

STRONGHOLD INSURANCE COMPANY LIMITED

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REPORT & ACCOUNTS  
1997

Company Registration No. 736581



# **STRONGHOLD INSURANCE COMPANY LIMITED**

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## **Directors and Management**

### **Directors**

J M Massey - Chairman  
A M Duffy  
H Sopher  
K F Watkins

### **Managing Director**

K F Watkins

### **Secretary**

R E Townsend FCIS FCII

### **Auditors**

Ernst & Young

### **Managing Agents**

Cavell Management Services  
Norwich Winterthur House Rose Lane Norwich NR1 1JY England  
Telephone: (01603) 615 122 Facsimile: (01603) 697 432

### **Registered Office**

Norwich Winterthur House Rose Lane Norwich NR1 1JY England

## STRONGHOLD INSURANCE COMPANY LIMITED

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### Report of the Directors

The Directors present their report and the accounts of the Company for the year ended 31 December 1997.

### Principal activity and business review

The Company ceased to write new business in 1987 : accordingly the DTI withdrew its authority for the Company to accept contracts of insurance and reinsurance.

The principal activity of the Company continues to be the management of the claims and liabilities which will extend for an indefinite period.

### Results and dividends

After allowing for taxation, there was a profit for the year of US\$1,043,000 (1996 - loss US\$1,583,000). The Directors do not recommend the payment of a dividend for the year (1996 - Nil).

### Directors

The names of the Directors at the date of this Report appear on page 2. Ms A M Duffy, Mr H Sopher and Mr K F Watkins were appointed on 14 April 1997, and Mr J M Massey on 21 May 1997. Mr W E Schürpf, Mr M N Biggs, Mr S J Blease, Mr T Sugisawa, Mr U E Thalmann and Mr R E Townsend resigned on 14 April 1997.

The Directors at 31 December 1997 had the following interests in the share capital of the holding company, Stronghold Holdings Limited :

	At 31 December 1997 Ordinary shares	At date of appointment Ordinary shares
A M Duffy	40	40
H Sopher	40	40
K F Watkins	20	20

By Order of the Board



R E TOWNSEND  
Secretary

12 June 1998

## **STRONGHOLD INSURANCE COMPANY LIMITED**

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### **Statement of Directors' Responsibilities in respect of the Accounts**

Company law requires the Directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those accounts the Directors are required to:

- . select suitable accounting policies and then apply them consistently;
- . make judgements and estimates that are reasonable and prudent;
- . state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- . prepare the accounts on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company, and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **STRONGHOLD INSURANCE COMPANY LIMITED**

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### **Report of the Auditors to the Members of Stronghold Insurance Company Limited**

We have audited the accounts on pages 6 to 19 which have been prepared on the basis of the accounting policies set out on pages 6 and 7.

#### **Respective responsibilities of the Directors and Auditors**

As described on page 4 the Company's Directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

#### **Basis of opinion**

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

#### *Fundamental uncertainties*

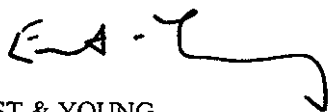
In forming our opinion, we have considered the adequacy of the disclosures made in the financial statements concerning the level of uncertainty in respect of :

- a. the ultimate liability in respect of the technical provisions relating to gross claims outstanding, related reinsurance recoveries and claims handling expenses. The ultimate liability will vary as a result of subsequent information and events and these may result in significant adjustments to the amounts provided. Details of the circumstances relating to this fundamental uncertainty are described in Note 15.
- b. the adequacy of the current resources of the Company to meet its likely future requirements. As stated in the Statement of Accounting Policies, Basis of preparation, on page 6, the accounts have been prepared on a going concern basis. This basis could be invalidated if the resources of the Company were exhausted by adverse adjustments arising from the resolution of the above uncertainties. The accounts do not include any adjustments which would result from the going concern basis becoming inappropriate.

In view of the significance of these uncertainties we consider that they should be drawn to your attention but our opinion is not qualified in this respect.

