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REVISED OFFER DOCUMENT

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the contents of this Revised Offer Document or the action you should take, you should consult your Lloyd's Members' Agent or Lloyd's Adviser, who will advise you in accordance with the Lloyd's Code for Members' Agents: Responsibilities to Members. You should also consult a person authorised under the Financial Services Act 1986 who specialises in advising on the acquisition of shares and other securities.

This Revised Offer Document revises, and is supplemental to, the offer document dated 22 June 1998 issued by Greenwich Insurance Holdings PLC (the "Offer Document"). A copy of this Revised Offer Document, which has been drawn up in accordance with The Public Offers of Securities Regulations 1995, has been delivered to the Registrar of Companies in England and Wales for registration in accordance with Regulation 10(1) of The Public Offers of Securities Regulations 1995.

The directors of Greenwich Insurance Holdings PLC ("Greenwich") accept responsibility for the information contained herein. To the best of the knowledge and belief of the directors of Greenwich (who have taken all reasonable care to ensure that such is the case) the information contained in this Revised Offer Document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Greenwich Lloyd's Underwriting Limited is interested in the Conversion Scheme and any advice provided by Greenwich Lloyd's Underwriting Limited in relation to the Conversion Scheme should not therefore be regarded as independent advice.

Neither the new Ordinary Shares nor the Convertible Unsecured Loan Stock which are the subject of the Offer Document to which this Revised Offer Document relates are listed or otherwise dealt in on the London Stock Exchange or any other recognised investment exchange and no immediate application is being made for these securities to be listed or otherwise dealt in on the London Stock Exchange or any other recognised investment exchange. Such shares and loan stock may be illiquid and there may not be a market for them. The value of securities may go down as well as up.

Under its powers set out in the Conversion and Related Arrangements Byelaw (No. 22 of 1996) Lloyd's has prescribed certain conditions and requirements in relation to conversion schemes ("the Conversion Rules"). Both Strand Partners Limited and Greenwich Lloyd's Underwriting Limited have confirmed to Lloyd's in writing that the Offer Document complied with the Conversion Rules. Lloyd's has approved the making of the conversion invitation set out in the Offer Document to which this Revised Offer Document relates in accordance with the Conversion Rules. However, it must be understood that in giving its consent for the making of such conversion invitation, Lloyd's takes no responsibility for the soundness (whether financial or otherwise) of the conversion scheme or for the correctness of any statements made or opinions expressed in relation thereto.

**Conversion Invitation
to
Eligible Names
by
Greenwich Insurance Holdings PLC
Lloyd's Sponsor
Strand Partners Limited**

Strand Partners Limited ("Strand") is registered in England (Registered Number 2780169) and is regulated by the Securities and Futures Authority Limited. Strand is acting as Lloyd's Sponsor to Greenwich in connection with the matters described in the Offer Document to which this Revised Offer Document relates and will not be responsible to any other person for providing the protection afforded to customers of Strand or for advising any other person in connection with any other matter referred to in this Revised Offer Document.

The Proposals which are the subject of the Offer Document to which this Revised Offer Document relates are addressed exclusively to Eligible Names, as defined therein. This Revised Offer Document must not be distributed to any person resident or domiciled in any country or territory outside the United Kingdom without the prior written consent of the Conversion Official. This Revised Offer Document will not be sent to Names domiciled or resident outside the United Kingdom unless such Names have satisfied the Eligibility Criteria set out on page 8 of the Offer Document to which it relates. **In particular, this Revised Offer Document must not be copied or distributed to persons with addresses in Australia, Canada or the United States of America and their respective territories and possessions, or to any corporation, partnership or any other entity created or organised under the laws thereof. Any such distribution is likely to result in a violation of the laws of those jurisdictions.**

The action you should take if you wish to submit an application under the Conversion Scheme is set out on page 79 of the Offer Document to which this Revised Offer Document relates and in the Application Form.

