



Oil Insurance Limited

Press Release

Hamilton, Bermuda
March 28, 2014

Oil Insurance Limited (OIL) Declares \$300 Million Dividend and Passes Experience Modification Proposal

OIL held its 2014 Shareholder's Annual General Meeting (AGM) on Wednesday, March 26th at the Fairmont Southampton Hotel and conducted the review and approval of the 2013 annual financial statements and election of directors.

For 2013, OIL wrote and earned \$550.4 million of premium that resulted in \$53.2 million of Underwriting Income. After factoring in net investment income and administrative expenses, OIL's net income for the year was \$631.9 million. For additional information about OIL's 2013 financial results, please visit www.oil.bm to view our audited financial statements. After the review of the year-end financials

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shareholders approved the financial statements and the re-appointment of KPMG as auditors for the fiscal 2014 year.

In addition, the Company reported that the Board of Directors had declared a dividend in an aggregate amount of \$300 million to all shareholders on record as of January 1, 2014 payable on April 30, 2014 in recognition of OIL's continued financial success and solid financial condition.

Robert D. Stauffer, President & CEO, commented that "Oil Insurance Limited is committed to providing long term value to its membership by offering significant policy limits with broad terms and conditions, returning excess value by way of premium credits and dividends when appropriate as well as potentially considering additional coverages to enhance the overall value proposition of being a member."

During the AGM, the shareholders voted to accept the Board's and Management's proposal for Experience Modification with 94% of the vote approving the proposal. Experience Modification is the process by which OIL will adjust shareholders' future premium levels based upon their loss experience in OIL.

George Hutchings, Senior Vice President & COO, stated that "This vote sends a clear message to the Energy Insurance Industry that the inclusion of Experience

Modification in the Rating & Premium Plan greatly enhances OIL's overall value proposition for both current members and potential prospects."

After the AGM adjourned, the Board of Directors met and elected Gerard Naisse as Chairman of the Board and Roberto Benzan as Deputy Chairman.

Gerard Naisse, the newly elected Chairman, commented that the \$300 million dividend demonstrates the Board's commitment to return value to OIL's shareholders and comes on the heels of a \$100 million premium credit that was granted in 2013 as well as an increase in policy limits to \$300 million that was offered in 2012. In addition, Chairman Naisse indicated that he was extremely pleased with the very strong shareholder support of the Experience Modification program and pointed to the 94% approval vote as an indicator of the strong commitment of the shareholders to OIL.

For more information about OIL's property coverages and related value go to www.oil.bm.

Oil Insurance Limited (OIL) insures over two trillion dollars of global energy assets for more than fifty members with property limits up to \$300 million totaling more than eleven billion dollars in total A- rated property capacity. Members are medium to large sized public and private energy companies with at least \$1 billion in physical property assets and an investment grade rating or equivalent. Products offered include Property (Physical Damage), Windstorm, Non Gradual Pollution, Control of Well, Terrorism, Construction and Cargo. The industry sectors that OIL protects include Offshore and Onshore Exploration & Production, Refining and Marketing, Petrochemicals, Mining, Pipelines, Electric Utilities and other related energy business sectors.

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