#### **Opinion**

In our opinion the accounts give a true and fair view of the state of affairs of the Company as at 31 December 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



ERNST & YOUNG  
Chartered Accountants  
Registered Auditor  
Norwich

12 June 1998

**Statement of Accounting Policies**

**(a) Basis of preparation**

These accounts are prepared in compliance with Section 255 of, and Schedule 9A to, the Companies Act 1985 and in accordance with applicable accounting standards. They also comply with the Guidance on Accounting for Insurance Business issued by the Association of British Insurers.

In preparing the accounts for the year ended 31 December 1997, the Directors, having regard to the uncertainties expressed in Note 15 as to the amounts at which the Company's technical provisions will ultimately be settled, consider that the Company has adequate financial resources to meet its day to day obligations as they fall due. Accordingly the accounts have been prepared on a going concern basis, without including any adjustments that would be required should the financial resources of the Company prove inadequate.

**(b) Technical account**

- (i) Premiums are accounted for and recorded in the technical account in the year of notification.
- (ii) Provision for claims outstanding comprises provisions for the estimated ultimate cost of claims notified but not settled at the date of the balance sheet and for claims incurred but not notified at that date; the provision reflects anticipated reinsurance and other recoveries, and takes into account future claims handling costs.

The provision for claims outstanding for the Casualty classes written in the United Kingdom are included after taking into account the future attributable investment earnings.

**(c) Investment return**

Investment return comprises interest and dividends on an accruals basis, together with realised and unrealised investment gains and losses. Realised gains and losses are calculated as the difference between net sale proceeds and cost or, if previously revalued, the valuations as at the last balance sheet date. Unrealised gains and losses are calculated as the difference between the valuation of investments at the balance sheet date and cost or, if previously revalued, the valuation as at the last balance sheet date. An allocation of the investment return from the non-technical account to the general business technical account is made on the basis of the relationship between average technical provisions and average shareholders' funds.

**(d) Investments**

Financial investments are stated at market value. Listed securities are taken at middle market value after adjustments for accrued interest, and other investments are stated at Directors' valuation. Unrealised gains and losses are taken to the profit and loss account.

**(e) Foreign currencies**

Foreign currency transactions are converted to sterling at the rate applicable when recorded in the books, with the exception of transactions in United States and Canadian dollars, which are converted at year end rates.

Assets and liabilities are shown in the balance sheet at rates ruling on 31 December 1997.

Foreign currency translation gains and losses are taken directly to reserves.

**Statement of Accounting Policies**

**(f) Deferred taxation**

Deferred taxation, to the extent that it is likely to crystallise in the foreseeable future, is provided for using the liability method.

**STRONGHOLD INSURANCE COMPANY LIMITED**

**Profit and Loss Account  
for the year ended 31 December 1997**

	Notes	1997		1996	
		US\$'000	US\$'000	US\$'000	US\$'000
<b>Technical account - General business</b>					
<i>Discontinued operations</i>					
Gross premiums written	1		252		299
Outwards reinsurance premiums			180		65,045
Earned premiums, net of reinsurance			72		(64,746)
Allocated investment return transferred from the non-technical account			7,069		4,642
<b>Total technical income</b>			<b>7,141</b>		<b>(60,104)</b>
Gross claims paid		21,192		40,977	
Reinsurers' share		11,598		82,109	
Net claims paid		9,594		(41,132)	
Gross change in the provision for claims		(31,267)		113,971	
Reinsurers' share		(27,993)		131,196	
Net change in the provision for claims		(3,274)		(17,225)	
Claims incurred net of reinsurance	2,3	6,320		(58,357)	
Net operating expenses	4	-		10	
<b>Total technical charges</b>			<b>6,320</b>		<b>(58,347)</b>
<b>Balance on the general business technical account</b>			<b>821</b>		<b>(1,757)</b>
<b>Non-technical account</b>					
Balance on the general business technical account			821		(1,757)
Investment income	6	7,604		7,121	
Unrealised gains on investments		499		-	
Investment expenses and charges	7	(812)		(1,184)	
Unrealised losses on investments		-		(1,121)	
Allocated investment return transferred to the general business technical account		(7,069)		(4,642)	
			222		174
<b>Profit/(loss) on ordinary activities before taxation</b>			<b>1,043</b>		<b>(1,583)</b>
Tax on ordinary activities	8		-		-
<b>Profit/(loss) on ordinary activities after taxation</b>			<b>1,043</b>		<b>(1,583)</b>



