and dependencies between lines of business. If any of these assumptions underlying the model were to prove incorrect then a materially different reserving distribution may result.

The 10th percentile represents a 1 in 10 chance that, for example, reinsurance reserves will be at or lower than $1,691.9 million. The 90th percentile represents a 1 in 10 chance that reserves will be at or greater than $2,614.2 million. Diversification reflects the fact that not all the segments are perfectly correlated; that is, we would not expect all lines of business to run off better than or worse than the mean at the same time.

If the ultimate liabilities equate to the mean actuarial estimate, then the impact from the change in loss reserves would be to increase net income before tax by $316.2 million (being the difference above between the selected loss reserves of $3,820.5 million and the mean value of $3,504.3 million), although the impact of such a change is unlikely to be recognized in one calendar year due to the unwinding of experience against expectations taking many years.

Conversely, if the ultimate liabilities equate to the estimated 90th percentile, then the impact from the change in loss reserves would be to reduce net income before tax by

$49.6 million (being the difference between the selected loss reserves of $3,820.5 million and the 90th percentile value of $3,870.1 million), although the impact of such a change is again unlikely to be recognized in one calendar year.

Actuarial range of net reserves. In determining the range of net reserves, we estimate recoveries due under our proportional and excess of loss reinsurance programs. For proportional reinsurance we apply the appropriate cession percentages to estimate how much of the gross reserves will be collectable. For excess of loss recoveries, individual large losses are modeled through our reinsurance program. An assessment is also made of the collectability of reinsurance recoveries taking into account market data on the financial strength of each of the reinsurance companies. The net actuarial range for reserves for losses and loss expenses assuming that net reserves move in proportion to gross would be between $2,946.7 million at the 10th percentile and $3,586.6 million at the 90th percentile. The actual net reserves established as at December 31, 2010 were $3,540.6 million

SECTION 5: RECONCILIATIONS

Reconciliation of Gross Unpaid Losses

The following table reconciles the gross reserves for losses and loss expenses as of December 31, 2010 as reported in the Aspen consolidated financial statements prepared in accordance with U.S. GAAP to the reserves for loss and loss expenses published in the triangles in this report (all amounts in millions, on a gross basis).

	$ Millions
(1) Consolidated Triangles Loss and Loss expenses	3,778.7
(2) 2002 year reserves	7.6
(3) ULAE	33.2
(4) Run-Off reserves	1.0
(5) Reserves for Losses and loss expenses per December 31, 2010 consolidated financial statements	3,820.5

Notes

(2) The 2002 accident year was a partial, small accident year. It has therefore not been included in the Exhibits as it is not considered indicative of claim development patterns and experience thereafter.

(3) ULAE stands for Unallocated Loss Adjustment Expense and represents an estimate of the internal cost of running off claims.

(4) This item relates to reserves following the acquisitions of City Fire and Dakota as part of establishing our U.S. operations and a reinsurance of the 2002 underwriting year of the U.K. Employers and Public Liability book of business written by our underwriting team prior to joining Aspen. They are now largely immaterial and are excluded from the triangles as they are not considered indicative of our ongoing underwriting operations.

Reconciliation of Reinsurance Unpaid Losses

The following table reconciles the reinsurance reserves for losses and loss expense as of December 31, 2010 as reported in the Aspen consolidated financial statements prepared in accordance with U.S. GAAP to the reserves for loss and loss expenses published in the triangles.

	$ Millions
(1) Consolidated Triangles Reinsurance recoverables	279.4
(2) 2002 year reserves	0.2
(3) Run-Off reserves	0.3
(4) Reinsurance recoverables per December 31, 2010 consolidated financial statements	279.9

SECTION 6 : Exhibit 1, Page 1 **Consolidated Total**

Valuation Date : December 31, 2010 **Value in Thousands, USD**

GROSS	**(1)**	**(2)**	**(3)**	**(4)**	**(5)**	**(6)**	**(7)**
				= (2) + (3)		= (4) + (5)	= (6) / (1)
Accident Year	Earned Premium	Paid Losses	Case Reserves	Case Incurred Losses	IBNR	Ultimate Losses	Ultimate Loss Ratio
2003	1,106,271	301,247	38,996	340,242			
2004	1,484,493	701,852	79,285	781,138			
2005	1,926,131	2,179,542	139,614	2,319,155			
2006	1,960,987	562,622	164,640	727,262			
2007	1,830,382	643,161	242,938	886,099			
2008	1,795,654	649,987	340,047	990,034			
2009	2,024,304	296,894	380,112	677,006			
2010	2,062,783	117,596	347,195	464,791			
Total	14,191,005	5,452,900	1,732,828	7,185,727	2,045,832	9,231,559	65.1%

CEDED	**(8)**	**(9)**	**(10)**	**(11)**	**(12)**	**(13)**	**(14)**
				= (9) + (10)		= (11) + (12)	= (13) / (8)
Accident Year	Earned Premium	Paid Losses	Case Reserves	Case Incurred Losses	IBNR	Ultimate Losses	Ultimate Loss Ratio
2003	128,597	20,405	5,866	26,271			
2004	211,487	186,314	7,510	193,824			
2005	433,649	1,065,732	37,924	1,103,657			
2006	327,755	33,486	7,871	41,357			
2007	171,072	36,956	22,312	59,268			
2008	167,220	61,456	40,812	102,268			
2009	206,668	2,310	46,459	48,769			
2010	189,409	977	11,014	11,990			
Total	1,835,856	1,407,636	179,768	1,587,404	99,638	1,687,042	91.9%

NET	**(15)**	**(16)**	**(17)**	**(18)**	**(19)**	**(20)**	**(21)**
				= (16) + (17)		= (18) + (19)	= (20) / (15)
Accident Year	Earned Premium	Paid Losses	Case Reserves	Case Incurred Losses	IBNR	Ultimate Losses	Ultimate Loss Ratio
2003	977,674	280,841	33,130	313,971			
2004	1,273,006	515,538	71,775	587,314			
2005	1,492,483	1,113,809	101,689	1,215,498			
2006	1,633,232	529,136	156,769	685,905			
2007	1,659,310	606,205	220,626	826,831			
2008	1,628,434	588,531	299,235	887,766			
2009	1,817,636	294,584	333,653	628,237			
2010	1,873,374	116,619	336,181	452,801			
Total	12,355,149	4,045,264	1,553,060	5,598,323	1,946,194	7,544,518	61.1%

Consolidated Total

Valuation Date : December 31, 2010

Value in Thousands, USD

Gross Paid Losses

	Months							
	12	24	36	48	60	72	84	96
2003	43,082	108,821	171,832	212,471	253,284	274,655	288,221	301,247
2004	84,333	394,283	529,186	590,172	637,884	681,101	701,852	
2005	210,405	1,178,405	1,674,571	1,922,636	2,084,376	2,179,542		
2006	131,830	274,781	389,670	486,723	562,622			
2007	122,131	345,085	515,873	643,161				
2008	178,937	452,939	649,987					
2009	104,982	296,894						
2010	117,596							

Paid Loss Ratio

	Months							
	12	24	36	48	60	72	84	96
2003	3.9%	9.8%	15.5%	19.2%	22.9%	24.8%	26.1%	27.2%
2004	5.7%	26.6%	35.6%	39.8%	43.0%	45.9%	47.3%	
2005	10.9%	61.2%	86.9%	99.8%	108.2%	113.2%		
2006	6.7%	14.0%	19.9%	24.8%	28.7%			
2007	6.7%	18.9%	28.2%	35.1%				
2008	10.0%	25.2%	36.2%					
2009	5.2%	14.7%						
2010	5.7%							

Gross Case Incurred Losses

	Months							
	12	24	36	48	60	72	84	96
2003	176,692	256,902	294,874	322,390	347,146	342,551	345,587	340,242
2004	374,242	651,109	713,567	746,443	761,298	766,029	781,138	
2005	1,270,768	2,042,020	2,203,168	2,257,558	2,297,399	2,319,155		
2006	356,601	499,597	590,134	663,419	727,262			
2007	420,957	662,766	812,618	886,099				
2008	515,290	828,673	990,034					
2009	384,415	677,006						
2010	464,791							

Case Incurred Loss Ratio

	Months							
	12	24	36	48	60	72	84	96
2003	16.0%	23.2%	26.7%	29.1%	31.4%	31.0%	31.2%	30.8%
2004	25.2%	43.9%	48.1%	50.3%	51.3%	51.6%	52.6%	
2005	66.0%	106.0%	114.4%	117.2%	119.3%	120.4%		
2006	18.2%	25.5%	30.1%	33.8%	37.1%			
2007	23.0%	36.2%	44.4%	48.4%				
2008	28.7%	46.1%	55.1%					
2009	19.0%	33.4%						
2010	22.5%							

Consolidated Total Reserving Notes

In total 62% of reserves arise from Reinsurance and 38% from Insurance.

Of the total reinsurance reserves, 41% are reported case reserves and 59% are IBNR. Additional case reserves amount to 8.7% of reported case reserves. Held reserves are $211 million in excess of Aspen's internal actuarial mean best estimate and this equates to the 74th percentile on our internal model of reserving risk.

Of the total Insurance reserves, 54% are reported case reserves and 46% are IBNR. Held reserves are $105 million in excess of Aspen's internal actuarial mean best estimate and this equates to the 72nd percentile on our internal model of reserving risk.

