

**IN THE MATTER OF
THE MEADOWS INDEMNITY COMPANY LIMITED
AND IN THE MATTER OF THE COMPANIES ACT 1985
FORM OF PROXY**

To be used at the meetings of Scheme Creditors (as defined in the scheme of arrangement hereinafter mentioned) (the **"Meetings"**) of The Meadows Indemnity Company Limited (the **"Company"**) to be held at the offices of Clyde & Co LLP, 51 Eastcheap, London, EC3M 1JP, United Kingdom on Wednesday 27 May 2009 at the time mentioned in the notice summoning the Meetings, a copy of which is at Appendix 7 to the Explanatory Statement which forms part of the Scheme Document.

I/We¹

Of ²

being a Scheme Creditor of the Company in the sum of ³

Notified Outstanding Claims (as defined in the scheme of arrangement)		B: IBNR Claims (as defined in the scheme of arrangement)	
Currency	Sum	Currency	Sum

HEREBY APPOINT the chairman of the Meetings or ⁴

as my/our proxy to act for me/us at the Meetings for the purpose of considering and, if thought fit, approving (with or without modification) the scheme of arrangement (the **"Scheme"**), referred to in the notice summoning the Meetings, and at such Meetings, or any adjournment or postponement thereof, to vote for me/us and in my/our name(s) for the Scheme or against the Scheme (either with or without such modification as my/our proxy may approve) as hereinafter indicated.

If you wish to vote **for** the Scheme, sign in the box marked "FOR". If you wish to vote **against** the Scheme, sign in the box marked "AGAINST". If you wish your proxy to have discretion to vote for or against the Scheme, sign in the box marked "AT DISCRETION".

Please note that if you have appointed the chairman of the Meetings as your proxy, you must sign either in the box marked "FOR" or in the box marked "AGAINST". If you sign in the box marked "AT DISCRETION", the chairman will abstain from voting on your behalf. If you do not sign in any of the boxes this form of proxy will not operate as a valid appointment of your proxy.

FOR the Scheme Signature	AGAINST the Scheme Signature	AT DISCRETION Signature
Name		
Position/Capacity ⁵		Date

For completion by the Company:	Admitted to vote at meeting of Scheme Creditors with Notified Outstanding Claims for	USD	Admitted to vote at the meeting of Scheme Creditors with IBNR Claims for	USD
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THE NUMBERING ABOVE RELATES TO THE INSTRUCTIONS FOR COMPLETION OF THE FORM OF PROXY OVERLEAF

INSTRUCTIONS FOR COMPLETION OF THE FORM OF PROXY

1. Enter the name of the Scheme Creditor and all former names in block capitals. If you are the duly authorised agent and/or attorney of a number of Scheme Creditors, complete a separate form of proxy in respect of each Scheme Creditor (photocopying the form as many times as necessary), and provide evidence (which must be acceptable to the chairman of the Meeting) of your authority to execute the form of proxy on their behalf. Please note that where there are a number of companies within a group who are each Scheme Creditors, each company must complete a separate form of proxy, as a group submission is not permissible.
2. Enter the address of the Scheme Creditor.
3. This section should be completed after you have completed the voting form. Enter the estimated aggregate amount of your Paid Loss Notified Outstanding Claims taken from the total at the foot of column 13 in your Voting Form in box A; and the estimated aggregate amount of your IBNR Claims taken from the total at the foot of column 17 in your Voting Form in box B. Where you have Claims in more than one currency, you should enter your estimated aggregate Notified Outstanding Claim and your estimated aggregate IBNR Claim for each currency.
4. If you wish to appoint a person other than the chairman of the Meetings as your proxy, delete the words "chairman of the Meetings" and enter the name of the person to be appointed, who need not be a Scheme Creditor. If you appoint a person other than the chairman of the Meetings, that person must attend in person at the relevant Meetings.
5. If you are the duly authorised representative of a corporation or a partnership or other unincorporated body or person, or the duly authorised agent and/or attorney of a number of Scheme Creditors, enter the capacity in which you have signed the form of proxy (for example, director, partner, or agent and/or attorney). Please note that if you are the duly authorised representative of a number of companies a separate voting form (photocopying the form as many times as necessary) should be completed in respect of each company. As mentioned in point 1 above, you must also provide evidence (which must be satisfactory to the chairman of the Meetings) of your authority to execute the form of proxy on behalf of each Scheme Creditor.

GENERAL NOTES

- (A) You are requested to return the form of proxy to the Scheme Adviser, Ambant Limited, Lloyd's Avenue House, 6 Lloyd's Avenue, London, EC3N 3ES, United Kingdom, marked for the attention of Philip Grant, by 5.30pm (in England) on Friday 22 May 2009, although if not so returned, it may be handed in at the registration desk at the Meetings prior to their commencement. Scheme Creditors are urged to return the form of proxy in advance of the Meetings. You may also fax your form of proxy to the Scheme Adviser, for the attention of Philip Grant at Ambant Limited, fax number +44 (0) 20 7264 0801, or email them to meadowsenquiries@ambant.com (provided that the complete mail including any attachments is less than 5 megabytes in size) to be received by 5.30pm (in England) on Friday 22 May 2009. However, faxed and emailed forms will only be accepted if legible, and if, in the case of emailed forms they are received in the relevant mailbox and the recipient is able to open and print them. You should return the original forms to the above address marked for the attention of Philip Grant to be received by Wednesday 3 June 2009 at 5.30 pm (London time) or hand them in at the registration desk at the Meetings prior to their commencement.
- (B) Any alteration to the form of proxy must be initialled by the person who signs it.
- (C) If you are a Scheme Creditor and wish to vote either for the Scheme or against the Scheme you should complete the voting form and return it with the form of proxy. If you are a duly authorised agent and/or attorney of a number of Scheme Creditors and wish to vote either for the Scheme or against the Scheme, you should complete a Voting Form and form of proxy for each Scheme Creditor. The instructions for completion of the voting form accompany that form.

The value to be attributed to each Scheme Creditor's Claim for voting purposes will be determined by reference to the information provided by the Scheme Creditor on the form of proxy and the voting form and the information available from the Company's existing records. Account will be taken of any known set-off, cross claim, Security or Letters of Credit. In the event that the chairman of the Meetings considers that a Claim does not constitute a fair and reasonable assessment of the sums owed to the relevant Scheme Creditor, he will decide whether that Claim should be admitted for voting purposes and if so at what amount. The decision of the chairman is final and binding subject to the Scheme Creditor's right to appeal to the Court. Where a Claim is rejected in whole or in part, he will advise the Scheme Creditor of his decision, prior to the Meetings where possible, and in any event, afterwards.

It is important that Scheme Creditors complete and return the voting form with the form of proxy and provide supporting information for their valuation of their Claim to which the chairman of the Meetings and the Independent Vote Reviewer, who has been appointed to review the valuation of Claims for voting purposes, may refer in assessing its reasonableness.