

OIL INSURANCE LIMITED

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TO: OIL SHAREHOLDERS

July 7, 2015

Re: Year to Date Oil Insurance Limited Incurred Losses at June 30, 2015

As of the close of business on June 30, 2015, Oil Insurance Limited has booked **\$(17.9) million** of incurred losses, excluding IBNR, for the first six months of the year. This information is being provided to the membership to help them estimate their potential accrual liability for Theoretical Withdrawal Premium (TWP) owed to OIL on 12/31/2015 should they decide to exit OIL as of year-end.

The losses are distributed as follows:

8 Business Sectors	\$ (17.9) million
Standard Pool Windstorm	\$0
Onshore Excess Windstorm Pool	\$0
Offshore Excess Windstorm Pool	\$0
Total	<u>\$ (17.9) million</u>

Please be reminded that our expected losses for the year are \$664M.

Please note that the 2015 TWP range estimates provided to the membership back in March will not change. A final 2015 TWP spot number will be available in early January 2016 once the year end processes have been completed.

Disclaimer:

The above information is unaudited and is subject to change in the event subsequent information becomes available to OIL. The information provided in this memo is true and accurate information as of the date of this memo and is compiled using GAAP and IFRS accounting standards. In addition, the incurred losses posted to our financial statements may not be consistent with the losses the company uses to calculate year end TWP.