In total, held reserves are $316 million in excess of Aspen's internal actuarial mean best estimate and this equates to the 88th percentile on our internal model of reserving risk, this percentile reflecting the benefits of diversification across lines of business.

Exhibit 2, Page 1

Insurance Total

Valuation Date : December 31, 2010

Value in Thousands, USD

GROSS Accident Year	(1) Earned Premium	(2) Paid Losses	(3) Case Reserves	(4) = (2) + (3) Case Incurred Losses	(5) IBNR	(6) = (4) + (5) Ultimate Losses	(7) = (6) / (1) Ultimate Loss Ratio
2003	200,916	68,626	1,290	69,917			
2004	312,583	134,724	4,722	139,446			
2005	556,125	688,391	38,523	726,914			
2006	700,394	282,958	51,634	334,592			
2007	661,579	358,364	95,713	454,078			
2008	722,561	327,242	157,526	484,768			
2009	858,770	143,503	239,256	382,758			
2010	880,275	51,437	182,211	233,648			
Total	4,893,203	2,055,246	770,875	2,826,122	659,670	3,485,792	71.2%

CEDED Accident Year	(8) Earned Premium	(9) Paid Losses	(10) Case Reserves	(11) = (9) + (10) Case Incurred Losses	(12) IBNR	(13) = (11) + (12) Ultimate Losses	(14) = (13) / (8) Ultimate Loss Ratio
2003	17,504	4,537	50	4,586			
2004	43,986	25,116	1,483	26,599			
2005	132,051	431,446	23,986	455,432			
2006	127,721	25,277	7,530	32,807			
2007	90,690	23,550	22,687	46,237			
2008	108,361	58,831	40,412	99,243			
2009	150,109	2,177	46,402	48,579			
2010	150,976	858	10,545	11,403			
Total	821,397	571,791	153,093	724,885	87,871	812,756	98.9%

NET Accident Year	(15) Earned Premium	(16) Paid Losses	(17) Case Reserves	(18) = (16) + (17) Case Incurred Losses	(19) IBNR	(20) = (18) + (19) Ultimate Losses	(21) = (20) / (15) Ultimate Loss Ratio
2003	183,411	64,090	1,241	65,331			
2004	268,598	109,608	3,239	112,848			
2005	424,074	256,945	14,538	271,483			
2006	572,672	257,682	44,104	301,785			
2007	570,890	334,814	73,027	407,841			
2008	614,200	268,411	117,114	385,525			
2009	708,661	141,325	192,854	334,179			
2010	729,299	50,579	171,667	222,245			
Total	4,071,806	1,483,455	617,782	2,101,237	571,799	2,673,036	65.6%

Exhibit 2, Page 2 **Insurance Total**

Valuation Date : December 31, 2010 **Value in Thousands, USD**

Gross Paid Losses

	Months							
	12	24	36	48	60	72	84	96
2003	2,093	13,044	27,925	43,358	57,503	65,065	66,835	68,626
2004	10,427	49,208	86,030	106,946	123,161	130,617	134,724	
2005	77,728	321,209	471,860	567,165	650,537	688,391		
2006	85,134	151,978	200,600	248,505	282,958			
2007	67,435	188,054	301,299	358,364				
2008	61,099	215,142	327,242					
2009	45,668	143,503						
2010	51,437							

Paid Loss Ratio

	Months							
	12	24	36	48	60	72	84	96
2003	1.0%	6.5%	13.9%	21.6%	28.6%	32.4%	33.3%	34.2%
2004	3.3%	15.7%	27.5%	34.2%	39.4%	41.8%	43.1%	
2005	14.0%	57.8%	84.8%	102.0%	117.0%	123.8%		
2006	12.2%	21.7%	28.6%	35.5%	40.4%			
2007	10.2%	28.4%	45.5%	54.2%				
2008	8.5%	29.8%	45.3%					
2009	5.3%	16.7%						
2010	5.8%							

Gross Case Incurred Losses

	Months							
	12	24	36	48	60	72	84	96
2003	38,951	70,928	74,127	76,724	77,244	69,076	69,281	69,917
2004	95,943	139,346	141,656	142,645	139,814	139,608	139,446	
2005	387,923	648,242	699,846	703,452	728,315	726,914		
2006	210,107	265,214	293,387	320,636	334,592			
2007	228,017	340,546	431,649	454,078				
2008	261,977	425,326	484,768					
2009	219,266	382,758						
2010	233,648							

Case Incurred Loss Ratio

	Months							
	12	24	36	48	60	72	84	96
2003	19.4%	35.3%	36.9%	38.2%	38.4%	34.4%	34.5%	34.8%
2004	30.7%	44.6%	45.3%	45.6%	44.7%	44.7%	44.6%	
2005	69.8%	116.6%	125.8%	126.5%	131.0%	130.7%		
2006	30.0%	37.9%	41.9%	45.8%	47.8%			
2007	34.5%	51.5%	65.2%	68.6%				
2008	36.3%	58.9%	67.1%					
2009	25.5%	44.6%						
2010	26.5%							

Exhibit 3, Page 1

Property Insurance

Valuation Date : December 31, 2010

Value in Thousands, USD

GROSS Accident Year	(1) Earned Premium	(2) Paid Losses	(3) Case Reserves	(4) = (2) + (3) Case Incurred Losses	(5) IBNR	(6) = (4) + (5) Ultimate Losses	(7) = (6) / (1) Ultimate Loss Ratio
2003	43,526	8,849	23	8,872			
2004	85,912	45,675	96	45,771			
2005	137,455	268,261	3,484	271,744			
2006	126,220	63,669	1,973	65,643			
2007	94,438	30,009	68	30,077			
2008	90,970	35,206	1,475	36,681			
2009	123,583	21,575	8,052	29,627			
2010	154,556	13,179	25,642	38,821			
Total	856,660	486,422	40,814	527,236	47,454	574,690	67.1%

CEDED Accident Year	(8) Earned Premium	(9) Paid Losses	(10) Case Reserves	(11) = (9) + (10) Case Incurred Losses	(12) IBNR	(13) = (11) + (12) Ultimate Losses	(14) = (13) / (8) Ultimate Loss Ratio
2003	4,576	0	0	0			
2004	19,129	11,891	164	12,055			
2005	66,049	193,285	7,723	201,008			
2006	54,947	12,943	0	12,943			
2007	28,457	0	0	0			
2008	23,827	4,501	1,541	6,041			
2009	41,537	766	2,270	3,036			
2010	42,643	858	2,386	3,244			
Total	281,166	224,243	14,084	238,327	25,701	264,027	93.9%

NET Accident Year	(15) Earned Premium	(16) Paid Losses	(17) Case Reserves	(18) = (16) + (17) Case Incurred Losses	(19) IBNR	(20) = (18) + (19) Ultimate Losses	(21) = (20) / (15) Ultimate Loss Ratio
2003	38,950	8,849	23	8,872			
2004	66,782	33,784	-68	33,716			
2005	71,406	74,976	-4,239	70,737			
2006	71,273	50,726	1,973	52,699			
2007	65,981	30,009	68	30,077			
2008	67,143	30,706	-66	30,640			
2009	82,046	20,809	5,782	26,591			
2010	111,913	12,321	23,256	35,577			
Total	575,494	262,179	26,730	288,910	21,754	310,663	54.0%

Exhibit 3, Page 2

Property Insurance

Valuation Date : December 31, 2010

Value in Thousands, USD

Gross Paid Losses

	Months							
	12	24	36	48	60	72	84	96
2003	1,135	4,668	7,389	8,386	8,463	8,781	8,849	8,849
2004	8,620	28,617	44,670	46,892	46,191	45,655	45,675	
2005	51,889	185,795	237,173	260,571	258,168	268,261		
2006	38,225	55,407	61,406	62,782	63,669			
2007	15,230	27,104	28,862	30,009				
2008	11,677	29,160	35,206					
2009	11,547	21,575						
2010	13,179							

Paid Loss Ratio

	Months							
	12	24	36	48	60	72	84	96
2003	2.6%	10.7%	17.0%	19.3%	19.4%	20.2%	20.3%	20.3%
2004	10.0%	33.3%	52.0%	54.6%	53.8%	53.1%	53.2%	
2005	37.7%	135.2%	172.5%	189.6%	187.8%	195.2%		
2006	30.3%	43.9%	48.6%	49.7%	50.4%			
2007	16.1%	28.7%	30.6%	31.8%				
2008	12.8%	32.1%	38.7%					
2009	9.3%	17.5%						
2010	8.5%							

Gross Case Incurred Losses

	Months							
	12	24	36	48	60	72	84	96
2003	8,094	9,447	10,136	9,440	9,097	8,975	8,872	8,872
2004	43,313	48,941	47,040	47,491	46,370	45,778	45,771	
2005	167,865	242,922	254,811	251,350	266,042	271,744		
2006	59,547	63,553	64,417	65,082	65,643			
2007	29,776	30,284	30,298	30,077				
2008	25,615	37,685	36,681					
2009	28,569	29,627						
2010	38,821							

Case Incurred Loss Ratio

	Months							
	12	24	36	48	60	72	84	96
2003	18.6%	21.7%	23.3%	21.7%	20.9%	20.6%	20.4%	20.4%
2004	50.4%	57.0%	54.8%	55.3%	54.0%	53.3%	53.3%	
2005	122.1%	176.7%	185.4%	182.9%	193.5%	197.7%		
2006	47.2%	50.4%	51.0%	51.6%	52.0%			
2007	31.5%	32.1%	32.1%	31.8%				
2008	28.2%	41.4%	40.3%					
2009	23.1%	24.0%						
2010	25.1%							

Property Insurance Reserving Notes

- This Reserving Class accounts for 2.3% of gross reserves as at year-end 2010.