**STRONGHOLD INSURANCE COMPANY LIMITED**

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**Statement of Total Recognised Gains and Losses  
for the year ended 31 December 1997**

	1997 US\$'000	1996 US\$'000
Profit/(loss) on ordinary activities after taxation	1,043	(1,583)
Currency translation differences on foreign currency net investment	491	(1,186)
Total recognised gains/(losses) related to the year	<u>1,534</u>	<u>(2,769)</u>

**Reconciliation of Movements in Shareholders' Funds  
for the year ended 31 December 1997**

	1997 US\$'000	1996 US\$'000
Opening shareholders' funds	3,422	2,769
Increase in share capital	-	3,422
Total recognised gains/(losses) related to the year	1,534	(2,769)
Closing shareholders' funds	<u>4,956</u>	<u>3,422</u>

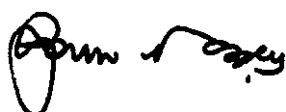
**STRONGHOLD INSURANCE COMPANY LIMITED****Balance Sheet  
as at 31 December 1997**

	Notes	1997 US\$'000	1996 US\$'000
<b>Assets</b>			
<b>Investments</b>			
Other financial investments	10	124,317	105,500
Deposits with ceding undertakings		<u>1,145</u>	<u>1,318</u>
		<u>125,462</u>	<u>106,818</u>
<b>Reinsurers' share of technical provisions</b>			
Claims outstanding	15	256,536	285,020
<b>Debtors</b>			
Debtors arising out of reinsurance operations	11,15	28,119	110,208
Other debtors	12	953	870
Called up share capital not paid		<u>-</u>	<u>3,422</u>
		<u>29,072</u>	<u>114,500</u>
<b>Other assets</b>			
Cash at bank and in hand		5,039	3,229
<b>Prepayments and accrued income</b>			
Accrued interest and rent		2,090	1,738
Other prepayments and accrued income		<u>92</u>	<u>84</u>
		<u>2,182</u>	<u>1,822</u>
<b>Total assets</b>		<u>418,291</u>	<u>511,389</u>

# STRONGHOLD INSURANCE COMPANY LIMITED

## Balance Sheet as at 31 December 1997

	Notes	1997 US\$'000	1996 US\$'000
<b>Liabilities</b>			
<b>Capital and Reserves</b>			
Called up share capital	13	48,079	48,079
Profit and loss account		(43,123)	(44,657)
Shareholders' funds attributable to equity interests	14	<u>4,956</u>	<u>3,422</u>
<b>Technical provisions</b>			
Claims outstanding	15	391,112	423,669
<b>Deposits received from reinsurers</b>		17,103	15,478
<b>Creditors</b>			
Arising out of reinsurance operations		4,638	67,284
Other creditors including taxation and social security		<u>22</u>	<u>1,433</u>
		<u>4,660</u>	<u>68,717</u>
<b>Accruals and deferred income</b>		460	103
<b>Total liabilities</b>		<u>418,291</u>	<u>511,389</u>



J M MASSEY  
Chairman

12 June 1998



K F WATKINS  
Managing Director

**STRONGHOLD INSURANCE COMPANY LIMITED****Statement of Cash Flows  
for the year ended 31 December 1997**

	Notes	1997 US\$'000	1996 US\$'000
Net cash inflow/(outflow) from operating activities	16	16,555	(17,509)
Interest paid		(3)	-
Financing			
Injection of share capital		3,422	-
	17	<u>19,974</u>	<u>(17,509)</u>
Cash flows were invested as follows:			
Increase/(decrease) in cash holdings		16,586	(8,834)
Net portfolio investment			
Fixed interest securities		3,388	(8,675)
Net investment of cash flows		<u>19,974</u>	<u>(17,509)</u>

