

**NEW YORK LIQUIDATION BUREAU
REQUEST FOR PROPOSAL**

**SALE OF ATLANTIC MUTUAL INTERNATIONAL LIMITED AND
ATLANTIC MUTUAL INSURANCE COMPANY'S UK BRANCH
January 26, 2012**

I. BACKGROUND INFORMATION

The New York Liquidation Bureau (the "Bureau") carries out the responsibilities of the Superintendent of Financial Services of the State of New York ("Superintendent") in his capacity as statutory Receiver of impaired or insolvent insurance companies that are in court-ordered receivership. Atlantic Mutual Insurance Company ("AMIC") was placed into liquidation by an order of the Supreme Court of the State of New York entered on April 27, 2011. The Bureau is seeking a proposal from one or more qualified persons or entities to purchase all of the assets and liabilities of the UK Branch of Atlantic Mutual Insurance Company (the "UK Branch") and Atlantic Mutual International Limited ("AMIL").

AMIL is a wholly-owned subsidiary of AMIC whose immediate parent is Atlantic Companies Holding Corporation, a Delaware corporation. As of December 31, 2010, AMIL had net assets of approximately GBP 2.6 million and gross assets of approximately GBP 2.8 million, consisting primarily in each case of cash, UK treasury stock and government-backed EUR-denominated obligations. Both AMIL and the UK Branch are authorized by the UK Financial Services Authority (the "FSA") to engage in the insurance business, and both are in run-off.

II. OVERVIEW

The Bureau invites all prospective purchasers ("Proponents") to draft and submit to the Bureau at the Proponents' expense a proposal ("Proposal") in accordance with the requirements outlined in this request for proposal ("RFP"). Prior to submitting Proposals, Proponents who wish to review the records (financial and otherwise) of AMIL and the UK Branch shall first enter into a confidentiality agreement in respect of such records. The Bureau may, but is not obligated to, ultimately select an awardee with which a contract will be entered into for the purchase and sale of AMIL and the UK Branch ("Awardee"). To be eligible for selection as an Awardee, you must comply with the following procedures.

III. PROCEDURES FOR SUBMISSION OF PROPOSALS

A. Contents of Proposal

In order to facilitate a fair evaluation of all Proposals, the Bureau requires a uniform format. Each Proposal shall (1) set forth the following information and (2) confirm the Proponent's agreement to the following terms and conditions for the purchase and sale of AMIL and the UK Branch including, but not limited to, the following items:

(i) Information

1. Name of Proponent.
2. Primary office address.
3. General Telephone and Fax Numbers.
4. All other office addresses.
5. Contact person (include specific contact information).
6. Alternate contact person (include specific contact information).
7. Proponent's registered number, registered address and proof of authorization by the FSA to engage in the insurance business in the United Kingdom.
8. Time schedule for making all payments required by the Proposal.
9. Form of security to be posted by the Proponent or its designee (such security must be in cash or liquid assets to cover all payments).
10. A general overview and history of the Proponent, including the number of years in business, a description of the business (including experience in managing run-off business), the total number of its employees and the location of its corporate headquarters.
11. Proponent's most recent financial statements.
12. The source(s) of the funds or assets to be used to effectuate the purchase of AMIL and the UK Branch.
13. Provide a list of all names used by Proponent within the past 10 years.
14. A brief statement regarding the integrity and reputation of the Proponent and its employees, including whether in the last 10 years it has been the subject of any criminal conviction or any final, non-appealable civil judgment for malfeasance (including actions or proceedings by governmental, regulatory or self-regulatory authorities).
15. If the Proponent has been the subject of any investigation by any governmental, regulatory or self-regulatory authority within the last 10 years, provide a brief description of the circumstances of each such investigation, including the name of the investigating authority, the nature of the investigation, the date on which the investigation was commenced, and the status or disposition of the investigation.

16. A brief statement as to whether the Proponent has previously provided services to the Bureau, AMIC, AMIL or the UK Branch, including whether the Proponent has any financial interest in any organization that has contracted to provide services to the Bureau, AMIC, AMIL or the UK Branch.
17. A brief statement as to whether Proponent or any parents, subsidiaries or affiliates of Proponent have been involved in litigation against the Superintendent, the Bureau, AMIC, AMIL or the UK Branch within the last 10 years as a party, witness or otherwise.
18. The names of all persons or entities, if any, asserting claims against the Superintendent, the Bureau and/or its estates, AMIC, AMIL or the UK Branch for whom Proponent is currently performing work.
19. A brief statement regarding any major changes in the Proponent's senior management positions within the last three years.
20. The Proponent's plan for utilizing the services of third-party administrators, if any, including names, phone numbers, specific assignments, and qualification of each firm and its key personnel. Please provide a client reference list for any such third-party administrators.

(ii) Terms and Conditions

1. The proposed sale of the assets and liabilities of AMIL and the UK Branch will be subject to the approval of the FSA and of the Supreme Court of the State of New York which has jurisdiction over the AMIC liquidation proceeding.
2. Proponent or its designee is to acquire all the assets and liabilities of both AMIL and the UK Branch.
3. In the event of default of the Proponent or its designee in making scheduled payments, the Bureau will recover the security and make the scheduled payments to claimants.
4. Upon transfer of the assets and liabilities of AMIL and the UK Branch pursuant to their sale, the Superintendent will be released and discharged from any and all further liability arising out of or relating to the liquidation of AMIL and the UK Branch or the sale of their assets and liabilities.
5. Each Proponent shall be bound by the information contained in its Proposal, including fees quoted for services.