- The split of Gross Earned Premium by territory has been as follows:-

AY	Gross Earned Premium $000s	%age UK	%age US
2003	43,526	100%	0%
2004	85,912	76%	24%
2005	137,455	42%	58%
2006	126,220	36%	64%
2007	94,438	42%	58%
2008	90,970	50%	50%
2009	123,583	44%	56%
2010	154,556	45%	55%

- A major part of the case incurred development in year 2 of accident year 2005 was caused by Hurricanes Katrina and Wilma although these losses were largely reinsured. Similarly, the case incurred development in year 2 of accident year 2008 was caused by Hurricane Ike. We do not have any exposure in this reserving class to the major catastrophic earthquake events in 2010. A summary of major catastrophes is as follows:-

Gross

AY	Paid	Case	Incurred	IBNR	Ultimate
2004	14,668	80	14,748	0	14,748
2005	228,491	3,377	231,868	14,958	246,827
2006	0	0	0	0	0
2007	4,976	0	4,976	0	4,976
2008	15,968	272	16,240	337	16,577
2009	0	0	0	0	0
2010	0	0	0	0	0

Ceded

AY	Paid	Case	Incurred	IBNR	Ultimate
2004	5,185	75	5,350	-6	5,344
2005	68,433	3,377	70,164	14,958	71,088
2006	0	0	0	0	0
2007	0	0	0	0	0
2008	4,152	1,153	5,305	-66	5,238
2009	0	0	0	0	0
2010	0	0	0	0	0

Net

AY	Paid	Case	Incurred	IBNR	Ultimate
2004	9,482	-84	9,398	6	9,404
2005	160,058	1,646	161,704	14,034	175,739
2006	0	0	0	0	0
2007	4,976	0	4,976	0	4,976
2008	11,816	-880	10,936	403	11,339
2009	0	0	0	0	0
2010	0	0	0	0	0

2004 *: Charley, Frances, Ivan, Jeanne and Songda;* ***2005*** *: Katrina, Rita & Wilma;* ***2007*** *: UK Flooding;* ***2008*** *: Ike and Gustav*

Exhibit 4, Page 1

Casualty Insurance

Valuation Date : December 31, 2010

Value in Thousands, USD

GROSS	(1)	(2)	(3)	(4)	(5)	(6)	(7)
				= (2) + (3)		= (4) + (5)	= (6) / (1)
Accident Year	Earned Premium	Paid Losses	Case Reserves	Case Incurred Losses	IBNR	Ultimate Losses	Ultimate Loss Ratio
2003	157,390	59,778	1,267	61,045			
2004	217,771	83,689	3,920	87,609			
2005	231,287	90,777	10,261	101,037			
2006	204,172	88,569	22,727	111,296			
2007	166,546	57,316	26,191	83,507			
2008	172,290	56,573	54,806	111,379			
2009	195,018	15,166	60,776	75,942			
2010	166,685	2,799	28,947	31,745			
Total	1,511,160	454,667	208,894	663,561	296,957	960,518	63.6%

CEDED	(8)	(9)	(10)	(11)	(12)	(13)	(14)
				= (9) + (10)		= (11) + (12)	= (13) / (8)
Accident Year	Earned Premium	Paid Losses	Case Reserves	Case Incurred Losses	IBNR	Ultimate Losses	Ultimate Loss Ratio
2003	12,928	4,537	50	4,586			
2004	24,039	9,586	1,218	10,804			
2005	21,898	9,914	79	9,994			
2006	18,934	7,452	5,404	12,855			
2007	15,780	7,229	2,482	9,711			
2008	17,731	5,461	7,845	13,306			
2009	27,238	608	4,980	5,588			
2010	32,101	0	0	0			
Total	170,648	44,788	22,057	66,845	27,208	94,054	55.1%

NET	(15)	(16)	(17)	(18)	(19)	(20)	(21)
				= (16) + (17)		= (18) + (19)	= (20) / (15)
Accident Year	Earned Premium	Paid Losses	Case Reserves	Case Incurred Losses	IBNR	Ultimate Losses	Ultimate Loss Ratio
2003	144,462	55,241	1,217	56,459			
2004	193,733	74,103	2,702	76,805			
2005	209,388	80,862	10,181	91,044			
2006	185,239	81,118	17,323	98,441			
2007	150,767	50,087	23,709	73,796			
2008	154,559	51,112	46,961	98,072			
2009	167,781	14,558	55,795	70,354			
2010	134,584	2,799	28,947	31,745			
Total	1,340,512	409,879	186,836	596,715	269,749	866,464	64.6%

Exhibit 4, Page 2 **Casualty Insurance**

Valuation Date : December 31, 2010 **Value in Thousands, USD**

Gross Paid Losses

	Months							
	12	24	36	48	60	72	84	96
2003	958	8,376	20,536	34,972	49,039	56,284	57,986	59,778
2004	1,807	16,932	37,414	55,787	72,652	80,519	83,689	
2005	3,082	19,157	41,052	61,732	79,797	90,777		
2006	3,656	19,640	40,907	68,452	88,569			
2007	3,337	19,751	41,533	57,316				
2008	2,966	20,897	56,573					
2009	3,842	15,166						
2010	2,799							

Paid Loss Ratio

	Months							
	12	24	36	48	60	72	84	96
2003	0.6%	5.3%	13.0%	22.2%	31.2%	35.8%	36.8%	38.0%
2004	0.8%	7.8%	17.2%	25.6%	33.4%	37.0%	38.4%	
2005	1.3%	8.3%	17.7%	26.7%	34.5%	39.2%		
2006	1.8%	9.6%	20.0%	33.5%	43.4%			
2007	2.0%	11.9%	24.9%	34.4%				
2008	1.7%	12.1%	32.8%					
2009	2.0%	7.8%						
2010	1.7%							

Gross Case Incurred Losses

	Months							
	12	24	36	48	60	72	84	96
2003	30,857	61,481	63,990	67,284	68,147	60,102	60,409	61,045
2004	52,424	85,535	89,044	89,540	87,461	87,801	87,609	
2005	55,644	87,312	93,089	101,185	102,187	101,037		
2006	60,358	73,621	84,550	100,731	111,296			
2007	45,781	59,950	72,670	83,507				
2008	39,570	84,631	111,379					
2009	32,898	75,942						
2010	31,745							

Case Incurred Loss Ratio

	Months							
	12	24	36	48	60	72	84	96
2003	19.6%	39.1%	40.7%	42.7%	43.3%	38.2%	38.4%	38.8%
2004	24.1%	39.3%	40.9%	41.1%	40.2%	40.3%	40.2%	
2005	24.1%	37.8%	40.2%	43.7%	44.2%	43.7%		
2006	29.6%	36.1%	41.4%	49.3%	54.5%			
2007	27.5%	36.0%	43.6%	50.1%				
2008	23.0%	49.1%	64.6%					
2009	16.9%	38.9%						
2010	19.0%							

Casualty Insurance Reserving Notes

- This Reserving Class accounts for 13.4% of gross reserves as at year-end 2010.

- There are three main components to this class – UK primary liability business, US primary casualty business and worldwide excess casualty business. The proportions have changed significantly in the last few years with less UK primary liability business being written and, with new underwriting teams, more excess casualty business in the last two years. This will impact development patterns observed at the Reserving Class level.

AY	Gross Earned Premium	%age Of Gross Earned Premium UK	US	Excess Casualty
	$000s			
2003	157,390	100%	0%	0%
2004	217,771	95%	5%	0%
2005	231,287	73%	27%	0%
2006	204,172	60%	40%	0%
2007	166,546	50%	50%	1%
2008	172,290	37%	43%	20%
2009	195,018	25%	40%	35%
2010	166,685	25%	38%	37%

- The US primary casualty insurance and the non marine & transportation element of worldwide excess casualty have been the subject of detailed claims and actuarial reviews throughout 2010. This resulted in significant strengthening of reserves in particular in respect of exposure to New York Contractors in US casualty and trucking and pharmaceutical sub classes of the non marine & transportation book.

- Case reserving methodology in US Insurance has continued to evolve and strengthen in 2010. A consequent strengthening in reserves can be seen in the 2010 case incurred loss triangle, causing stronger than typically expected development in the leading diagonal.

