

**ATLANTIC SPECIALTY INSURANCE COMPANY**

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

RECEIVED  
MARCH 26 2018  
3/26/2018

**BOND NO. 800033689**

NATIONAL INDEMNITY COMPANY,  
Petitioner,

**SUPERSEDEAS BOND**

-against-

IRB BRASIL RESSEGUROS S.A.,  
Respondent,

15 CV 3975 (NRB)

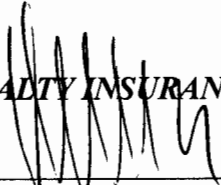
WHEREAS, IRB BRASIL RESSEGUROS S.A., Appellant, has filed and is prosecuting an appeal to the United States Court of Appeals for the Second Circuit from the Memorandum and Order (the "Order") filed the 23rd day of January, 2018, which has the effect of requiring the said Appellant to pay the Petitioner, NATIONAL INDEMNITY COMPANY, the sum of **FIVE MILLION AND 00/100 (\$5,000,000.00) DOLLARS**.

NOW, THEREFORE, **ATLANTIC SPECIALTY INSURANCE COMPANY**, duly authorized to transact business in the state of New York and having an office and principal place of business for the State of New York at 77 Water Street, 17<sup>th</sup> Floor, New York, NY 10005, as Surety, and IRB BRASIL RESSEGUROS S.A., as Principal, do hereby undertake in the sum of **FIVE MILLION FIVE HUNDRED FIFTY THOUSAND AND 00/100 (\$5,550,000.00) DOLLARS**, provided that if the above-named IRB BRASIL RESSEGUROS S.A. shall satisfy its obligations under the Order in full together with costs, interest, and damages for delay, if on appeal the Order is affirmed, and shall satisfy in full such modification of the Order and such costs, interest, and damages as the Court may adjudge and award, then this obligation shall be void, otherwise the same shall be and remain in full force and virtue.

Provided however this bond is hereby fixed in an amount not to exceed **FIVE MILLION FIVE HUNDRED FIFTY THOUSAND AND 00/100 (\$5,550,000.00) DOLLARS**.

DATED, New York, March 8th, 2018

**ATLANTIC SPECIALTY INSURANCE COMPANY**

By:   
WILLIAM J. PEDERSEN

Attorney-in-Fact

UNIFORM FORM CERTIFICATE OF ACKNOWLEDGEMENT

SS:

STATE OF NEW YORK  
COUNTY OF NEW YORK

On this 8<sup>th</sup> day of March in the year 2018, before me, a Notary Public in and for said County, personally appeared **WILLIAM J. PEDERSEN**, personally known to me, who being by me duly sworn, did say that he is the aforesaid Attorney-in-Fact of the **ATLANTIC SPECIALTY INSURANCE COMPANY** of New York, New York, a corporation duly organized and existing under the laws of the State of New York, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that the said instrument was signed, sealed and executed in behalf of said corporation by authority of its Board of Directors, and further acknowledge that the said instrument and the execution thereof to be voluntary act and deed of said corporation.

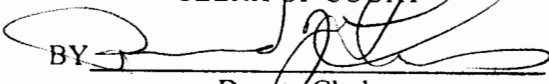
IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed by official seal the day and year last above written.

Neil P. Pedersen  
Notary Public, State of New York  
No. 01-PE6236258  
Qualified in New York County  
Commission Expires February 28, 2019

  
APPROVED 3/26/2018

NOTARY PUBLIC

RUBY L. KRAICK  
CLERK OF COURT

BY:   
Deputy Clerk



### Power of Attorney

KNOW ALL MEN BY THESE PRESENTS, that ATLANTIC SPECIALTY INSURANCE COMPANY, a New York corporation with its principal office in Plymouth, Minnesota, does hereby constitute and appoint: **William J. Pedersen, Neil P. Pedersen**, each individually if there be more than one named, its true and lawful Attorney-in-Fact, to make, execute, seal and deliver, for and on its behalf as surety, any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof; provided that no bond or undertaking executed under this authority shall exceed in amount the sum of: **sixty million dollars (\$60,000,000)** and the execution of such bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof in pursuance of these presents, shall be as binding upon said Company as if they had been fully signed by an authorized officer of the Company and sealed with the Company seal. This Power of Attorney is made and executed by authority of the following resolutions adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the President, any Senior Vice President or Vice-President (each an "Authorized Officer") may execute for and in behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and affix the seal of the Company thereto; and that the Authorized Officer may appoint and authorize an Attorney-in-Fact to execute on behalf of the Company any and all such instruments and to affix the Company seal thereto; and that the Authorized Officer may at any time remove any such Attorney-in-Fact and revoke all power and authority given to any such Attorney-in-Fact.

