



21st June 2011

Elite Insurance Company Ltd

("Elite" or "the Company")

Elite Insurance decides not to enter the Solicitors' PII market

Elite Insurance Company Ltd, the national provider of legal expenses & other financial insurance products, announces that it will not be entering the Solicitors' Professional Indemnity Insurance (PII) market this year as was initially suggested. This is solely due to the lack of what Elite sees as essential changes to the Assigned Risk Pool (ARP) and the rules governing policy wording.

The latest cash call by the ARP in the region of GBP38 million has led to an even greater hardening of reinsurance rates in the Solicitors' PII market. As such, new entrants are finding it extremely difficult to secure adequate reinsurance arrangements thus limiting their capacity to take on volume business and as a result, the profitability and viability of their ventures.

Furthermore, the issues relating to policy wording are not due to be addressed until 2013.

Barbara Bock, Group Executive Officer, commented:

"We consider this and the recent status quo of the ARP to be a missed opportunity which would otherwise create a vibrant, sensible and competitive market for all concerned."

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Notes to Editors:

Elite Insurance Company Ltd

Elite Insurance Company Ltd is licensed by the Financial Services Commission of Gibraltar under the Insurance Companies Act 1987 to carry on insurance business in Gibraltar. Elite is licensed to underwrite, inter alia, legal expenses insurance and miscellaneous financial loss insurance.

Elite is authorised by the Financial Services Authority in the UK under authorisation number 446926.

Elite's products are sold through Elite Business Development Ltd trading as Elite Litigation Services which has Financial Services Authority authorisation to act as an insurance intermediary, under authorisation number 440699, and is the UK marketing arm of Elite Insurance Company Ltd.

Elite is a member of the Association of British Insurers (ABI). All our consumer products come with the protection of the Financial Services Compensation Scheme (FSCS) and Elite is a member of the Financial Ombudsman Scheme (FOS).

Elite's range of products and services include insurance covering:

- Personal Injury & RTA
- Clinical Negligence
- Insolvency and Bankruptcy
- Commercial and Civil
- Defamation
- Financial Mis-selling
- Scheme and bespoke legal expenses insurance
- Before the event legal expenses insurance
- Litigation funding loan protection insurance
- Gap
- Decennial
- Pet

www.elite-insurance.co.uk