Accident Year	Case Incurred Losses Dec-09	Dec-10	Impact from Change in Case Reserving
2006	100,751	111,327	2,694
2007	72,691	83,524	3,550
2008	84,641	111,395	2,325
2009	32,907	76,282	5,546

Exhibit 5, Page 1

Marine, Energy & Aviation

Valuation Date : December 31, 2010

Value in Thousands, USD

GROSS Accident Year	(1) Earned Premium	(2) Paid Losses	(3) Case Reserves	(4) = (2) + (3) Case Incurred Losses	(5) IBNR	(6) = (4) + (5) Ultimate Losses	(7) = (6) / (1) Ultimate Loss Ratio
2003	0	0	0	0			
2004	8,900	5,360	706	6,066			
2005	187,383	329,354	24,778	354,132			
2006	370,001	130,720	26,934	157,654			
2007	399,971	270,735	68,997	339,732			
2008	412,763	223,995	63,635	287,630			
2009	437,456	96,857	94,002	190,859			
2010	444,769	33,389	124,620	158,009			
Total	2,261,244	1,090,411	403,672	1,494,083	187,756	1,681,839	74.4%

CEDED Accident Year	(8) Earned Premium	(9) Paid Losses	(10) Case Reserves	(11) = (9) + (10) Case Incurred Losses	(12) IBNR	(13) = (11) + (12) Ultimate Losses	(14) = (13) / (8) Ultimate Loss Ratio
2003	0	0	0	0			
2004	817	3,639	101	3,740			
2005	44,103	228,247	16,183	244,430			
2006	53,841	4,882	2,126	7,008			
2007	46,166	16,321	20,205	36,526			
2008	50,334	46,930	18,750	65,680			
2009	49,420	804	14,049	14,852			
2010	40,245	0	8,159	8,159			
Total	284,926	300,822	79,573	380,395	14,041	394,436	138.4%

NET Accident Year	(15) Earned Premium	(16) Paid Losses	(17) Case Reserves	(18) = (16) + (17) Case Incurred Losses	(19) IBNR	(20) = (18) + (19) Ultimate Losses	(21) = (20) / (15) Ultimate Loss Ratio
2003	0	0	0	0			
2004	8,083	1,721	605	2,327			
2005	143,280	101,107	8,595	109,702			
2006	316,161	125,838	24,807	150,645			
2007	353,804	254,414	48,792	303,207			
2008	362,429	177,065	44,885	221,950			
2009	388,036	96,054	79,954	176,007			
2010	404,524	33,389	116,461	149,850			
Total	1,976,317	789,590	324,098	1,113,688	173,715	1,287,403	65.1%

Exhibit 5, Page 2

Marine, Energy & Aviation

Valuation Date : December 31, 2010

Value in Thousands, USD

Gross Paid Losses

	Months							
	12	24	36	48	60	72	84	96
2003	0	0	0	0	0	0	0	0
2004	0	3,659	3,946	4,267	4,318	4,443	5,360	
2005	22,758	116,257	193,635	244,862	312,572	329,354		
2006	43,252	76,930	98,287	117,271	130,720			
2007	48,868	141,199	230,760	270,735				
2008	46,211	162,101	223,995					
2009	29,202	96,857						
2010	33,389							

Paid Loss Ratio

	Months							
	12	24	36	48	60	72	84	96
2003	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2004	0.0%	41.1%	44.3%	47.9%	48.5%	49.9%	60.2%	
2005	12.1%	62.0%	103.3%	130.7%	166.8%	175.8%		
2006	11.7%	20.8%	26.6%	31.7%	35.3%			
2007	12.2%	35.3%	57.7%	67.7%				
2008	11.2%	39.3%	54.3%					
2009	6.7%	22.1%						
2010	7.5%							

Gross Case Incurred Losses

	Months							
	12	24	36	48	60	72	84	96
2003	0	0	0	0	0	0	0	0
2004	206	4,870	5,572	5,614	5,983	6,029	6,066	
2005	164,414	318,008	351,946	350,917	360,086	354,132		
2006	90,202	128,040	144,420	154,823	157,654			
2007	152,461	250,310	328,385	339,732				
2008	183,235	264,245	287,630					
2009	112,062	190,859						
2010	158,009							

Case Incurred Loss Ratio

	Months							
	12	24	36	48	60	72	84	96
2003	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2004	2.3%	54.7%	62.6%	63.1%	67.2%	67.7%	68.2%	
2005	87.7%	169.7%	187.8%	187.3%	192.2%	189.0%		
2006	24.4%	34.6%	39.0%	41.8%	42.6%			
2007	38.1%	62.6%	82.1%	84.9%				
2008	44.4%	64.0%	69.7%					
2009	25.6%	43.6%						
2010	35.5%							

Marine, Energy & Aviation Reserving Notes

- This Reserving Class accounts for 15.7% of gross reserves as at year-end 2010.

- The split of business into the major classes of business is:-

AY	Gross Earned Premium $000s	%age Of Gross Earned Premium MEC	Energy	Hull	Specie	Aviation
2004	8,900	72%	12%	16%	0%	0%
2005	187,383	51%	13%	21%	0%	15%
2006	370,001	38%	20%	15%	0%	27%
2007	399,971	35%	26%	15%	0%	24%
2008	412,763	37%	24%	15%	0%	24%
2009	437,456	40%	20%	15%	1%	25%
2010	444,769	41%	17%	13%	2%	26%

- Several large events have impacted this reserving class, a summary of the major ones is as follows:-

Gross

AY	Paid	Case	Incurred	IBNR	Ultimate
2004	3,665	11	3,676	0	3,676
2005	199,057	4,235	203,292	2,995	206,287
2006	0	0	0	0	0
2007	42,244	17,027	59,271	0	59,271
2008	70,713	16,656	87,369	3,314	90,684
2009	0	0	0	0	0
2010	27	4,468	4,494	4,870	9,364

Ceded

AY	Paid	Case	Incurred	IBNR	Ultimate
2004	3,580	101	3,679	-7	3,672
2005	190,089	5,471	195,559	-1,879	193,681
2006	0	0	0	0	0
2007	6,108	0	22,716	-488	22,229
2008	46,930	0	64,121	1,125	65,246
2009	0	0	0	0	0
2010	0	0	0	0	0

Net

AY	Paid	Case	Incurred	IBNR	Ultimate
2004	85	-88	-3	7	4
2005	8,968	-1,236	7,733	4,873	12,606
2006	0	0	0	0	0
2007	36,136	419	36,555	488	37,042
2008	23,783	-534	23,249	2,189	25,438
2009	0	0	0	0	0
2010	27	4,468	4,494	4,870	9,364

2004 *: Charley, Frances, Ivan, Jeanne & Songda;* ***2005*** *: Katrina, Rita & Wilma;* ***2007*** *: California Wildfires, UK Flooding;* ***2008*** *: Ike and Gustav;* ***2010*** *: Chile and Deepwater*

- The 2007 accident year has strong development between month 12 and month 36 which is attributable to a combination of events including wild fires in California, late advised marine liability claims in respect of an excess of loss reinsurance program that normally has a shorter reporting pattern and a peak exposure period in construction projects which have now passed. We do not believe that this aggregation of independent causes should be interpreted as systematic or representative of the development pattern for the whole of this reserving class.

Exhibit 6, Page 1

Valuation Date : December 31, 2010

Financial & Professional

Value in Thousands, USD

GROSS

Accident Year	(1) Earned Premium	(2) Paid Losses	(3) Case Reserves	(4) = (2) + (3) Case Incurred Losses	(5) IBNR	(6) = (4) + (5) Ultimate Losses	(7) = (6) / (1) Ultimate Loss Ratio
2003	0	0	0	0			
2004	0	0	0	0			
2005	0	0	0	0			
2006	0	0	0	0			
2007	624	304	457	761			
2008	46,539	11,467	37,611	49,078			
2009	102,713	9,904	76,425	86,330			
2010	114,264	2,070	3,003	5,073			
Total	264,140	23,746	117,496	141,242	127,503	268,745	101.7%

CEDED

Accident Year	(8) Earned Premium	(9) Paid Losses	(10) Case Reserves	(11) = (9) + (10) Case Incurred Losses	(12) IBNR	(13) = (11) + (12) Ultimate Losses	(14) = (13) / (8) Ultimate Loss Ratio
2003	0	0	0	0			
2004	0	0	0	0			
2005	0	0	0	0			
2006	0	0	0	0			
2007	286	0	0	0			
2008	16,470	1,939	12,276	14,215			
2009	31,914	0	25,103	25,103			
2010	35,986	0	0	0			
Total	84,656	1,939	37,379	39,318	20,921	60,239	71.2%

NET

Accident Year	(15) Earned Premium	(16) Paid Losses	(17) Case Reserves	(18) = (16) + (17) Case Incurred Losses	(19) IBNR	(20) = (18) + (19) Ultimate Losses	(21) = (20) / (15) Ultimate Loss Ratio
2003	0	0	0	0			
2004	0	0	0	0			
2005	0	0	0	0			
2006	0	0	0	0			
2007	338	304	457	761			
2008	30,069	9,529	25,334	34,863			
2009	70,799	9,904	51,323	61,227			
2010	78,278	2,070	3,003	5,073			
Total	179,483	21,807	80,117	101,924	106,582	208,506	116.2%

Exhibit 6, Page 2 **Financial & Professional**

Valuation Date : December 31, 2010 **Value in Thousands, USD**

Gross Paid Losses

	Months							
	12	24	36	48	60	72	84	96
2003	0	0	0	0	0	0	0	0
2004	0	0	0	0	0	0	0	
2005	0	0	0	0	0	0		
2006	0	0	0	0	0			
2007	0	0	144	304				
2008	245	2,985	11,467					
2009	1,076	9,904						
2010	2,070							

Paid Loss Ratio

	Months							
	12	24	36	48	60	72	84	96
2003	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2004	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
2005	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
2006	0.0%	0.0%	0.0%	0.0%	0.0%			
2007	0.0%	0.0%	23.0%	48.7%				
2008	0.5%	6.4%	24.6%					
2009	1.0%	9.6%						
2010	1.8%							

Gross Case Incurred Losses

	Months							
	12	24	36	48	60	72	84	96
2003	0	0	0	0	0	0	0	0
2004	0	0	0	0	0	0	0	
2005	0	0	0	0	0	0		
2006	0	0	0	0	0			
2007	0	3	296	761				
2008	13,558	38,765	49,078					
2009	45,738	86,330						
2010	5,073							

Case Incurred Loss Ratio

	Months							
	12	24	36	48	60	72	84	96
2003	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2004	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
2005	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
2006	0.0%	0.0%	0.0%	0.0%	0.0%			
2007	0.0%	0.4%	47.4%	122.0%				
2008	29.1%	83.3%	105.5%					
2009	44.5%	84.1%						
2010	4.4%							

Financial and Professional Reserving Notes

- This Reserving Class accounts for 6.5% of gross reserves as at year-end 2010.