Completed Application Forms should be sent to Greenwich Insurance Holdings PLC, Walbrook House, 23 Walbrook, London EC4N 8BT, marked for the attention of Mr Philip Noel.

The latest time for acceptance of the Offer is 5 p m on 18 September 1998.

4 September 1998



This document (the "Revised Offer Document") should be read in conjunction with the Offer Document, to which it relates.

The nature of Lloyd's insurance underwriting business, the consequences of past years' underwriting losses at Lloyd's and the nature of conversion will give rise to a number of specific risks. Any member who is considering entering into this conversion scheme should read carefully the Offer Document relating to the Conversion Scheme and the risk factors set out therein. Applications in relation to the Offer will only be accepted on the basis of the information contained in the Offer Document and this Revised Offer Document.

This Revised Offer Document does not constitute a solicitation, invitation or offer to persons in any country or territory outside the United Kingdom, The Republic of Ireland or Jersey or any other jurisdiction where a solicitation, invitation or offer could be contrary to law. Underwriting at Lloyd's is a high risk business.

DEFINITIONS

In this Revised Offer Document, except where the context indicates otherwise, the following definitions shall apply:

"SCC"	Service Corporate Capital Limited
"SMA"	Service Managing Agency Limited
"Strand Associates"	Strand Associates Limited, a company incorporated in Guernsey and the parent company of Strand Partners, Lloyd's Sponsor to the Conversion Scheme

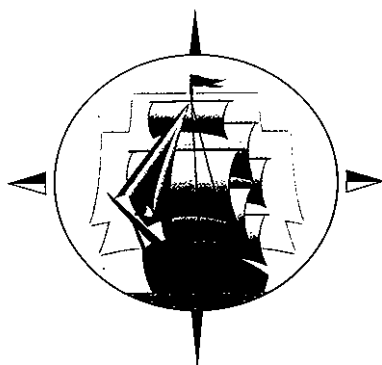
All other definitions are as used in the Offer Document.

Any other expression not otherwise defined in this Revised Offer Document or the Offer Document shall have the meaning given to it in the Conversion Rules.

Greenwich Insurance Holdings PLC

1999 Lloyd's Conversion Scheme

Revised Offer Document



GREENWICH

Introduction

Part II of the Offer Document describes the philosophy behind the establishment and development of Greenwich. Amongst the principal aims identified by the Directors for Greenwich is the establishment of a credible vehicle with which to participate proactively in the process of change and consolidation at Lloyd's and the possibility of attracting third party capital to fund growth.

Since posting the Offer Document, the Directors have identified and are in the process of negotiating the potential acquisition of a Lloyd's Managing Agency. The Directors are also discussing with potential third party investors the possible injection of substantial new funds into Greenwich, to assist in the further development of Greenwich as an integrated Lloyd's underwriting vehicle.

Proposed acquisition of SMA and SCC

It was announced on 24 July 1998 that Greenwich has entered into negotiations to purchase all of the issued share capitals of SMA and of SCC.

SMA is a Lloyd's Managing Agency which manages a single Lloyd's syndicate, namely Syndicate 1222. Syndicate 1222 is a motor syndicate with an underwriting capacity of £33 million, which began underwriting for the 1997 year of account.

SCC is a corporate member of Lloyd's, dedicated exclusively to providing underwriting capital to Syndicate 1222. For the 1998 year of account, SCC supports approximately 76 per cent. of the total underwriting capacity of Syndicate 1222. SCC itself derives the majority of its own underwriting capital from a panel of six leading international reinsurance companies.

The aggregate consideration for the acquisition of SMA and SCC, if consummated, is not expected to exceed £1.5 million. This will comprise a cash payment for the aggregate net assets of SMA and SCC at completion, plus a payment for goodwill and deferred cash consideration linked to the underwriting performance of Syndicate 1222 for the 1997 and 1998 underwriting years of account. It is anticipated that the deferred consideration will not become payable until 2001. The acquisitions will only proceed on the basis that Greenwich acquires both SMA and SCC.

