

THE TAKEOVER PANEL

HARDY UNDERWRITING GROUP PLC

(“HARDY”)

OMEGA UNDERWRITING HOLDINGS PLC

(“OMEGA”)

Following recent representations made by the advisers to Hardy, the Panel Executive has been considering the application of Rule 2.4(b) of the Code to the approach by Omega to Hardy. Following discussions with both parties’ advisers, the Panel Executive has ruled that Omega must, by 12.00 noon on 1 August 2005, either announce a firm intention to make an offer for Hardy under Rule 2.5 of the Code or announce that it does not intend to make an offer for Hardy. No extension to this deadline will be granted, except with the consent of the Panel Executive. In the event that Omega announces that it does not intend to make an offer for Hardy, Omega and any person acting in concert with it will, except with the consent of the Panel Executive, be bound by the restrictions contained in Rule 2.8 of the Code for six months from the date of such announcement.

Each of the parties has accepted this ruling.

11 July 2005