**Movement in opening and closing portfolio investments**

	1997 US\$'000	1996 US\$'000
Net cash inflow/(outflow) for the period	16,586	(8,834)
Cash inflow/(outflow): portfolio investments	3,388	(8,675)
Movement arising from cash flows	<u>19,974</u>	<u>(17,509)</u>
Changes in market values and exchange rates	653	(1,546)
Total movement in portfolio investments	<u>20,627</u>	<u>(19,055)</u>
Portfolio investments net of financing at 1 January	108,729	127,784
Portfolio investments net of financing at 31 December	<u>129,356</u>	<u>108,729</u>

# STRONGHOLD INSURANCE COMPANY LIMITED

## Notes to the Accounts

### 1 Premiums

Premium income substantially relates to reinstatement premiums and is attributable to discontinued operations.

### 2 Claims incurred net of reinsurance

	Gross US\$'000	Reins. US\$'000	Net US\$'000
1997			
Claims paid	20,898	11,598	9,300
Claims handling expenses paid	294	-	294
	<u>21,192</u>	<u>11,598</u>	<u>9,594</u>
Outstanding claims carried forward	391,112	256,536	134,576
Outstanding claims brought forward	<u>422,379</u>	<u>284,529</u>	<u>137,850</u>
	<u>(31,267)</u>	<u>(27,993)</u>	<u>(3,274)</u>
Claims incurred	<u>(10,075)</u>	<u>(16,395)</u>	<u>6,320</u>
1996			
Claims paid	36,468	82,109	(45,641)
Claims handling expenses paid	4,509	-	4,509
	<u>40,977</u>	<u>82,109</u>	<u>(41,132)</u>
Outstanding claims carried forward	423,669	285,020	138,649
Outstanding claims brought forward	<u>309,698</u>	<u>153,824</u>	<u>155,874</u>
	<u>113,971</u>	<u>131,196</u>	<u>(17,225)</u>
Claims incurred	<u>154,948</u>	<u>213,305</u>	<u>(58,357)</u>

### 3 Claims handling expenses paid

Claims handling expenses include:

	1997 US\$'000	1996 US\$'000
Auditors' remuneration - audit services	41	36

### 4 Net operating expenses

	1997 US\$'000	1996 US\$'000
Acquisition costs		
- gross	3	7
- reinsurance	<u>3</u>	<u>(3)</u>
- net	<u>-</u>	<u>10</u>

**Notes to the Accounts**

**5 Directors' emoluments**

The total remuneration received by the Directors for the year is as follows:

	1997 US\$	1996 US\$
Fees	127,891	30,798
Other emoluments	152,985	36,944
	<u>280,876</u>	<u>67,742</u>

**6 Investment income**

	1997 US\$'000	1996 US\$'000
Income from other investments	7,439	7,121
Gains on the realisation of investments	165	-
	<u>7,604</u>	<u>7,121</u>

**7 Investment expenses and charges**

	1997 US\$'000	1996 US\$'000
Investment management expenses	136	145
Interest payable - Short-term loans and overdrafts	3	-
- Reinsurance balances	673	497
Losses on the realisation of investments	-	542
	<u>812</u>	<u>1,184</u>

**8 Taxation**

No provision has been made in the accounts for corporation tax on the results for the year as they have been set off against losses of previous years.

**Notes to the Accounts**

**9 Deferred taxation**

No provision has been made in the accounts for deferred taxation.

Details of the full potential recovery for deferred taxation not provided are given below:

	1997 US\$'000	1996 US\$'000
Realisation of investments at values stated in the balance sheet	620	706
Short-term timing differences	<u>(5,999)</u>	<u>(1,401)</u>
	<u>(5,379)</u>	<u>(695)</u>

**10 Investments**

	Current value		Historical cost	
	1997 US\$'000	1996 US\$'000	1997 US\$'000	1996 US\$'000
Other financial investments				
Debt securities and other fixed income securities (listed)	107,550	103,498	105,234	101,552
Deposits with credit institutions	<u>16,767</u>	<u>2,002</u>	<u>16,767</u>	<u>2,002</u>
	<u>124,317</u>	<u>105,500</u>	<u>122,001</u>	<u>103,554</u>

The facility provided to the Company in respect of its letter of credit liabilities is secured by a charge over certain of the Company's investments in debt securities and other fixed income investments.