The sale and purchase agreements for the acquisition of SMA and SCC will contain representations and warranties. The proposed acquisitions remain conditional, *inter alia*, upon the completion of documentation, approval by the existing shareholders of Greenwich and the approval of Lloyd's. If consummated, it is anticipated that the acquisitions will be completed before 31 December 1998.

Current trading and prospects of SMA and SCC

In common with most other motor syndicates at Lloyd's, Syndicate 1222 will experience underwriting losses in the 1997 year of account and is expected to sustain further losses in 1998. The principal reason for this has been the pressure upon motor premium rates consequent upon the competitive pressures from direct line insurance operations. A subsidiary reason, in the case of Syndicate 1222, is that it did not begin to write business until February 1997.

The consensus outlook for motor underwriters generally for the 1999 and succeeding years of account is for an improvement in returns, as some of the excess capacity is expected to leave the market. The Directors understand that SMA expects to derive additional benefit from its focus on speciality niches and its refusal to compete for general motor business at uneconomic premium levels.

Reasons for the proposed acquisitions

Since the introduction of corporate capital to Lloyd's, with effect from the 1994 year of account, there has been a clear trend for the development of "integrated" Lloyd's underwriting vehicles – that is to say, companies which both manage the underwriting of Lloyd's syndicates and control the provision of capital to those syndicates. The market ratings of the quoted companies participating in the Lloyd's market suggests a clear preference on the part of investors for such integrated vehicles.

The Directors believe that it is in the best interests of Greenwich, its existing shareholders and prospective shareholders that it should move towards becoming an integrated vehicle in due course. The Directors

believe that this is an effective strategy for attracting third party investors and realising long term value, in a climate of rapid change and consolidation, both at Lloyd's and in the wider insurance industry.

An integrated strategy requires Greenwich to become a Managing Agency in its own right. In this regard, the opportunity to acquire SMA and SCC, its associated dedicated vehicle, is considered by the Directors to be attractive. The proposed acquisition is of a scale which is manageable for Greenwich and is, in that regard alone, a rare opportunity. The acquisition of an established Managing Agency has considerably greater appeal than seeking to establish one *de novo*, which is likely to be both an expensive and a time consuming process, not least in regulatory terms. Motor insurance, despite the competitive pressures of the immediate past, is an attractive point of entry to the world of Lloyd's underwriting. It involves predominantly short tail exposure, with minimal risks of catastrophic loss and, historically, has shown consistently steady returns.

If the acquisitions of SMA and SCC are completed, it is the intention of the Directors both to build the existing business of Syndicate 1222 and to diversify, in due course, into other areas of Lloyd's underwriting. This is likely to take the form of establishing new syndicates, in carefully selected areas of business, and recruiting additional underwriting talent to manage them. In the current environment of rapid consolidation at Lloyd's, the Directors believe that there is no shortage of suitable opportunities and that Greenwich, having established a foothold through the acquisitions of SMA and SCC, will be ideally placed to exploit these.

Funding the proposed acquisitions

In order to meet the initial purchase consideration for SMA and SCC and to ensure adequate working capital, it will be necessary for Greenwich to raise a minimum of £1 million of new capital. Greenwich will need further capital if it is to pursue a policy of growth through the expansion of its Managing Agency activities.

In order to ensure that the minimum amount of new capital required for the acquisitions of SMA and SCC is available, it is currently proposed that Strand Associates will, conditional *inter alia* upon the proposed acquisitions being completed, subscribe for up to £1.25 million of new convertible securities in Greenwich on the basis that each £1 nominal of new securities will be convertible into one new Greenwich ordinary share. It is also proposed that, in consideration of its subscription, Strand Associates will be granted warrants to subscribe for up to an additional 750,000 new ordinary shares in Greenwich at an exercise price of £1 per share. Strand Associates is the parent entity of Strand Partners, the Lloyd's Sponsor to the Conversion Scheme. Investment decisions of Strand Associates are made by a Board of Directors wholly independent of, but acting on the advice of, Strand Partners.

