

FACULTATIVE ReSOURCES, INC.

Facultative ReSources, Inc. is a leading broker market property casualty facultative underwriting manager.



A BERKLEY
COMPANY

OUR MISSION

Since 1985, Facultative ReSources, Inc. (Fac Re) has provided reinsurance intermediaries and their ceding company clients with property casualty reinsurance products highlighted by a level of service recognized as unmatched in the industry. Its merger with Watch Hill Fac Management, LLC, a W. R. Berkley member company, in early 2009 has brought increased experience and diversification to an already recognized brand name. The combined group has enhanced its position as the lead intermediary market of choice.

COMPANY DESCRIPTION

Writing on Berkley Insurance Company (A.M. Best Co. rated "A+") paper, Fac Re provides ceding companies the ability to transfer risk arising from policies that are unattractive to their underwriters. This process, resulting in a relationship known to the reinsurer as adverse selection, makes facultative reinsurance a valuable tool for primary insurance companies who wish to increase capacity, protect their net line, protect treaty relationships, reduce loss from catastrophe, access underwriting assistance on complex or unusual risks, or achieve growth or expansion into new lines of business. At the same time, it requires an extraordinary level of skill in the underwriting process

to turn the ceding company's problem into an opportunity for the reinsurer so that both parties may benefit – the ceding company by reducing risk, and the reinsurer by earning a substantial profit. Facultative reinsurance is usually structured on an excess of loss basis, wherein the reinsurer indemnifies the reinsured only for losses which exceed a specified amount, either retained by the ceding company or, in certain cases, by the original insured. Unlike treaty reinsurance, which provides coverage for a broad book of business with a single contract, facultative focuses on individual transactions in much the same way that the primary insurance company writes commercial insurance policies.

HOW FACULTATIVE ReSOURCES IS DIFFERENT

Because facultative reinsurance operates in a world of adverse selection, it is perhaps the purest form of underwriting, relying on the experience of its underwriters to determine premiums sufficient to provide enough money to pay for losses and expenses, while also allowing a return on capital commensurate with the actuarial uncertainty inherent in excess of loss reinsurance placements. To that end, Fac Re has assembled an impressive team of highly experienced underwriters well known to reinsurance intermediaries and ceding company personnel alike.

FINANCIAL HIGHLIGHTS

Facultative ReSources, Inc. underwrites reinsurance on behalf of Berkley Insurance Company (BIC), a leading U.S. domestic professional reinsurance company, and a member company of W. R. Berkley Corporation.

Berkley Insurance Company

A.M. Best Rating	Financial Size Category	Standard & Poor's Rating
A+ (Superior)	XV	A+ (Strong)

FINANCIAL DATA

(Dollars in millions)
(Statutory Basis)

as of December 31, 2008

Total Assets	\$ 6,846
Policyholders' Surplus	\$ 2,037
Net Written Premiums	\$ 1,232



JOHN E. GOODLOE
President

John E. Goodloe joined Facultative ReSources in February 2009 as President. He has over 15 years of facultative experience both in the U.S. and the U.K., and 8 years surplus lines experience. He was previously President of Admiral Excess Underwriters, a division of Admiral Insurance Group, a W. R. Berkley member company.



ABOUT W. R. BERKLEY CORPORATION

W. R. Berkley Corporation, founded in 1967, is one of the nation's premier commercial lines property casualty insurance providers. Each of the operating units in the Berkley group participates in a niche market requiring specialized knowledge about a territory or product. Our competitive advantage lies in our long-term strategy of decentralized operations, allowing each of our units to identify and respond quickly and effectively to changing market conditions and local customer needs. This decentralized structure provides financial accountability and incentives to local management and enables us to attract and retain the highest caliber professionals. We have the expertise and resources to utilize our strengths in the present environment, and the flexibility to anticipate, innovate and respond to whatever opportunities and challenges the future may hold.

CONTACT INFORMATION

Facultative ReSources, Inc.

Home Office

Three Landmark Square, Suite 500
Stamford, CT 06901
Tel: (203) 658-1500
Fax: (203) 658-1515

Branch Offices

Atlanta, GA
Tel: (770) 396-2515

Chicago, IL
Tel: (312) 435-1231

OFFICERS

John E. Goodloe
President

James H. Crutchley
Executive Vice President
Underwriting

Gerald S. King
Executive Vice President
Marketing

Gerard A. Anaszewicz
Senior Vice President
Branch Manager
Chicago, IL

Michael J. Nicholas
Senior Vice President
Casualty Product
Line Manager

Edward N. Ryan
Senior Vice President
Property Manager
Stamford, CT

Stephen A. Samoskevich
Senior Vice President
Manager, Information
Technology

Paul R. Bednarz
Vice President
Stamford, CT

Frank J. Bilotti
Vice President
Chief Actuary

Patrick J. Cannan
Vice President
Stamford, CT

Robert T. Comstock
Vice President

Robert W. Colantuoni
Vice President

Philip E. D'Eramo
Vice President
Stamford, CT

Colleen P. Fahey
Vice President
Stamford, CT

Geoffrey H. Grush
Vice President
Branch Manager
Los Angeles, CA

Ronald S. Hayden
Vice President
Branch Manager
Atlanta, GA

Carol J. Lapunzina
Vice President, General
Counsel & Secretary

Thomas V. Lehmkuhl
Vice President
Stamford, CT

Victor Leong
Vice President
Chicago, IL

Eugene F. Mason
Vice President
Professional Liability

David M. McNichols
Vice President
Chicago, IL

Joseph A. Sweeney
Vice President
Claims Manager

Pasquale Tomaino
Vice President
Chief Financial Officer

John P. Burk
Assistant Vice President
Chicago, IL

Russell R. Kroszner
Assistant Secretary
Stamford, CT

Jean Cole
Assistant Secretary
Stamford, CT

Anita Marzell
Property Underwriter
Stamford, CT

Adam T. Steffens
Casualty Underwriter
Stamford, CT