**11 Debtors arising out of reinsurance operations**

	1997 US\$'000	1996 US\$'000
Amounts due from group undertakings	-	2,906
Amounts due from joint venture investors	-	79,233
Other debtors	<u>28,119</u>	<u>28,069</u>
	<u>28,119</u>	<u>110,208</u>

**12 Other debtors**

	1997 US\$'000	1996 US\$'000
Amounts due from group undertakings	-	870
Other debtors	<u>953</u>	<u>-</u>
	<u>953</u>	<u>870</u>

# STRONGHOLD INSURANCE COMPANY LIMITED

## Notes to the Accounts

### 13 Share capital

	1997 US\$'000	1996 US\$'000
<i>Authorised</i>		
30,000,000 ordinary shares of £1 each	<u>53,445</u>	<u>53,445</u>
<i>Issued and fully paid</i>		
27,000,000 ordinary shares of £1 each	<u>48,079</u>	<u>48,079</u>

### 14 Shareholders' funds

	Share capital US\$'000	Profit & loss a/c US\$'000	Total US\$'000
1997			
Balance at 1 January	48,079	(44,657)	3,422
Currency translation differences on foreign currency net investment		491	491
Retained profit for the financial year		<u>1,043</u>	<u>1,043</u>
Balance at 31 December	<u>48,079</u>	<u>(43,123)</u>	<u>4,956</u>
1996			
Balance at 1 January	44,657	(41,888)	2,769
Increase in share capital	3,422		3,422
Currency translation differences on foreign currency net investment		(1,186)	(1,186)
Retained loss for the financial year		<u>(1,583)</u>	<u>(1,583)</u>
Balance at 31 December	<u>48,079</u>	<u>(44,657)</u>	<u>3,422</u>



**Notes to the Accounts**

**15 Claims outstanding**

	Gross US\$'000	Reins. US\$'000	Net US\$'000
1997			
Provision before discounting	531,417	406,245	125,172
Discounting adjustment	(159,059)	(149,709)	(9,350)
	<u>372,358</u>	<u>256,536</u>	<u>115,822</u>
Claims handling expenses	22,735		22,735
Discounting adjustment	(3,981)		(3,981)
	<u>18,754</u>	<u>-</u>	<u>18,754</u>
	<u>391,112</u>	<u>256,536</u>	<u>134,576</u>
1996			
Provision before discounting	591,859	455,499	136,360
Discounting adjustment	(181,936)	(170,479)	(11,457)
	<u>409,923</u>	<u>285,020</u>	<u>124,903</u>
Claims handling expenses	16,663		16,663
Discounting adjustment	(2,917)		(2,917)
	<u>13,746</u>	<u>-</u>	<u>13,746</u>
	<u>423,669</u>	<u>285,020</u>	<u>138,649</u>

The level of the gross technical provisions has been set on the basis of information which is currently available, including potential outstanding loss advices, experience of development of similar claims and case law. The methods used, and estimates made, are reviewed regularly. The level of the related reinsurance recoveries is dependent upon both the accuracy of the estimated gross technical provisions and the ultimate ability to pay of the underlying security. The reinsurance recoveries are stated net of the provision for estimated future irrecoverable amounts. The level of the provision for claims handling expenses is dependent upon the settlement of gross technical provisions, collection of related reinsurance recoveries and changes in the factors influencing these.

Whilst the Directors consider that the gross provision for claims and the related reinsurance recoveries, together with the provision for claims handling expenses, are fairly stated on the basis of the information currently available to them, the ultimate liability will vary as a result of subsequent information and events and may result in significant adjustments to the amounts provided. Adjustments to the technical provisions are reflected in the financial statements for the period in which the adjustments are made.

Technical provisions for the Casualty classes are included after taking into account the future attributable investment earnings at an assumed compound discount rate of 4% (1996 - 4%) per annum. The assumed settlement pattern for gross claim payments results in an average term for the liabilities of 9.10 years (1996 - 9.30 years). This settlement pattern has been derived from the historic development of claims payments appropriate for the types of claims within these classes, in particular those relating to environmental losses.

