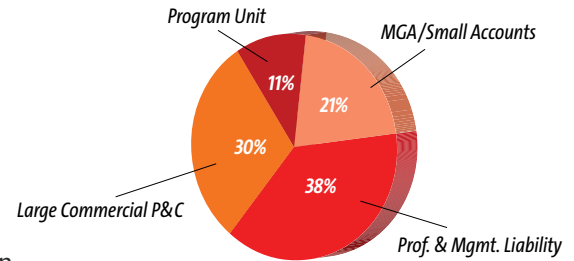


ABOUT S.H. SMITH

S. H. Smith & Company, Inc. is one of the largest independently owned excess & surplus/wholesale brokers in the country, and the largest in the Northeast. Our goal is to connect independent agents with markets for hard to place and specialty risks that typically fall into the following categories:

- Unusual or unique exposures*
- Non-standard business*
- Needing higher limits*
- Needing broader coverages*
- Exposures needing new or updated forms*

Strength. Among our four divisions, we place over \$180 million of premium each year. Our strength comes from our expertise, our structure, and our size. Our unique model of field marketing managers teamed with brokers specializing in core product areas provides you the best service and knowledge base possible. And our size means we are large enough to provide all of the markets you're looking for, yet we're small enough to provide the personal touch often missing today.



Our structure is that of four separate wholesale operations under one umbrella.

Offices & Employees. Our offices are located throughout the country to serve any agent/broker regardless of their physical location. We total over 100 employees with unmatched knowledge and skills. Within our professional liability department alone, the staff has over 157 years of combined experience.

MARKET PROFILE

We represent over 70 insurance companies with the ability to place just about any excess and surplus risk. Our markets have solid financials with strong management structures and excellent ratings. Our relationship with our markets, built over time, is key to our success.

Awards & Acknowledgements

- USLI Elite Customer/President's Circle of Champions Award
- Evanston Ins. Co. Million Dollar Producer
- Capitol Specialty, Capitol Club Member
- Zurich Elite Agent
- Nautilus Premier Agent
- Berkley Companies Best of the Best
- Great American Custom Key Producer
- Northland Tier One

Markets*

- | | | | |
|---------------------------------|-------------------------------|----------------------------------|--------------------------------|
| • ACE, USA | • Diamond State | • Maxum Indemnity Company | • RLI Insurance Co. |
| • Admiral Insurance, Co. | • Employers Reinsurance | • Mount Vernon Fire | • Rock River Insurance Co. |
| • Affiliated F.M. | • Endurance | • Mutual Marine Indemnity | • Safeco |
| • AIG | • Evanston Insurance Co. | • National Casualty | • Scottsdale |
| • Allied World (AWAC) | • Fireman's Fund | • National Union | • St. Paul / Travelers |
| • American Empire Surplus Lines | • General Star | • Nautilus | • Steadfast |
| • Arch | • Genesis | • Navigators | • Twin City Fire |
| • Axis | • Great American | • Northfield Insurance | • U.S. Liability Insurance Co. |
| • Capitol Indemnity Specialty | • Gotham Insurance | • Northland Insurance | • United Coastal |
| • Carolina Casualty | • Hartford Insurance Group | • Ohio Casualty | • United National Insurance |
| • Catlin | • Hartford Ins. Co. of IL | • Old Republic | • Westchester Specialty |
| • Chubb | • Indian Harbor Insurance Co. | • One Beacon | • Westport Insurance Co. |
| • Chubb / Executive Risk | • Lexington Insurance | • Pacific Insurance Co. | • XL Capital |
| • CNA | • Liberty International | • Philadelphia Insurance Company | • Zurich American Insurance |
| • Colony Insurance | • Lloyds of London | • Platt River | |
| • Crum & Forster | • Markel | • Progressive Insurance Co. | |
| • Darwin | • Markel Re | • RSUI Group | |

*Not an exhaustive list

DIVISIONS OF S. H. SMITH

Large Commercial Property & Casualty and Environmental

We broker individual property, casualty and pollution risks, in addition to individual specialty risks such as product recall. This includes umbrella, products, and general liability, as well as inland and ocean marine, and builders risk coverages. Our environmental expertise gives us access to nearly every environmental player in the industry, with extensive knowledge of forms and the ability to tailor coverage. We have exclusive/limited access to key markets. Plus, in-house umbrella underwriting facilities from AIG, RLI and Great American E&S that allow us access to quotes with real time turnaround.

Professional & Management Liability

We place over \$75 million in premium in the D&O and E&O marketplace and have access to more than 35 admitted and non-admitted markets with a total capacity of over \$125 million. With over 100 years of combined experience, our brokers' expertise includes the placement of professional liability insurance for Architects & Engineers, Insurance Agents, Investment Advisors (Hedge Funds etc.), Lawyers, Cyber/Technology, Allied Medical and over 100 classes of Miscellaneous Professional Liability exposures. In addition, our Management Liability team specializes in the placement of Directors & Officers Liability, Employment Practices Liability, Fiduciary Liability and Crime insurance for not-for-profit entities, private companies, public companies, healthcare/medical entities and financial institutions.

Managing General Agency/Small Accounts

We specialize in property and casualty risks that are not eligible for coverage with standard carriers because of class of business or claims activity. We hold the 'pens' for carriers that enable us to underwrite this business in house. From property casualty risks to workers' comp, weather, event cancellation, and high valued homeowners, we have contracts in every territory where we have an office location, and their contiguous states as well. Some of our companies include:

Northland. Tier One Agent.

Nautilus. Premier agent status.

Maxum. We are their largest producer in the country.

Capitol Indemnity Specialty. 19th most profitable producer in the country.

RSUI. We hold exclusives in key geographic areas.

Lloyds. We hold a property only facility with \$10 million in-house binding authority.

First State. We hold a property only exclusive.

USLI. Elite Customer.

Program Unit

We currently manage the Petroleum Marketers and Educational Institutions risk purchasing groups. We are also the managing general agent for the National Public Transportation Program. This program provides coverage through Zurich for Charter Buses, Tour, Sightseeing, as well as Intra City/Inter City Operators. Our underwriters have in-depth knowledge in each of these specific industry groups and are empowered by our markets (all A rated or higher) to quote, bind, and issue policies on their behalf. Highlights of some of our current programs include:

General Star. We are their top agent for Hazardous Cargo including Fuel Oil. We are also their only agent that can place \$5 million in abuse/molestation for Educational Institutions.

Fireman's Fund. Preferred and exclusive wording for \$40 million in abuse & molestation coverage to sit over General Star.

Zurich. National MGA for National Public Transportation Program.

New programs are always under consideration—bring us your ideas, and we'll conduct a no-charge feasibility review.

THE PROOF

We believe the proof of our success can be demonstrated by what our clients say about us.

"S. H. Smith & Co. allows me to help insureds solve coverage problems. Your professionals know the products and their expertise win deals everyday for us."

"Brokerage relationships seem to run hot and cold in our industry depending on what the marketplace is doing. S.H. Smith is the exception. Our relationship with them is as deep and meaningful as any directly appointed carrier."

"Their product knowledge and carrier relationships benefit our clients. They become an integral member of the sales team for conference calls and or client-prospect meetings. The firm's bench strength regardless of the coverage is reassuring."