Proposed further fund-raising

Additionally, the Directors believe that the introduction of third party capital is likely to improve considerably the prospects of achieving eventual liquidity for Participating Names. Consequently, the Directors propose to seek authority from shareholders, at an Extraordinary General Meeting to be held to approve the acquisitions of SMA and SCC, to raise up to £10 million through the placing or offer for subscription of new shares or other securities. This Extraordinary General Meeting will be convened as soon as reasonably practicable following signature of the legal documentation for the acquisitions of SMA and SCC.

The terms of these securities have yet to be finalised but it is currently intended that, assuming that the subscription is entered into prior to 31 December 1998, the terms of eventual conversion will be on the basis that each **£1 nominal** of new securities will be convertible into **one** new Greenwich ordinary share. In determining the extent of the rights attaching to such securities, the Directors will take account of what they believe at the relevant time to be in the best interests of Greenwich and its shareholders as a whole.

It is anticipated that the new securities will be placed with major institutions specialising in the provision of equity capital to the insurance sector. This may include subsidiaries or affiliates of major international insurance companies, subject to the approval of Lloyd's where required.

Recommendation of the Greenwich Board

The Directors consider that the proposed acquisitions of SMA and SCC and the proposed fund-raising (subject in each case to the finalisation of satisfactory terms), whilst they may have the effect of reducing prospective earnings per share in the short term, are in the best long term interests of Greenwich and its shareholders and loan stockholders, both existing and prospective.

Names resident in Jersey and the Republic of Ireland

Irrespective of the outcome of the proposals described above, the Directors have decided that the Conversion Scheme should be made available to Names resident in Jersey and the Republic of Ireland. Such Names may therefore participate in the Conversion Scheme, for the 1999 and succeeding years of account, on the terms and subject to the conditions contained in the Offer Document, including the Eligibility Criteria set out on page 8 thereof.

Additional information

1. Responsibility

The Directors of Greenwich, whose names are set out on page 2 of the Offer Document, accept responsibility for the information contained in this Revised Offer Document. To the best of the knowledge of such Directors (who have taken all reasonable care to ensure that such is the case), this Revised Offer Document and the information contained herein (i) has been properly prepared in accordance with the Conversion Rules, (ii) is in accordance with the facts, (iii) has been clearly presented, and (iv) does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

In addition, any person to whom a statement or report included in this document has been attributed has consented to the inclusion of that statement or report and the references to him in the form and context in which they are included.

2. No significant change

Save as disclosed herein, there has been no significant change and no amendment to the terms of the Offer and in relation to the Offer and the Company no significant new matter has arisen since publication of the Offer Document.

3. Rights of withdrawal

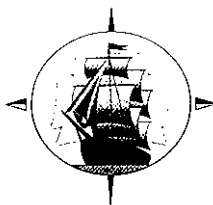
Participating Names who have accepted the Offer are being afforded the opportunity to withdraw their acceptances, if they wish to do so. Acceptances may be withdrawn by written notice received by Greenwich Insurance Holdings PLC at or before 5 pm on 18 September 1998.

4. Display documents

Copies of the following documents may be inspected at the offices of Wilde Sapte at 1 Fleet Place, London EC4M 7WS during normal business hours and any weekday (Saturdays and public holidays excepted) until 19 September 1998:

- (i) this Revised Offer Document;
- (ii) the documents listed in paragraph 9 of Part X of the Offer Document as being available for inspection.

Copies of this Revised Offer Document and the Offer Document are available on request from Greenwich Lloyd's Underwriting Limited, Walbrook House, 23 Walbrook, London EC4N 8BT.



GREENWICH

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