- The split of Gross Earned Premium by sub-class is

AY	Gross Earned Premium	%age Of Gross Earned Premium		
		Professional Liability	Financial Institutions	Financial & Political Risk
	$000s			
2008	46,539	44%	36%	19%
2009	102,713	47%	31%	22%
2010	114,264	50%	21%	29%

- This reserving class has been impacted by the financial crisis during 2008 and 2009, in particular Financial Institutions (FI) and Professional Liability (PL). The policy coverages for FI and PL are "claims made" during the policy period. The reserving issue is therefore to understand the potential for notified circumstances to develop into claims rather than future new claims to emerge. Our actuaries have worked closely with claims personnel to ensure that sufficient understanding of potential development is factored into determining the actuarial mean best estimate reserve and the margin to the selected reserve in the accounts.

Exhibit 7, Page 1

Reinsurance Total

Valuation Date : December 31, 2010

Value in Thousands, USD

GROSS Accident Year	(1) Earned Premium	(2) Paid Losses	(3) Case Reserves	(4) = (2) + (3) Case Incurred Losses	(5) IBNR	(6) = (4) + (5) Ultimate Losses	(7) = (6) / (1) Ultimate Loss Ratio
2003	905,355	232,620	37,705	270,326			
2004	1,171,910	567,128	74,564	641,692			
2005	1,370,006	1,491,151	101,091	1,592,241			
2006	1,260,594	279,663	113,006	392,669			
2007	1,168,803	284,796	147,225	432,021			
2008	1,073,092	322,745	182,522	505,266			
2009	1,165,534	153,391	140,856	294,248			
2010	1,182,508	66,159	164,984	231,143			
Total	9,297,802	3,397,653	961,952	4,359,606	1,386,162	5,745,767	61.8%

CEDED Accident Year	(8) Earned Premium	(9) Paid Losses	(10) Case Reserves	(11) = (9) + (10) Case Incurred Losses	(12) IBNR	(13) = (11) + (12) Ultimate Losses	(14) = (13) / (8) Ultimate Loss Ratio
2003	111,092	15,869	5,816	21,685			
2004	167,502	161,198	6,027	167,225			
2005	301,598	634,286	13,939	648,225			
2006	200,034	8,209	341	8,550			
2007	80,382	13,406	-375	13,031			
2008	58,859	2,625	400	3,025			
2009	56,559	133	57	190			
2010	38,433	119	469	588			
Total	1,014,459	835,845	26,674	862,519	11,767	874,286	86.2%

NET Accident Year	(15) Earned Premium	(16) Paid Losses	(17) Case Reserves	(18) = (16) + (17) Case Incurred Losses	(19) IBNR	(20) = (18) + (19) Ultimate Losses	(21) = (20) / (15) Ultimate Loss Ratio
2003	794,263	216,752	31,889	248,641			
2004	1,004,409	405,930	68,536	474,466			
2005	1,068,408	856,864	87,152	944,016			
2006	1,060,560	271,454	112,665	384,119			
2007	1,088,420	271,390	147,600	418,990			
2008	1,014,234	320,120	182,122	502,241			
2009	1,108,975	153,258	140,799	294,058			
2010	1,144,075	66,041	164,515	230,555			
Total	8,283,344	2,561,809	935,278	3,497,087	1,374,395	4,871,481	58.8%

Exhibit 7, Page 2

Reinsurance Total

Valuation Date : December 31, 2010

Value in Thousands, USD

Gross Paid Losses

	Months							
	12	24	36	48	60	72	84	96
2003	40,989	95,777	143,907	169,113	195,781	209,590	221,386	232,620
2004	73,905	345,075	443,156	483,226	514,722	550,484	567,128	
2005	132,677	857,196	1,202,711	1,355,471	1,433,839	1,491,151		
2006	46,696	122,803	189,070	238,218	279,663			
2007	54,695	157,031	214,574	284,796				
2008	117,838	237,797	322,745					
2009	59,314	153,391						
2010	66,159							

Paid Loss Ratio

	Months							
	12	24	36	48	60	72	84	96
2003	4.5%	10.6%	15.9%	18.7%	21.6%	23.2%	24.5%	25.7%
2004	6.3%	29.4%	37.8%	41.2%	43.9%	47.0%	48.4%	
2005	9.7%	62.6%	87.8%	98.9%	104.7%	108.8%		
2006	3.7%	9.7%	15.0%	18.9%	22.2%			
2007	4.7%	13.4%	18.4%	24.4%				
2008	11.0%	22.2%	30.1%					
2009	5.1%	13.2%						
2010	5.6%							

Gross Case Incurred Losses

	Months							
	12	24	36	48	60	72	84	96
2003	137,741	185,974	220,748	245,666	269,903	273,474	276,306	270,326
2004	278,299	511,763	571,911	603,798	621,484	626,421	641,692	
2005	882,845	1,393,778	1,503,323	1,554,106	1,569,084	1,592,241		
2006	146,494	234,382	296,747	342,783	392,669			
2007	192,940	322,219	380,969	432,021				
2008	253,313	403,347	505,266					
2009	165,149	294,248						
2010	231,143							

Case Incurred Loss Ratio

	Months							
	12	24	36	48	60	72	84	96
2003	15.2%	20.5%	24.4%	27.1%	29.8%	30.2%	30.5%	29.9%
2004	23.7%	43.7%	48.8%	51.5%	53.0%	53.5%	54.8%	
2005	64.4%	101.7%	109.7%	113.4%	114.5%	116.2%		
2006	11.6%	18.6%	23.5%	27.2%	31.1%			
2007	16.5%	27.6%	32.6%	37.0%				
2008	23.6%	37.6%	47.1%					
2009	14.2%	25.2%						
2010	19.5%							

Exhibit 8, Page 1

Reinsurance - Property Catastrophe

Valuation Date : December 31, 2010

Value in Thousands, USD

GROSS Accident Year	(1) Earned Premium	(2) Paid Losses	(3) Case Reserves	(4) = (2) + (3) Case Incurred Losses	(5) IBNR	(6) = (4) + (5) Ultimate Losses	(7) = (6) / (1) Ultimate Loss Ratio
2003	187,398	19,515	146	19,661			
2004	281,856	152,025	4,338	156,363			
2005	311,327	551,662	5,175	556,838			
2006	275,027	12,620	907	13,526			
2007	273,281	44,354	5,048	49,402			
2008	255,838	121,681	9,868	131,549			
2009	259,741	14,241	8,222	22,463			
2010	289,500	31,270	96,874	128,145			
Total	2,133,968	947,369	130,577	1,077,947	81,442	1,159,389	54.3%

CEDED Accident Year	(8) Earned Premium	(9) Paid Losses	(10) Case Reserves	(11) = (9) + (10) Case Incurred Losses	(12) IBNR	(13) = (11) + (12) Ultimate Losses	(14) = (13) / (8) Ultimate Loss Ratio
2003	49,821	0	0	0			
2004	53,180	39,683	2,098	41,781			
2005	129,794	219,958	4,822	224,780			
2006	84,230	3,723	0	3,723			
2007	60,651	9,864	-400	9,464			
2008	42,259	2,625	400	3,025			
2009	41,367	118	0	118			
2010	24,740	0	0	0			
Total	486,042	275,972	6,921	282,892	6,719	289,611	59.6%

NET Accident Year	(15) Earned Premium	(16) Paid Losses	(17) Case Reserves	(18) = (16) + (17) Case Incurred Losses	(19) IBNR	(20) = (18) + (19) Ultimate Losses	(21) = (20) / (15) Ultimate Loss Ratio
2003	137,577	19,515	146	19,661			
2004	228,676	112,342	2,240	114,582			
2005	181,533	331,705	353	332,058			
2006	190,798	8,896	907	9,803			
2007	212,629	34,490	5,448	39,938			
2008	213,579	119,056	9,468	128,524			
2009	218,374	14,123	8,222	22,345			
2010	264,760	31,270	96,874	128,145			
Total	1,647,926	671,397	123,657	795,054	74,723	869,777	52.8%

Exhibit 8, Page 2 **Reinsurance - Property Catastrophe**

Valuation Date : December 31, 2010 **Value in Thousands, USD**

Gross Paid Losses

	Months							
	12	24	36	48	60	72	84	96
2003	9,084	15,380	21,066	20,912	21,057	19,292	19,438	19,515
2004	30,547	113,589	136,929	143,663	147,015	151,470	152,025	
2005	49,550	350,236	496,326	530,662	547,245	551,662		
2006	3,532	9,930	11,756	12,478	12,620			
2007	18,394	47,551	42,814	44,354				
2008	78,002	109,772	121,681					
2009	6,717	14,241						
2010	31,270							

