



March 1, 2005

INFORMATION RELEASE:

AN IMPORTANT INSURANCE COVERAGE OPTION FOR INDEPENDENT DIRECTORS IS NOW OFFERED IN CANADA

Executive Risk Services announced that it offers a **Side A Non-rescindable Endorsement** as an option to its comprehensive **Directors and Officers** coverage. This option is available immediately – both on a primary and excess basis.

Scott Saddington, Chief Underwriting Officer at *Executive Risk Services* noted that: “While today’s announcement is coincidental with recent publicity surrounding the attempt to rescind certain Nortel insurance coverage including a Directors and Officers liability policy, it clearly points out the problems faced by the seven independent Directors of Nortel. Our new non-rescindable option could have provided much needed protection for those Directors.”

Mr. Saddington went on to state that “...recent case law and settlements have made it very clear that severability of the insurance application and policy exclusions are no longer sufficient protection by themselves. This enhanced optional coverage should be a required risk-management feature for all independent Directors. It provides certainty that coverage will continue – even in instances where other Directors and Officers have committed wrongful acts, which might otherwise lead to rescission of the insurance contract.”

Executive Risk Services is dedicated exclusively to serving the needs of Directors and Officers of Canadian public and private corporations, income trusts, governments and not-for-profit organizations. We address risk through two separate services: Directors and Officers liability insurance; and board-effectiveness and executive compensation consulting.

Executive Risk Services is a Lloyd’s coverholder, with insurance capacity 100% provided by certain underwriters at Lloyd’s of London through a Managing General Underwriting Agreement.

For more information, please call your licensed insurance broker.