B. Formatting and Delivery

Proposals must be formatted in 12-point or larger font. The cover of each Proposal shall include the name of the Proponent and the subject matter, as follows: **Sale of AMIL and AMIC UK Branch**. Each Proponent shall submit one original and four copies of its Proposal.

Proposals must be sent via mail, overnight courier, or hand delivery to:

New York Liquidation Bureau
110 William Street
New York, NY 10038
USA
Attn: Evelyn Delgado, Acting Chief Compliance Officer
RFP: Sale of AMIL and AMIC UK Branch

Proposals must be received no later than 5:00 p.m., Eastern Standard Time, on February 22, 2012 unless such deadline is extended in writing by, and at the sole discretion of, the Bureau. Late Proposals will be disqualified from consideration.

Proponents may submit questions, and/or request access to the records (financial and otherwise) of AMIL and the UK Branch, up until 5:00 p.m., Eastern Standard Time, on February 8, 2012, by email to Gail Pierce-Siponen, Director of Creditor & Ancillary Operations, at gpsiponen@nylb.org, with a copy to Evelyn Delgado, Acting Chief Compliance Officer, at edelgado@nylb.org, or by regular mail to Gail Pierce-Siponen and Evelyn Delgado at the address listed above. **Any Proponent that wishes to review the records (financial and otherwise) of AMIL and the UK Branch will be required to first execute a confidentiality agreement in respect of such records. Telephone inquiries will not be accepted.**

C. Opening of Proposals

Proposals will remain under seal and will be opened at a closed meeting **on February 23, 2012 at 10:00 a.m. Eastern Standard Time.**

IV. CERTIFICATION

Proposals must be signed and dated by each Proponent. By signing and dating its Proposal, each Proponent certifies that the information in its Proposal is complete, truthful and accurate.

V. WITHDRAWAL OF PROPOSALS

Proposals may be withdrawn from consideration at any time by written submission to the Bureau's Acting Chief Compliance Officer, Evelyn Delgado, at the address or the e-mail address listed above.

VI. MODIFICATIONS TO THE RFP

The Bureau may modify the RFP in writing or provide an addendum to the RFP prior to selection of an Awardee, as applicable, and allow Proponents to revise their Proposals or supply additional information in response.

VII. COMMUNICATION WITH BUREAU PERSONNEL

Except as provided in this RFP and as otherwise necessary for the conduct of business operations previously established with the Bureau, no Proponent may communicate with Bureau personnel who are involved in the review, evaluation or selection of an Awardee. The Bureau will disqualify any Proponent who engages in prohibited communications of a material nature, as determined by the Bureau.

VIII. CONFLICTS OF INTEREST

The Bureau is concerned with both actual and perceived conflicts of interest. If a Proponent has been involved in litigation against the Bureau, or against AMIC, AMIL or the UK Branch, within the last 10 years, it must disclose such involvement. If the Proponent is representing or performing work for any person or entity involved in litigation against the Bureau, or against AMIC, AMIL or the UK Branch, it must take the necessary and appropriate steps to exercise independent judgment and ensure that the interests of the Bureau, or of AMIC, AMIL or the UK Branch, are not compromised.

IX. EVALUATION AND AWARD

As part of its evaluation of Proposals, the Bureau may request additional information from the Proponents and/or invite some or all Proponents to appear for an interview.

In selecting an Awardee, the Bureau will consider, among other factors it deems appropriate, the financial condition of the Proponent, the trustworthiness of the Proponent and its officers or directors, a plan for the proper and effective conduct of the operations of AMIL and the UK Branch, the source of the funds or assets for the acquisition, the fairness of the consideration to be received for the sale of AMIL and the UK Branch, and whether the acquisition is likely to be hazardous or prejudicial to the policyholders or creditors of AMIL or the UK Branch.

X. BUREAU'S RIGHTS

This RFP does not commit the Bureau, and the Bureau is not obligated, to select an Awardee or enter into a contract with any Awardee. The Bureau reserves the right to: (a) rescind, revoke or modify this RFP prior to execution of a contract with an Awardee; and (b) utilize any ideas from a Proposal. The Bureau may in its sole discretion: (a) reject a Proposal if it is non-responsive or non-compliant with the requirements set forth in this RFP; or (b) waive minor discrepancies in any Proposal. All materials submitted in response to this RFP become the property of the Bureau and will not be returned. The Bureau disclaims responsibility and liability for any costs related to a Proponent's participation in this RFP and

shall not be liable for any break-up or termination fee in the event a purchase of the assets and liabilities of AMIL and the UK Branch is not consummated with an Awardee.

XI. ADDITIONAL TERMS AND INFORMATION

The information contained herein shall be used for the sole purpose of responding to this RFP. The Bureau will not, and is under no obligation to, pay the costs, in whole or in part, incurred by a Proponent during the preparation of a Proposal. The Bureau disclaims responsibility and liability for any costs related to a Proponent's participation in this RFP.