Paid Loss Ratio

	Months							
	12	24	36	48	60	72	84	96
2003	4.8%	8.2%	11.2%	11.2%	11.2%	10.3%	10.4%	10.4%
2004	10.8%	40.3%	48.6%	51.0%	52.2%	53.7%	53.9%	
2005	15.9%	112.5%	159.4%	170.5%	175.8%	177.2%		
2006	1.3%	3.6%	4.3%	4.5%	4.6%			
2007	6.7%	17.4%	15.7%	16.2%				
2008	30.5%	42.9%	47.6%					
2009	2.6%	5.5%						
2010	10.8%							

Gross Case Incurred Losses

	Months							
	12	24	36	48	60	72	84	96
2003	20,445	17,938	21,920	21,781	22,332	19,395	19,593	19,661
2004	85,970	144,427	152,600	153,159	153,630	157,062	156,363	
2005	427,239	541,413	538,449	547,968	555,399	556,838		
2006	5,583	11,609	13,269	13,484	13,526			
2007	60,199	65,071	47,653	49,402				
2008	124,461	114,738	131,549					
2009	20,215	22,463						
2010	128,145							

Case Incurred Loss Ratio

	Months							
	12	24	36	48	60	72	84	96
2003	10.9%	9.6%	11.7%	11.6%	11.9%	10.3%	10.5%	10.5%
2004	30.5%	51.2%	54.1%	54.3%	54.5%	55.7%	55.5%	
2005	137.2%	173.9%	173.0%	176.0%	178.4%	178.9%		
2006	2.0%	4.2%	4.8%	4.9%	4.9%			
2007	22.0%	23.8%	17.4%	18.1%				
2008	48.6%	44.8%	51.4%					
2009	7.8%	8.6%						
2010	44.3%							

Property Catastrophe Reserving Notes

- This Reserving Class accounts for 5.6% of gross reserves as at year-end 2010.

- The impact of large events is summarised in the following table:-

Gross					
AY	Paid	Case	Incurred	IBNR	Ultimate
2004	145,993	3,994	149,987	474	150,460
2005	531,465	5,111	536,576	14,701	551,277
2006	0	0	0	0	0
2007	29,809	3,106	32,915	0	32,915
2008	108,149	9,108	117,257	799	118,056
2009	0	0	0	0	0
2010	27,452	85,677	113,129	53,330	166,459

Ceded					
AY	Paid	Case	Incurred	IBNR	Ultimate
2004	39,683	0	41,781	110	41,892
2005	213,708	5,111	218,531	14,701	222,467
2006	0	0	0	0	0
2007	0	0	0	0	0
2008	0	0	0	0	0
2009	0	0	0	0	0
2010	0	0	0	0	0

Net					
AY	Paid	Case	Incurred	IBNR	Ultimate
2004	106,310	1,895	108,205	363	108,569
2005	317,756	289	318,045	10,765	328,810
2006	0	0	0	0	0
2007	29,809	3,106	32,915	0	32,915
2008	108,149	9,108	117,257	799	118,056
2009	0	0	0	0	0
2010	27,452	85,677	113,129	53,330	166,459

- The case incurred development of the 2007 year between months 24 and 36 reduced from 23.8% to 17.4%. This was primarily a result of successful subrogation actions by the first party insurers against a utility company in respect of the California Wildfires.

Exhibit 9, Page 1

Reinsurance - Property Other

Valuation Date : December 31, 2010

Value in Thousands, USD

GROSS	(1)	(2)	(3)	(4)	(5)	(6)	(7)
				= (2) + (3)		= (4) + (5)	= (6) / (1)
Accident Year	Earned Premium	Paid Losses	Case Reserves	Case Incurred Losses	IBNR	Ultimate Losses	Ultimate Loss Ratio
2003	266,780	67,243	2,688	69,931			
2004	405,427	288,367	8,757	297,125			
2005	439,328	670,691	10,551	681,243			
2006	352,011	124,552	7,374	131,926			
2007	280,898	94,083	6,780	100,863			
2008	259,976	88,653	21,245	109,899			
2009	306,528	56,442	23,366	79,807			
2010	287,704	23,757	35,678	59,435			
Total	2,598,652	1,413,787	116,440	1,530,227	137,069	1,667,296	64.2%

CEDED	(8)	(9)	(10)	(11)	(12)	(13)	(14)
				= (9) + (10)		= (11) + (12)	= (13) / (8)
Accident Year	Earned Premium	Paid Losses	Case Reserves	Case Incurred Losses	IBNR	Ultimate Losses	Ultimate Loss Ratio
2003	52,238	12,058	0	12,058			
2004	100,483	100,692	2,582	103,274			
2005	138,327	301,591	7,478	309,068			
2006	93,115	3,439	0	3,439			
2007	8,270	2,966	0	2,966			
2008	13,061	0	0	0			
2009	13,684	14	57	72			
2010	11,647	119	469	588			
Total	430,825	420,878	10,586	431,464	4,852	436,316	101.3%

NET	(15)	(16)	(17)	(18)	(19)	(20)	(21)
				= (16) + (17)		= (18) + (19)	= (20) / (15)
Accident Year	Earned Premium	Paid Losses	Case Reserves	Case Incurred Losses	IBNR	Ultimate Losses	Ultimate Loss Ratio
2003	214,542	55,185	2,688	57,873			
2004	304,944	187,675	6,175	193,850			
2005	301,001	369,101	3,074	372,174			
2006	258,895	121,113	7,374	128,487			
2007	272,628	91,117	6,780	97,897			
2008	246,916	88,653	21,245	109,899			
2009	292,843	56,427	23,309	79,736			
2010	276,057	23,638	35,209	58,847			
Total	2,167,827	992,909	105,854	1,098,763	132,216	1,230,979	56.8%

Exhibit 9, Page 2

Reinsurance - Property Other

Valuation Date : December 31, 2010

Value in Thousands, USD

Gross Paid Losses

	Months							
	12	24	36	48	60	72	84	96
2003	9,442	32,676	53,031	59,025	63,259	65,198	67,190	67,243
2004	34,947	199,078	256,067	269,499	276,315	286,280	288,367	
2005	70,750	431,039	565,548	622,435	652,750	670,691		
2006	31,337	79,123	99,393	119,036	124,552			
2007	23,764	60,593	84,590	94,083				
2008	25,362	64,750	88,653					
2009	26,697	56,442						
2010	23,757							

Paid Loss Ratio

	Months							
	12	24	36	48	60	72	84	96
2003	3.5%	12.2%	19.9%	22.1%	23.7%	24.4%	25.2%	25.2%
2004	8.6%	49.1%	63.2%	66.5%	68.2%	70.6%	71.1%	
2005	16.1%	98.1%	128.7%	141.7%	148.6%	152.7%		
2006	8.9%	22.5%	28.2%	33.8%	35.4%			
2007	8.5%	21.6%	30.1%	33.5%				
2008	9.8%	24.9%	34.1%					
2009	8.7%	18.4%						
2010	8.3%							

Gross Case Incurred Losses

	Months							
	12	24	36	48	60	72	84	96
2003	44,389	64,514	67,980	72,670	75,887	74,232	71,872	69,931
2004	142,302	267,416	290,101	290,228	294,309	294,584	297,125	
2005	362,453	634,616	666,224	678,868	684,245	681,243		
2006	87,392	109,435	123,042	130,136	131,926			
2007	57,323	95,748	102,421	100,863				
2008	67,927	108,113	109,899					
2009	57,190	79,807						
2010	59,435							

Case Incurred Loss Ratio

	Months							
	12	24	36	48	60	72	84	96
2003	16.6%	24.2%	25.5%	27.2%	28.4%	27.8%	26.9%	26.2%
2004	35.1%	66.0%	71.6%	71.6%	72.6%	72.7%	73.3%	
2005	82.5%	144.5%	151.6%	154.5%	155.7%	155.1%		
2006	24.8%	31.1%	35.0%	37.0%	37.5%			
2007	20.4%	34.1%	36.5%	35.9%				
2008	26.1%	41.6%	42.3%					
2009	18.7%	26.0%						
2010	20.7%							

Property Reinsurance Other Reserving Notes

- This Reserving Class accounts for 6.7% of gross reserves as at year-end 2010.

- This class includes risk excess, pro-rata, property facultative, risk solutions and other business, all of which have differing claim characteristics and are projected separately.

AY	Gross Earned Premium $000s	%age Of Gross Earned Premium				
		Risk Excess	Pro-Rata	Facultative	Risk Solutions	Other
2003	266,780	63%	24%	0%	0%	13%
2004	405,427	60%	29%	0%	0%	11%
2005	439,328	60%	33%	1%	0%	6%
2006	352,011	50%	44%	5%	0%	1%
2007	280,898	42%	46%	12%	0%	0%
2008	259,976	34%	50%	16%	0%	0%
2009	306,528	29%	53%	16%	0%	2%
2010	287,704	29%	47%	17%	3%	3%

- The impact of large events is summarised in the following table:-

Gross

AY	Paid	Case	Incurred	IBNR	Ultimate
2004	191,224	5,668	196,891	500	197,391
2005	496,808	6,051	502,859	7,188	510,046
2006	0	0	0	0	0
2007	1,745	3	1,747	0	1,747
2008	13,671	7,636	21,307	4,015	25,322
2009	0	0	0	0	0
2010	157	3,122	3,279	8,641	11,920

Ceded

AY	Paid	Case	Incurred	IBNR	Ultimate
2004	86,855	2,582	89,437	-21	89,416
2005	294,112	7,478	301,590	2,554	304,144
2006	0	0	0	0	0
2007	0	0	0	0	0
2008	0	0	0	0	0
2009	0	0	0	0	0
2010	0	0	0	0	0

Net

AY	Paid	Case	Incurred	IBNR	Ultimate
2004	104,368	3,086	107,454	521	107,975
2005	202,695	-1,427	201,269	4,634	205,903
2006	0	0	0	0	0
2007	1,745	3	1,747	0	1,747
2008	13,671	7,636	21,307	4,015	25,322
2009	0	0	0	0	0
2010	157	3,122	3,279	8,641	11,920

2004 *: Charley, Frances, Ivan, Jeanne & Songda;* ***2005*** *: Katrina, Rita & Wilma;* ***2007*** *: California Wildfires, UK Flooding;* ***2008*** *: Ike and Gustav;* ***2010*** *: Chile, Deepwater & New Zealand Quake*

- There was a significant impact on pro-rata and risk excess contracts from hurricane losses in 2004 and 2005 with a subsequent change in the underwriting of these classes including a significant reduction in gross earned premium and reinsurance costs.

