

EXHIBIT A

TO VERIFIED PETITION AND MOTION

Highlands Insurance Co. (UK) Limited - 1978-1994
Balance Sheet At 30th September 2006

US : Stg ROE: 1.87

| | GBP | USD | CVT GBP | CVT USD |
|----------------------------------|------------------|-------------------|-------------------|-------------------|
| Assets | | | | |
| Bonds | 1,776,964 | 21,591,268 | 13,323,097 | 24,914,191 |
| Cash - interest bearing | 112,180 | 439,840 | 347,388 | 649,616 |
| Cash - non interest bearing | 1,000 | 1,000 | 1,535 | 2,870 |
| Time deposits | 992,734 | 7,263,630 | 4,877,028 | 9,120,043 |
| Restricted Assets | 0 | 2,830,077 | 1,513,410 | 2,830,077 |
| Deposits reinsureds | 0 | 42,288 | 22,614 | 42,288 |
| Debtors - Reinsurance | 2,416,147 | 23,970,254 | 15,234,465 | 28,488,449 |
| Less bad debt provision | (979,353) | (5,882,974) | (4,125,328) | (7,714,364) |
| Due from co principals | 0 | 0 | 0 | 0 |
| Intercompany | 310,994 | (2,241,838) | (887,849) | (1,660,278) |
| Due from HUAL | 0 | 0 | 0 | 0 |
| Miscellaneous debtors | 57,412 | 0 | 57,412 | 107,361 |
| Accrued interest | 54,408 | 323,024 | 227,148 | 424,766 |
| Total Assets | 4,742,486 | 48,336,569 | 30,590,919 | 57,205,018 |
| Current Liabilities | | | | |
| HUAL intercompany | 106,530 | 0 | 106,530 | 199,211 |
| Creditors - Reinsurance | 1,506,191 | 9,668,281 | 6,676,395 | 12,484,859 |
| Houston reins 1972-77 | 0 | 0 | 0 | 0 |
| Houston reins 1978-82 | 79,254 | (1,304,483) | (618,330) | (1,156,277) |
| Miscellaneous creditors | 57,000 | 318,072 | 227,092 | 424,662 |
| Total Current Liabilities | 1,748,975 | 8,681,870 | 6,391,687 | 11,952,454 |
| Reserves | | | | |
| Outstanding losses | 2,500,026 | 18,252,373 | 12,260,653 | 22,927,421 |
| IBNR | 0 | 7,432,149 | 3,974,411 | 7,432,149 |
| Claims handling | 600,000 | 0 | 600,000 | 1,122,000 |
| Bad debt provision | 11,423 | 6,000,000 | 3,219,979 | 6,021,361 |
| | 3,111,449 | 31,684,522 | 20,055,044 | 37,502,931 |
| Total Liabilities | 4,860,424 | 40,366,392 | 26,446,730 | 49,455,386 |
| Stockholders Funds | | | | |
| Capital | 42,839,175 | 0 | 42,839,175 | 80,109,257 |
| Share premium | 93,506 | 0 | 93,506 | 174,857 |
| Profit/(Loss) balance 01.01.06 | (43,083,864) | 7,880,027 | (38,869,946) | (72,686,798) |
| Net profit(loss) for year | 33,244 | 90,150 | 81,453 | 152,316 |
| Net Worth | (117,938) | 7,970,177 | 4,144,188 | 7,749,632 |
| Liabilities and Net Worth | 4,742,486 | 48,336,569 | 30,590,919 | 57,205,018 |

Note: A bad debt provision of USD 11m has been established in relation to the Highlands Insurance Company (HIC) quota share reinsurer. This is split USD 4m for the 1978-82 underwriting years and USD 7m for the 1972-77 underwriting years. As the above does not include the 1972-77 underwriting years, the latter USD 7m is not included in the above