

Splintered

200-885-1111

RENZ D. JENNINGS
CHAIRMAN

MARCIA WEEKS
COMMISSIONER

DALE H. MORGAN
COMMISSIONER



JAMES MATTHEWS
EXECUTIVE SECRETARY

ARIZONA CORPORATION COMMISSION

SECURITIES DIVISION
Office: (602) 542-4242
FAX: (602) 542-3583

October 10, 1991

Greg L. Pickrell, Esq.
Coudert Brothers
Ten Almaden Boulevard
Suite 1250
San Jose, California 95113-2215

RE: JIB Group Limited

Dear Mr. Pickrell:

On the basis of the facts set forth in your letter of September 30, 1991 and in reliance upon your opinion as counsel, the Securities Division will not recommend enforcement action for violation of the Securities Act of Arizona should the transaction take place as set forth in your letter.

As this position is premised upon the facts set forth in your letter, it should not be relied on for any other set of facts or by any other person. Please also note that this position applies only to the registration requirements of the Act; the anti-fraud provisions of the Act continue to be applicable.

We have attached photocopies of your letter. By doing this we are able to avoid having to recite or summarize the facts set forth therein.

Very truly yours,

Handwritten signature of Dee Ridgell Harris in cursive.

DEE RIDDELL HARRIS
Director of Securities

DRH:ab

Enclosure

COUDERT BROTHERS

ATTORNEYS AND COUNSELLORS AT LAW

SUITE 1250

TEN ALMADEN BOULEVARD

SAN JOSE, CA 95113-2215

TEL. (408) 297-9982

FAX. (408) 297-3191

NEW YORK
200 PARK AVENUE
WASHINGTON
1627 I STREET, NW
LOS ANGELES
1055 WEST SEVENTH ST.
SAN FRANCISCO
FOUR EMBARCADERO CENTER

PARIS
52 AVENUE DES CHAMPS-ELYSEES
LONDON
4 DEAN'S COURT
BRUSSELS
149 AVENUE LOUISE, BOX 8
MOSCOW
15 PETROVKA
TOKYO
1-1, MINAMI-AOYAMA, MINATO-KU
HONG KONG
ALEXANDRA HOUSE, 20 CHATER ROAD
SINGAPORE
20 COLLYER QUAY
SYDNEY
STATE BANK BUILDING, SUITE 2202
52 MARTIN PLACE
BEIJING
SCITE TOWER, SUITE 802
SHANGHAI
UNION BUILDING, SUITE 1804
BANGKOK
C/O CHANDLER & THONG EK
315 SILOM ROAD
JAKARTA
C/O PT. CB INDONESIA
CENTRAL PLAZA, 8TH FLOOR
SAO PAULO
C. MACHADO, MEYER, SENDACZ E OPICE
RUA BA CONSOLACAO, 247

September 30, 1991

VIA FEDERAL EXPRESS

Director
Corporation Commission,
Securities Division
1200 West Washington Street, Suite 201
Phoenix, Arizona 85007

Dear Sir or Madam:

This letter is submitted on behalf of our client, JIB Group Limited ("JIBG"), a corporation organized under the laws of England, in connection with the opportunity which it is making available to certain employees (of which 4 reside in Arizona) of JIBG's wholly-owned subsidiary JIB Holdings, Inc. ("Holdings") to receive options (the "Options") to purchase shares (the "Shares") of the common equity of JIBG under the terms of the Overseas Executive Share Option Scheme 1991 ("Executive Option Scheme"), conditioned upon their agreeing to terminate options held in an existing plan of Holdings. Since Holdings is wholly-owned by JIBG, there is no market for Holdings' shares and, hence, no source of liquidity for the Holdings Option holders. The opportunity which JIBG proposes to present will afford the persons with Holdings Options the chance to obtain securities that will provide liquidity.

Since the Executive Option Scheme, the Options, and the Shares sold thereunder are exempt from registration in Arizona under Arizona Revised Statute ("A.R.S.") Section 44-1844(14), we have concluded that the fact that the grant of Options is conditioned upon the employees' relinquishing their Holdings Options does not change the availability of the above-mentioned exemption. By this letter we request your confirmation of our conclusions.

JIB Group Limited

JIBG was incorporated in England under the Companies Act 1985 as a private limited company on October 31, 1988, under the name Bidhaven Ltd. JIBG's registered office is located at Jardine House, 6 Crutched Friars, London EC3N 2HT. JIBG is a London-based international insurance broking group and is one of the largest insurance broker groups in the world in terms of turnover.

