

Changes at NIG

Confirmation of Important Changes for NIG Commercial that affect you

I am writing to let you know about some proposed changes to our commercial lines structure, which going forward will improve the service we provide to you. These changes respond to feedback you have given us.

Enhanced local relationship management

We recognise the importance to you of retaining and enhancing our local relationship management. We will be making a significant investment in its quality with the aim of focusing activity where it matters most to you. We will also be adding more senior relationship managers.

More efficient package business

Building on our e-commerce capability we are centralising all underwriting administration support for our package business at one centre of excellence in Peterborough. This unit will offer you access to a dedicated packages team leading to an improved and consistent level of service across the UK.

Great expertise in underwriting

We propose to consolidate our complex underwriting activity into nine new Area Underwriting Centres. These centres will have greater levels of expertise and autonomy to provide a better service, more quickly, for you and your clients. This means that eight of our current offices will close between now and February 2010.

New Underwriting Centres

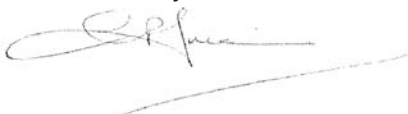
Birmingham, Bristol, Glasgow, Gloucester (Farmweb), Leeds, London, Maidstone, Manchester, Watford

NIG Office Closures

Cardiff, Chelmsford, Exeter, Leicester, Liverpool, Newcastle, Reading, Redhill

NIG intends to grow substantially in the commercial broker market and these proposals are designed to make your experience of NIG more competitive and more responsive to your needs. We will communicate the details of changes as they progress and in the meantime may I offer my sincere thanks for your support of NIG: past, present and future.

Yours sincerely



Chris Sullivan
Chief Executive, RBS Insurance