



XL INSURANCE (CHINA) COMPANY LIMITED

DISCLOSURE OF MATERIAL AFFILIATED TRANSACTION

2013-1

Being approved by the Board of Directors of XL Insurance (China) Company Limited (hereinafter “XLICCL” or the “Company”) on 19th December 2012, the Company entered into the 2013 All Lines Quota Share Reinsurance Treaty Agreement with XL Insurance (Bermuda) Ltd on 31st December 2012. As the estimation of the transaction amount under such an agreement meets the criteria of material affiliated transaction, in adherence to the applicable laws and regulations and internal rules of the Company, the relevant information of this transaction is so disclosed as below:

- Pricing: Market terms.
- Purpose: To meet the data needs of the clients and to bring down the exposures in line with the registered capital of XLICCL.
- Impact: Reduce the exposure of XLICCL’s capital to risk and stabilize the future underwriting experience of XLICCL.

XL Insurance (China) Company Limited

10th January, 2013