JIBG intends to admit (the "Admission") the ordinary share capital of JIBG to the Official List of the London Stock Exchange. Using Listing Particulars prepared in accordance with English law, JIBG will be offering such shares to the public outside of the United States in a flotation which will result in the Admission. Initial flotation is expected to take place October 23, 1991. The Admission is due to occur on November 11, 1991.

JIB Group Overseas Executive Share Option Scheme 1991.

All managers, directors and executive officers functioning in policy-making positions who reside in the United States and work at least 20 to 25 hours per week for JIBG or any of its subsidiaries are eligible to be nominated for participation in the Executive Share Scheme. (Such employees are defined under the Executive Share Scheme as "Eligible Employees"). The Executive Share Scheme will qualify under Section 422A of the Internal Revenue Code ("I.R.C.").

The Issuer has made the determination that the Executive Share Scheme, the Options, and the securities issued thereunder are exempt from registration under the laws of Arizona by virtue of A.R.S. Section 44-1844(14), which exempts from the provisions of A.R.S. Sections 44-1841 and 44-1842 "[t]he sale and issuance of any investment contract or other security in connection with an employee's stock purchase, stock bonus, savings, thrift, stock option or other similar employee benefit plan which meets the requirements for qualification under the United States internal revenue code."

Opportunity for Eligible Employees with Holdings Options

As previously mentioned, there are presently four (4) persons residing in Arizona who are Eligible Employees. These Eligible Employees presently participate in the 1986 Stock Option Plan of Holdings ("1986 Plan") and were granted Holdings Options pursuant thereto. In connection with the Executive Share Scheme, each such Eligible Employee will be given the opportunity to receive an Option over such number of shares of JIBG as such person

presently has in Holdings, conditioned on termination of such person's Holdings Options. Those persons desiring to participate will be able to do so immediately following the initial flotation of JIBG, which is due to take place October 23, 1991. If any Eligible Employee does not determine to do so within the week following the initial flotation, such person will continue to hold his Holdings Options under and according to the terms of the 1986 Plan.

In connection with their decision, the Eligible Employees are being provided the following documents: (a) the JIBG Option Scheme; (b) form of Option Certificate; (c) Listing Particulars relating to JIBG in connection with its application to the Council of the International Stock Exchange of the United Kingdom and the Republic of Ireland for its share capital to be admitted to the Official List; and (d) Accountants Report on JIBG for the three and a half years ended June 30, 1991.

Discussion

As mentioned previously, the Issuer has determined that the Executive Share Scheme, the Options and the sale of Shares issued and sold thereunder are exempt from registration in Arizona under A.R.S. Section 44-1844(14). A.R.S. Section 44-1844(14) exempts from the provisions of A.R.S. Sections 44-1841 and 44-1842 the sale and issuance of any investment contract or other security in connection with an employee's stock option plan which is qualified under I.R.C. Section 422A. We believe that conditioning an exempt Option grant to four Arizona-based Eligible Employees agreeing to terminate their Holdings Options, does not effect the exception from registration under Section 44-1844(14).

Furthermore, the proposed transaction involves only four (4) persons resident in Arizona, all of whom are managers, directors and executive officers functioning in policy-making positions. In addition to the fact that they will be receiving the above-mentioned documents, which includes the full Listing Particulars and Accountants' Report which comply with English securities and disclosure law for an Initial Flotation, they are familiar with JIBG and have access to a information regarding JIBG and its subsidiaries. We believe that registration of the proposed transaction is not necessary for investor protection and is not in the public's interest.

Director
September 30, 1991
Page 4

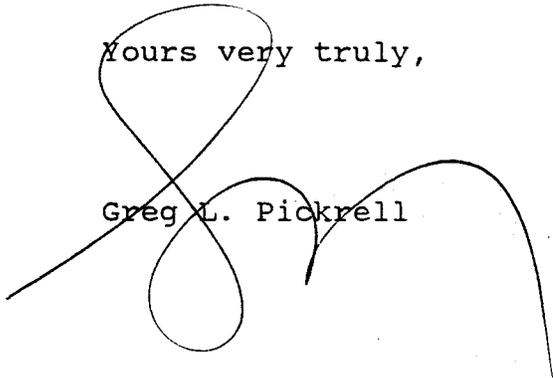
COUDERT BROTHERS

We respectfully request your confirmation of the foregoing conclusions and assurance that you will not recommend that enforcement action be taken if the opportunity is offered the Eligible Employees and Options and Shares are issued in connection therewith under the terms of the Executive Share Scheme.

If you have any questions, please do not hesitate to call the undersigned at (408) 297-9982.

Yours very truly,

Greg L. Pickrell



IDLSARZ.NOL