Under an excess of loss reinsurance arrangement with the then joint venture investors, a claim of US\$58,360,000 was made and included within the technical account for 1996. The arrangement was cancelled on 30 September 1996 and the resulting cumulative net balance was included within debtors in the balance sheet as at 31 December 1996 and settled during 1997. A new arrangement was entered into with European International Reinsurance Company on 1 October 1996 and a provision for reinsurance recoveries under this arrangement has been included within the provision for claims outstanding as shown above.

**Notes to the Accounts**

**16 Reconciliation of result before tax to net cash flow from operating activities**

	1997 US\$'000	1996 US\$'000
Profit/(loss) on ordinary activities before tax	1,043	(1,583)
Realised investment (gains)/losses	(165)	541
Unrealised investment (gains)/losses	(499)	1,121
Decrease in provision for claims outstanding	(3,274)	(17,225)
Decrease/(increase) in debtors	81,355	(62,200)
(Decrease)/increase in creditors	(63,700)	61,146
Decrease in deposits with ceding undertakings	132	50
Increase in deposits received from reinsurers	1,669	620
Interest paid	3	-
Realised exchange (losses)/gains	(9)	21
Net cash inflow/(outflow) from operating activities	<u>16,555</u>	<u>(17,509)</u>

**17 Movement in cash and portfolio investments**

	At 1 Jan 1997 US\$'000	Cash flow US\$'000	Changes to market value and currencies US\$'000	At 31 Dec. 1997 US\$'000
Cash at hand and in bank	5,231	16,586	(11)	21,806
Fixed income securities	103,498	3,388	664	107,550
	<u>108,729</u>	<u>19,974</u>	<u>653</u>	<u>129,356</u>

**18 Segmental information**

	1997 US\$'000	1996 US\$'000
<i>Technical account</i>		
Gross premiums earned	252	299
Gross claims incurred	10,075	(154,948)
Gross operating expenses	(3)	(7)
Gross technical result	10,324	(154,656)
Reinsurance balance	<u>(16,572)</u>	<u>148,257</u>
Net technical result	<u>(6,248)</u>	<u>(6,399)</u>

All premiums relate to general reinsurance business concluded in the United Kingdom.

## STRONGHOLD INSURANCE COMPANY LIMITED

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### Notes to the Accounts

#### 19 Related parties

Companies treated as related parties of the Company for disclosure purposes under Financial Reporting Standard 8, together with the nature of the relationship, are listed below :

*Ex-group undertakings*

Norwich Winterthur Holdings Limited	- ultimate parent undertaking
NW Reinsurance Corporation Limited	- parent undertaking
Cavell Management Services Limited	- fellow subsidiary undertaking

*Ex-joint venture investors*

Norwich Union Holdings p.l.c.  
Winterthur Swiss Insurance Company Limited  
The Chiyoda Fire & Marine Insurance Company (Europe) Limited

Ex-joint venture investors represent the shareholders of Norwich Winterthur Holdings Limited, and also include companies related to the ex-joint venture investors listed above who enter into transactions with the Company as a consequence of that relationship.

All of the above group undertakings and joint venture investors ceased to be related parties of the Company upon its change of ownership on 14 April 1997, but are required to be treated as such for the entire year under FRS8.

*Companies related to the Directors*

Isis Consulting, Inc.

#### 20 Related party transactions

The following transactions with related parties were undertaken during the year :

	US\$'000
Purchase of services from ex-group undertakings	1,592
Purchase of services from ex-joint venture investors	115
Amounts due from ex-group undertakings	678
Emoluments paid to Directors	see note 5

Ms A M Duffy and Mr H Sopher, directors of Stronghold Insurance Company Limited, are also directors of Isis Consulting Inc. During 1997 Isis provided Stronghold with consultancy services for fees totalling US\$215,750, of which US\$117,300 was outstanding at 31 December 1997.

#### 21 Holding company

The Company is a subsidiary undertaking of Stronghold Holdings Limited, the ultimate parent undertaking, which is registered in England. Copies of the accounts of the parent undertaking can be obtained from Clifford Chance, 200 Aldersgate Street, London EC1A 4JJ, England.