Exhibit 10, Page 1

Valuation Date : December 31, 2010

Reinsurance - Casualty

Value in Thousands, USD

GROSS	(1)	(2)	(3)	(4)	(5)	(6)	(7)
				= (2) + (3)		= (4) + (5)	= (6) / (1)
Accident Year	Earned Premium	Paid Losses	Case Reserves	Case Incurred Losses	IBNR	Ultimate Losses	Ultimate Loss Ratio
2003	191,739	61,024	25,891	86,915			
2004	357,010	83,127	57,700	140,827			
2005	445,592	87,261	71,902	159,163			
2006	435,806	73,473	89,865	163,338			
2007	412,152	69,565	120,850	190,414			
2008	352,509	40,903	119,304	160,207			
2009	370,380	12,357	75,332	87,689			
2010	353,299	1,258	20,418	21,676			
Total	2,918,487	428,969	581,260	1,010,229	918,322	1,928,551	66.1%

CEDED	(8)	(9)	(10)	(11)	(12)	(13)	(14)
				= (9) + (10)		= (11) + (12)	= (13) / (8)
Accident Year	Earned Premium	Paid Losses	Case Reserves	Case Incurred Losses	IBNR	Ultimate Losses	Ultimate Loss Ratio
2003	7,503	1,087	293	1,380			
2004	11,537	1,614	198	1,811			
2005	17,372	101	160	262			
2006	14,235	270	341	611			
2007	5,823	42	25	67			
2008	3,088	0	0	0			
2009	1,258	0	0	0			
2010	1,024	0	0	0			
Total	61,840	3,114	1,017	4,132	-19	4,113	6.7%

NET	(15)	(16)	(17)	(18)	(19)	(20)	(21)
				= (16) + (17)		= (18) + (19)	= (20) / (15)
Accident Year	Earned Premium	Paid Losses	Case Reserves	Case Incurred Losses	IBNR	Ultimate Losses	Ultimate Loss Ratio
2003	184,236	59,937	25,597	85,534			
2004	345,473	81,514	57,502	139,016			
2005	428,221	87,160	71,741	158,901			
2006	421,571	73,202	89,524	162,727			
2007	406,329	69,523	120,824	190,347			
2008	349,421	40,903	119,304	160,207			
2009	369,122	12,357	75,332	87,689			
2010	352,275	1,258	20,418	21,676			
Total	2,856,647	425,855	580,243	1,006,098	918,341	1,924,438	67.4%

Exhibit 10, Page 2 **Reinsurance - Casualty**

Valuation Date : December 31, 2010 **Value in Thousands, USD**

Gross Paid Losses

	Months							
	12	24	36	48	60	72	84	96
2003	127	5,695	12,598	22,105	31,621	42,155	49,951	61,024
2004	1,544	9,595	19,502	32,831	52,690	70,602	83,127	
2005	618	5,855	19,955	43,831	64,496	87,261		
2006	845	12,469	29,649	51,282	73,473			
2007	2,739	12,901	34,862	69,565				
2008	1,709	12,579	40,903					
2009	1,067	12,357						
2010	1,258							

Paid Loss Ratio

	Months							
	12	24	36	48	60	72	84	96
2003	0.1%	3.0%	6.6%	11.5%	16.5%	22.0%	26.1%	31.8%
2004	0.4%	2.7%	5.5%	9.2%	14.8%	19.8%	23.3%	
2005	0.1%	1.3%	4.5%	9.8%	14.5%	19.6%		
2006	0.2%	2.9%	6.8%	11.8%	16.9%			
2007	0.7%	3.1%	8.5%	16.9%				
2008	0.5%	3.6%	11.6%					
2009	0.3%	3.3%						
2010	0.4%							

Gross Case Incurred Losses

	Months							
	12	24	36	48	60	72	84	96
2003	9,158	32,174	51,080	66,208	79,290	86,579	91,032	86,915
2004	30,660	61,781	81,166	114,959	127,015	127,243	140,827	
2005	31,687	75,225	129,986	143,809	142,547	159,163		
2006	23,110	68,497	101,961	135,079	163,338			
2007	56,843	113,573	162,989	190,414				
2008	40,558	102,357	160,207					
2009	29,108	87,689						
2010	21,676							

Case Incurred Loss Ratio

	Months							
	12	24	36	48	60	72	84	96
2003	4.8%	16.8%	26.6%	34.5%	41.4%	45.2%	47.5%	45.3%
2004	8.6%	17.3%	22.7%	32.2%	35.6%	35.6%	39.4%	
2005	7.1%	16.9%	29.2%	32.3%	32.0%	35.7%		
2006	5.3%	15.7%	23.4%	31.0%	37.5%			
2007	13.8%	27.6%	39.5%	46.2%				
2008	11.5%	29.0%	45.4%					
2009	7.9%	23.7%						
2010	6.1%							

Casualty Reinsurance Reserving Notes

- This Reserving Class accounts for 39.7% of gross reserves as at year-end 2010 and is the largest class as measured by reserves held.

- We project 40 sub-sets of data which can be grouped broadly into Medical Malpractice, Professional Indemnity, Workers Compensation, Workers Compensation Catastrophe, Motor, General Liability and Miscellaneous all of which have different claim characteristics ranging from short tail (workers compensation catastrophe) through medium tail (Medical Malpractice, Professional Indemnity, Motor and Miscellaneous) to long-tail (General Liability, Umbrella and Workers Comp).

- A split of Gross Earned Premium into these categories is as follows:-

AY	Gross Earned Premium $000s	Proportion of GEP: Workers Comp. Cat	Medical Malpractice	Professional Indemnity	Motor	General Liability	Umbrella	Workers Comp	Misc
2003	191,739	6%	11%	7%	15%	40%	2%	9%	10%
2004	357,010	5%	11%	12%	7%	40%	3%	13%	8%
2005	445,592	5%	15%	15%	4%	38%	2%	13%	9%
2006	435,806	6%	17%	14%	5%	35%	2%	13%	9%
2007	412,152	6%	21%	14%	5%	32%	2%	10%	9%
2008	352,509	5%	23%	15%	6%	29%	4%	9%	10%
2009	370,380	5%	21%	16%	8%	25%	7%	7%	10%
2010	353,299	5%	18%	18%	10%	25%	8%	6%	10%

Note : Miscellaneous includes reinstatement premiums and modelled additional premiums on loss dependent contracts.

- The 2007 to 2009 accident years are potentially impacted by claims that may arise consequent to the global financial crisis. We have conducted detailed analyses of our cedants' exposures to these potential claims and established specific additional reserves. These exposures arise principally from excess of loss reinsurance provided to certain Lloyd's syndicates writing US and international casualty accounts in the London market.

- Within case reserves, we establish material amounts of reserves over and above those advised by our cedants. This arises where our claims professionals determine that the advised case reserves may be insufficient to meet the expected future settlement amount. This reserving action will shorten the development pattern of case incurred claims. As at December 31, 2010, these were :-

AY	Additional Case Reserves $000s
2003	1,934
2004	9,814
2005	20,288
2006	9,950
2007	16,087
2008	17,793
2009	6,986
2010	999
Total	83,850

Reinsurance - Specialty

Value in Thousands, USD

GROSS	(1)	(2)	(3)	(4) = (2) + (3)	(5)	(6) = (4) + (5)	(7) = (6) / (1)
Accident Year	Earned Premium	Paid Losses	Case Reserves	Case Incurred Losses	IBNR	Ultimate Losses	Ultimate Loss Ratio
2003	259,438	84,838	8,981	93,819			
2004	127,618	43,608	3,769	47,376			
2005	173,759	181,536	13,462	194,998			
2006	197,750	69,020	14,860	83,879			
2007	202,472	76,794	14,548	91,342			
2008	204,769	71,507	32,105	103,612			
2009	228,886	70,351	33,937	104,288			
2010	252,005	9,874	12,013	21,887			
Total	1,646,696	607,528	133,674	741,202	249,330	990,532	60.2%

CEDED	(8)	(9)	(10)	(11) = (9) + (10)	(12)	(13) = (11) + (12)	(14) = (13) / (8)
Accident Year	Earned Premium	Paid Losses	Case Reserves	Case Incurred Losses	IBNR	Ultimate Losses	Ultimate Loss Ratio
2003	1,531	2,724	5,523	8,247			
2004	2,302	19,209	1,149	20,358			
2005	16,105	112,637	1,478	114,115			
2006	8,454	777	0	777			
2007	5,638	534	0	534			
2008	452	0	0	0			
2009	250	0	0	0			
2010	1,021	0	0	0			
Total	35,752	135,880	8,151	144,031	215	144,246	403.5%