Resolved: That the Attorney-in-Fact may be given full power and authority to execute for and in the name and on behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and any such instrument executed by any such Attorney-in-Fact shall be as binding upon the Company as if signed and sealed by an Authorized Officer and, further, the Attorney-in-Fact is hereby authorized to verify any affidavit required to be attached to bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof.

This power of attorney is signed and sealed by facsimile under the authority of the following Resolution adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the signature of an Authorized Officer, the signature of the Secretary or the Assistant Secretary, and the Company seal may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing an Attorney-in-Fact for purposes only of executing and sealing any bond, undertaking, recognizance or other written obligation in the nature thereof, and any such signature and seal where so used, being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.

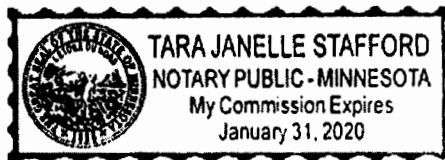
IN WITNESS WHEREOF, ATLANTIC SPECIALTY INSURANCE COMPANY has caused these presents to be signed by an Authorized Officer and the seal of the Company to be affixed this eighth day of December, 2014.



By *Paul J. Brehm*  
Paul J. Brehm, Senior Vice President

STATE OF MINNESOTA  
HENNEPIN COUNTY

On this eighth day of December, 2014, before me personally came Paul J. Brehm, Senior Vice President of ATLANTIC SPECIALTY INSURANCE COMPANY, to me personally known to be the individual and officer described in and who executed the preceding instrument, and he acknowledged the execution of the same, and being by me duly sworn, that he is the said officer of the Company aforesaid, and that the seal affixed to the preceding instrument is the seal of said Company and that the said seal and the signature as such officer was duly affixed and subscribed to the said instrument by the authority and at the direction of the Company.



*Tara J. Stafford*  
Notary Public

I, the undersigned, Assistant Secretary of ATLANTIC SPECIALTY INSURANCE COMPANY, a New York Corporation, do hereby certify that the foregoing power of attorney is in full force and has not been revoked, and the resolutions set forth above are now in force.

Signed and sealed. Dated 8 day of March, 2018.

This Power of Attorney expires  
October 1, 2019



*James G. Jordan*  
James G. Jordan, Assistant Secretary



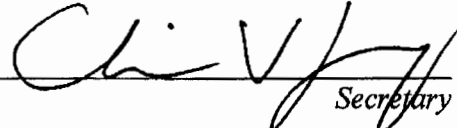
**Atlantic Specialty Insurance Company**  
 Period Ended 12/31/2017

*Dollars displayed in thousands*

<b>Admitted Assets</b>		<b>Liabilities and Surplus</b>	
<b>Investments:</b>		<b>Liabilities</b>	
Bonds	\$ 988,817	Loss Reserves	\$ 858,068
Preferred Stocks	-	Loss Adjustment Expense Reserves	<u>175,047</u>
Common Stocks	723,252	<b>Total Loss &amp; LAE Reserves</b>	<b>833,103</b>
Mortgage Loans	-		
Real Estate	-	Unearned Premium Reserve	536,888
Contract Loans	-	Total Reinsurance Liabilities	32,722
Derivatives	-	Commissions, Other Expenses, and Taxes due	46,631
Cash, Cash Equivalents & Short Term Investments	148,999	Derivatives	-
Other Investments	<u>51,777</u>	Payable to Parent, Subs or Affiliates	43,581
<b>Total Cash &amp; Investments</b>	<b>1,912,848</b>	All Other Liabilities	<u>148,428</u>
		<b>Total Liabilities</b>	<b><u>1,641,550</u></b>
Premiums and Considerations Due	223,311	<b>Capital and Surplus</b>	
Reinsurance Recoverable	31,509	Common Capital Stock	9,000
Receivable from Parent, Subsidiary or Affiliates	-	Preferred Capital Stock	-
All Other Admitted Assets	<u>92,138</u>	Surplus Notes	-
<b>Total Admitted Assets</b>	<b><u>2,259,803</u></b>	Unassigned Surplus	(42,494)
		Other Including Gross Contributed	<u>851,547</u>
		<b>Capital &amp; Surplus</b>	<b>618,053</b>
		<b>Total Liabilities and C&amp;S</b>	<b><u>2,259,803</u></b>

State of Minnesota  
 County of Hennepin

I, Christopher Jerry, Secretary of Atlantic Specialty Insurance Company do hereby certify that the foregoing statement is a correct exhibit of the assets and liabilities of the said OneBeacon Insurance Company, on the 31<sup>st</sup> day of December, 2017, according to the best of my information, knowledge and belief.

  
 Secretary

Subscribed and sworn to, before me, a Notary Public of the State of Minnesota on this 9<sup>th</sup> day of March, 2018.

  
 Notary Public

