



First Reserve Corporation to create new insurance company with \$720 million of equity funding

Torus Insurance will write large complex technical lines worldwide with an energy focus

Authorized in Bermuda and UK

A – (excellent) rating from A.M. Best

David Hope appointed CUO and acting CEO

Greenwich, Conn.; Houston and London: June 23, 2008

First Reserve Corporation has joined forces with a group of senior insurance practitioners to create a new specialist insurance company, Torus Insurance Holdings Limited (Bermuda). Torus is supported by a \$720 million equity funding from First Reserve, the leading private equity firm that specializes in the energy sector. Senior management of Torus has also invested personally in the new venture.

Operating companies Torus Insurance (UK) Limited, in London and Torus Insurance (Bermuda) Limited, in Bermuda, have now received authorization respectively from the UK Financial Services Authority and Bermuda Monetary Authority.

Torus Insurance (UK) Limited and Torus Insurance (Bermuda) Limited have been assigned A – (excellent) ratings from A.M. Best and will start accepting risks incepting on July 1.

David Hope has been appointed Chief Underwriting Officer at the new company and will act as Chief Executive Officer until January 1, 2009. Agreement has been reached with a senior industry executive who will assume the position at that stage.

Mr Hope has nearly 30 years' experience as an underwriter in the London market and from 2002 to 2007 was Chief Executive Officer of the London operations of The Navigators Group Inc. He previously held senior underwriting positions at Octavian Managing Agency, latterly Markel International.

Torus is a technical lines insurer specializing in large complex risks with a particular focus on the energy sector. Its investment in experienced underwriting teams and industry leading technology is designed to provide insurance buyers

with knowledgeable partners, and their service providers with improved service at every point of the insurance transaction.

Torus will combine high levels of technical underwriting discipline with in-depth engineering and energy industry understanding, to create the necessary levels of confidence to write meaningful line sizes on the risks that it selects. First Reserve Corporation's 25 years of experience in the energy industry across every part of the value chain will give Torus access to a deep and valuable pool of relevant knowledge.

Commenting on the launch of the business David Hope said: "We are obviously excited about the creation of the new business, the substantial investment commitment from First Reserve Corporation and the FSA and BMA authorizations. We will be looking to work with our clients and their brokers to build a business that differentiates itself through technical expertise, product innovation as well as class-leading service.

"Our aim is to focus on building long term relationships with clients that appreciate the involvement of a partner that takes an active role in managing risk.

"Torus will focus on large commercial and specialty businesses in all major markets, starting with onshore and offshore energy and other large industrial property and move into other lines during the next twelve months.

"Over time we plan to build a company which we believe can differentiate itself with brokers and customers through technical expertise, innovation, service and a global approach. Certainly in the energy sector we are very fortunate to have considerable technical insight from our investor, First Reserve Corporation."

Mark McComiskey, Managing Director of First Reserve Corporation, commented: "Torus is an opportunity for First Reserve not only to fund the creation of a new business but also to use its extensive knowledge of every part of the energy industry to make a significant contribution to the company's development and its success. The risks that Torus will underwrite will be large, site specific, unique and typically of the type where underwriting performance is improved by a data driven approach supported by extensive knowledge of the underlying asset.

"Torus has successfully recruited a high quality team of underwriters, engineers and actuaries and we are delighted that members of the management will be joining us and investing in the new business. Together we look forward to a successful future through an innovative approach in a large and growing market which will benefit both the insured and their brokers."

ENDS

About Torus

Torus is a technical lines insurer specializing in large complex risks with particular focus on the energy sector. Its investment in experienced underwriting teams and industry leading technology is designed to provide insurance buyers with

knowledgeable partners and their service providers with improved service at every point of the insurance transaction. Torus is rated A- (excellent) by A.M. Best.

For media enquiries, please contact Tim Fillingham, Chief Marketing Officer, on +44 (0)203 206 8206

About First Reserve

First Reserve is the world's leading private equity firm in the energy industry. Throughout its 25-year history of investing solely in the global energy industry, First Reserve has developed a strong franchise, utilizing its broad base of specialized industry knowledge to invest strategically across a wide range of energy industry sectors and throughout varying economic cycles. Further information is available at www.firstreserve.com

For media inquiries, please contact Michael Henman of Cubitt Consulting +44 (0)20 7367 5100 michael.henman@cubitt.com or Caroline Harris of CJP Communications at 212-279-3115; ext. 222 or via email at charris@cjpcom.com