NET	(15)	(16)	(17)	(18) = (16) + (17)	(19)	(20) = (18) + (19)	(21) = (20) / (15)
Accident Year	Earned Premium	Paid Losses	Case Reserves	Case Incurred Losses	IBNR	Ultimate Losses	Ultimate Loss Ratio
2003	257,908	82,114	3,459	85,573			
2004	125,316	24,399	2,619	27,018			
2005	157,654	68,899	11,984	80,883			
2006	189,296	68,243	14,860	83,103			
2007	196,834	76,260	14,548	90,808			
2008	204,317	71,507	32,105	103,612			
2009	228,636	70,351	33,937	104,288			
2010	250,984	9,874	12,013	21,887			
Total	1,610,944	471,647	125,524	597,171	249,115	846,286	52.5%

Exhibit 11, Page 2

Reinsurance - Specialty

Valuation Date : December 31, 2010

Value in Thousands, USD

Gross Paid Losses

	Months							
	12	24	36	48	60	72	84	96
2003	22,336	42,026	57,213	67,071	79,844	82,945	84,808	84,838
2004	6,867	22,814	30,658	37,233	38,702	42,131	43,608	
2005	11,759	70,067	120,882	158,543	169,348	181,536		
2006	10,982	21,280	48,273	55,422	69,020			
2007	9,798	35,987	52,308	76,794				
2008	12,765	50,696	71,507					
2009	24,896	70,351						
2010	9,874							

Paid Loss Ratio

	Months							
	12	24	36	48	60	72	84	96
2003	8.6%	16.2%	22.1%	25.9%	30.8%	32.0%	32.7%	32.7%
2004	5.4%	17.9%	24.0%	29.2%	30.3%	33.0%	34.2%	
2005	6.8%	40.3%	69.6%	91.2%	97.5%	104.5%		
2006	5.6%	10.8%	24.4%	28.0%	34.9%			
2007	4.8%	17.8%	25.8%	37.9%				
2008	6.2%	24.8%	34.9%					
2009	10.9%	30.7%						
2010	3.9%							

Gross Case Incurred Losses

	Months							
	12	24	36	48	60	72	84	96
2003	63,750	71,347	79,767	85,007	92,393	93,269	93,809	93,819
2004	19,367	38,139	48,044	45,451	46,529	47,532	47,376	
2005	61,467	142,524	168,664	183,460	186,893	194,998		
2006	30,409	44,842	58,475	64,084	83,879			
2007	18,576	47,827	67,906	91,342				
2008	20,367	78,139	103,612					
2009	58,698	104,288						
2010	21,887							

Case Incurred Loss Ratio

	Months							
	12	24	36	48	60	72	84	96
2003	24.6%	27.5%	30.7%	32.8%	35.6%	36.0%	36.2%	36.2%
2004	15.2%	29.9%	37.6%	35.6%	36.5%	37.2%	37.1%	
2005	35.4%	82.0%	97.1%	105.6%	107.6%	112.2%		
2006	15.4%	22.7%	29.6%	32.4%	42.4%			
2007	9.2%	23.6%	33.5%	45.1%				
2008	9.9%	38.2%	50.6%					
2009	25.6%	45.6%						
2010	8.7%							

Specialty Reinsurance Reserving Notes

- This Reserving Class accounts for 10.1% of gross reserves as at year-end 2010.

- The mix of business between specialty lines (marine, aviation, satellite), structured risks, credit and surety reinsurance, agriculture and quota shares of the Wellington Syndicates[2], is shown in the following table:

AY	Gross Earned Premium $000s	%age Of Gross Earned Premium: Specialty Lines	Structured Risks	Credit & Surety	Agriculture	Quota Shares Of Wellington Syndicates
2003	259,438	19%	0%	0%	0%	81%
2004	127,618	69%	0%	0%	0%	31%
2005	173,759	58%	42%	0%	0%	0%
2006	197,750	47%	53%	0%	0%	0%
2007	202,472	50%	50%	0%	0%	0%
2008	204,769	50%	50%	0%	0%	0%
2009	228,886	47%	44%	9%	0%	0%
2010	252,005	43%	26%	24%	7%	0%

- The impact of large events is summarised in the following table:-

Gross

AY	Paid	Case	Incurred	IBNR	Ultimate
2004	16,504	133	16,636	0	16,636
2005	86,061	5,652	91,713	938	92,651
2006	0	0	0	0	0
2007	5,913	70	5,983	0	5,983
2008	7,174	6,359	13,533	4,690	18,223
2009	0	0	0	0	0
2010	2,186	4,060	6,247	5,656	11,903

Ceded

AY	Paid	Case	Incurred	IBNR	Ultimate
2004	16,254	0	16,703	-31	16,672
2005	72,922	5,652	74,401	938	74,611
2006	0	0	0	0	0
2007	0	0	0	0	0
2008	0	0	0	0	0
2009	0	0	0	0	0
2010	0	0	0	0	0

Net

AY	Paid	Case	Incurred	IBNR	Ultimate
2004	250	-316	-66	31	-35
2005	13,139	4,173	17,312	728	18,040
2006	0	0	0	0	0
2007	5,913	70	5,983	0	5,983
2008	7,174	6,359	13,533	4,690	18,223
2009	0	0	0	0	0
2010	2,186	4,060	6,247	5,656	11,903

2004 *: Charley, Frances, Ivan, Jeanne & Songda;* ***2005*** *: Katrina, Rita & Wilma;* ***2007*** *: California Wildfires, UK Flooding;* ***2008*** *: Ike and Gustav;* ***2010*** *: Chile, Deepwater & New Zealand Quake*

[2] Wellington Underwriting plc was an initial investor and with which Aspen had certain arrangements at its formation including a quota share of Syndicate 2020

GLOSSARY

Accident Year means the year in which the event occurred that triggered a claim. All years referred to are years ending December 31st.

Additional Case Reserves are amounts that are held in addition to Case Reserves that result from our claims professionals determining that the established Case Reserves (which are often established by cedants or third parties) are expected to be insufficient to meet the expected future settlement amounts.

Case Incurred Losses is the sum of Paid Losses, plus Case Reserves and any Additional Case Reserves. This term has the same meaning as reported losses or simply incurred losses.

Case Incurred Loss Ratio is the ratio of Case Incurred Losses to Earned Premium, which shows the relationship between Case Incurred Losses and the associated premiums that are related to those losses.

Case Reserves are amounts set aside in relation to claims that have been made but not yet been paid and represent an assessment of the remaining amount to be paid in respect of each notified claim.

Ceded Claims are those amounts received or expects to receive from third party reinsurers to whom Aspen ceded premiums.

Ceded Premiums are those premiums payable by Aspen to third party reinsurers.

Diagonals in the triangle from bottom left to top right represent evaluation dates. For example, the last diagonal in our published triangles shows the position of each Accident Year as at December 31, 2010.

Earned Premium is the amount of policy premiums allocated between Accident Years in accordance with the assumed incidence of risk which results from insurance and reinsurance contracts that do not all commence at the start of a given Accident Year.

Gross Premiums and Gross Losses are shown before the impact of any third party outwards reinsurance.

IBNR means incurred but not reported reserve, or a reserve amount held to cover expected future settlements in relation to all claims that have occurred but have not yet been reported. This includes a reserve provision for claims which may have already occurred and expected development (upward or downward) in existing Case Reserves and Additional Case Reserves.

Inception to Date means the period from 2003 through 2010, 2002 is considered immaterial for the purposes of this document.

Loss Emergence is the change in ultimate losses from the previous development point. Loss emergence is shown separately for each accident year and calendar year.

Maturity is measured in months from the start of the Accident Year.

Net means the retained portion of premiums written or losses paid and incurred. Net Premium equals Gross Premium less Ceded Premium and Net Losses equals Gross Losses less Ceded Claims.

Paid Losses are claim amounts paid to insureds or ceding companies and include any expenses associated with settling the claim (sometime known as Allocated Loss Adjusted Expenses or ALAE).

Paid Loss Ratio is the ratio of Paid Losses to Earned Premium, which shows the relationship between paid losses and the associated premiums that are related to those losses.

Report Year / Claims Made Year refers to the year in which a claim is reported. All years referred to are years ending December 31st.

Subrogation – Paid losses, case reserves and IBNR are net of actual and expected subrogation recoveries.

Total Reserves is the unpaid losses and loss adjustment expenses.

Triangle is a cross tabulation of data usually showing financial quantities in respect of periods of exposure (e.g. Accident Years), each evaluated at regular intervals (maturities).

Underwriting year means the year during which the contract incepts. Exposure from contracts incepting during the current underwriting year will potentially affect both the current accident year as well as future accident years.

Ultimate Loss is the total of all expected settlement amounts, whether paid or reserved together with any associated allocated and unallocated loss adjustment expenses and is the estimated total amount of loss at the measurement date. For the purposes of this report, Ultimate Loss is calculated by adding: Paid Losses, Case and Additional Case Reserves and IBNR.

Ultimate Loss Ratio is the ratio of Ultimate Loss to Earned Premium, which shows the relationship between expected losses and the associated premiums that are related to those losses.

Unallocated Loss Adjustment Expenses (ULAE) are all external, internal, and administrative claims handling expenses that are not included in the allocated loss adjustment expenses (ALAE).