

Capital Solutions for the Solvency II Era

Monte Carlo 2015





Maiden & IRC Offer A Compelling Proposition for European Insurers As Solvency II Approaches



- 1 Impact of Solvency II will continue to increase as market adjusts to new capital rules**
 - Relative capital strength of each carrier will be redefined in their competitive market
 - Value of each capital and risk mitigation tool will be sensitive to specific facts and circumstances
 - While traditional reinsurance remains broadly available, access to subordinated debt had previously been limited to the larger companies
- 2 European insurers require solutions that reflect their strategy and circumstances**
 - Product vendors extolling the merits of their respective products
 - Insurers interests require broader solutions and may not be not fully served with a single product
- 3 Maiden uniquely serves the European market by offering both products**
 - Maiden provides fully collateralized traditional reinsurance products
 - Maiden's IRC unit is dedicated to providing Tier 2 subordinated debt solutions funded by Maiden
- 4 Maiden believes products uniquely support effective risk and capital management**
 - Insurer can design solutions which best protects their balance sheet - using products separately, together or sequentially
- 5 Maiden and IRC work with clients to provide customized Solvency II capital solutions**
 - Manage Solvency Capital Ratios and improve returns
 - Mitigate insurance risk including strengthening counterparty risk

Maiden & IRC's customized capital solutions enable insurers a range of products to efficiently and flexibly manage Solvency II capital

Maiden's Value Proposition Dedicated to Small and Mid-Size Insurers



32-year history of focusing on long-term relationships with small to mid-size private and mutual carriers, often with a regional focus

Successful and stable multi-year strategic reinsurance relationships

- Strong client commitment provides flexibility to provide a wide variety of solutions

Focus on low-volatility business and more predictable “working layer” reinsurance

- Maiden does not enter and withdraw from markets based on industry results - enabling long-term solution for clients
- By de-emphasizing severity-oriented business Maiden efficiently utilizes its balance sheet which translates to cost-effective solutions for clients

Maiden's business model driving growing balance sheet scale and capital efficiency

- Predictable and stable operating results backed by highly efficient and scalable operating platform

Maiden's unique collateral product provides the highest level of security, delivering the most effective regulatory capital

- Investment grade securities in a dedicated custodial account provide security beyond a rating

Dedicated focus and consistent underwriting profitability enables Maiden to provide flexible capital support as clients' needs change

European Business Development Activities Continuing to Accelerate



Business development team quickly increasing pace of Maiden's activities across Europe

- Business development resources in London, Madrid and Switzerland creating opportunities on a pan-European basis - transactions under discussion in all regions
- Continuing to identify resources who can fit Maiden's approach - teams, books, etc.

Focused on identifying opportunities where Maiden and IRC capabilities have highest impact and provide greatest value

- Markets now initiating contact with Maiden as market recognition of Solvency II reality increases

Maiden seeing heightened interest in capital solutions as Solvency II draws nearer

- Certain prospects need capital relief now, ahead of Solvency II implementation while other more mature insurers are clearly taking interest in solutions but still evaluating how to proceed
- Company potentially to be influenced by peer behavior and solvency transparency imposed by Solvency II

Response to Maiden and IRC capital solutions has been positive

- Additional discussions with companies and brokers are increasing new opportunities
- Additional targeted focus on AMICE companies

Maiden will be active at major fall conferences

- Active presence at the traditional major conferences at Monte Carlo and Baden-Baden
- Maiden sponsoring capital solutions workshop at the Spanish Reinsurance Congress in Madrid in early October

The Case for Maiden & IRC's Customized Capital Solutions



Unique strategic differentiation for the European insurance market

- Customized solutions using reinsurance and/or sub debt enable insurers to achieve objectives
- Single review process for reinsurance and sub debt creates an efficient process for insurers/issuers
- Products are available to all categories of insurers - private companies, mutuals, captives
 - New access for companies without traditional access to capital markets

Superior capital management flexibility

- Products not dependent on one another and can be utilized independently, together or in sequence
- Transactions are not size limited - smaller capital transactions can be more tactical
- Rating not required for sub-debt; fully private transactions available

Enables insurers to flexibly manage capital volatility

- Multiple capital tools can mitigate refinancing risk - companies without natural access to capital markets can effectively counter this risk using a blended approach
- Multi-year reinsurance transactions and sub debt issuance can be used separately or in tandem to optimize and manage capital over the long term
- Diversity of capital tools and durations helps mitigate risk concentrations and delivers the right balance of fixed and variable capital

Maiden has the expertise to enable insurers to achieve their Solvency II capital goals

- Dedicated reinsurance and subordinated debt specialists

Solvency II requires market transparency on the efficiency of capital management - Maiden & IRC solutions optimize the response

Maiden's Collateralized Reinsurance Solutions Strengthen Solvency Further



Maiden's specialist low-volatility focus enables it to uniquely offer collateral more effectively and efficiently

- De-emphasis of severity classes enables Maiden to more efficiently utilize its balance sheet
- Dedicated investment grade assets provide security beyond a rating

Maiden implementing a Solvency II-compliant custodial account for collateral

- "Account Control" agreement maintained with EU financial institution
- Funded with highest quality assets from Maiden's balance sheet
- Cedant has right to liquidate or retain collateral in event of reinsurance insolvency
- Maiden retains investment income and substitutes collateral as mutually agreed

Maiden fully collateralizes all liabilities (including IBNR & UPR) subject to contract

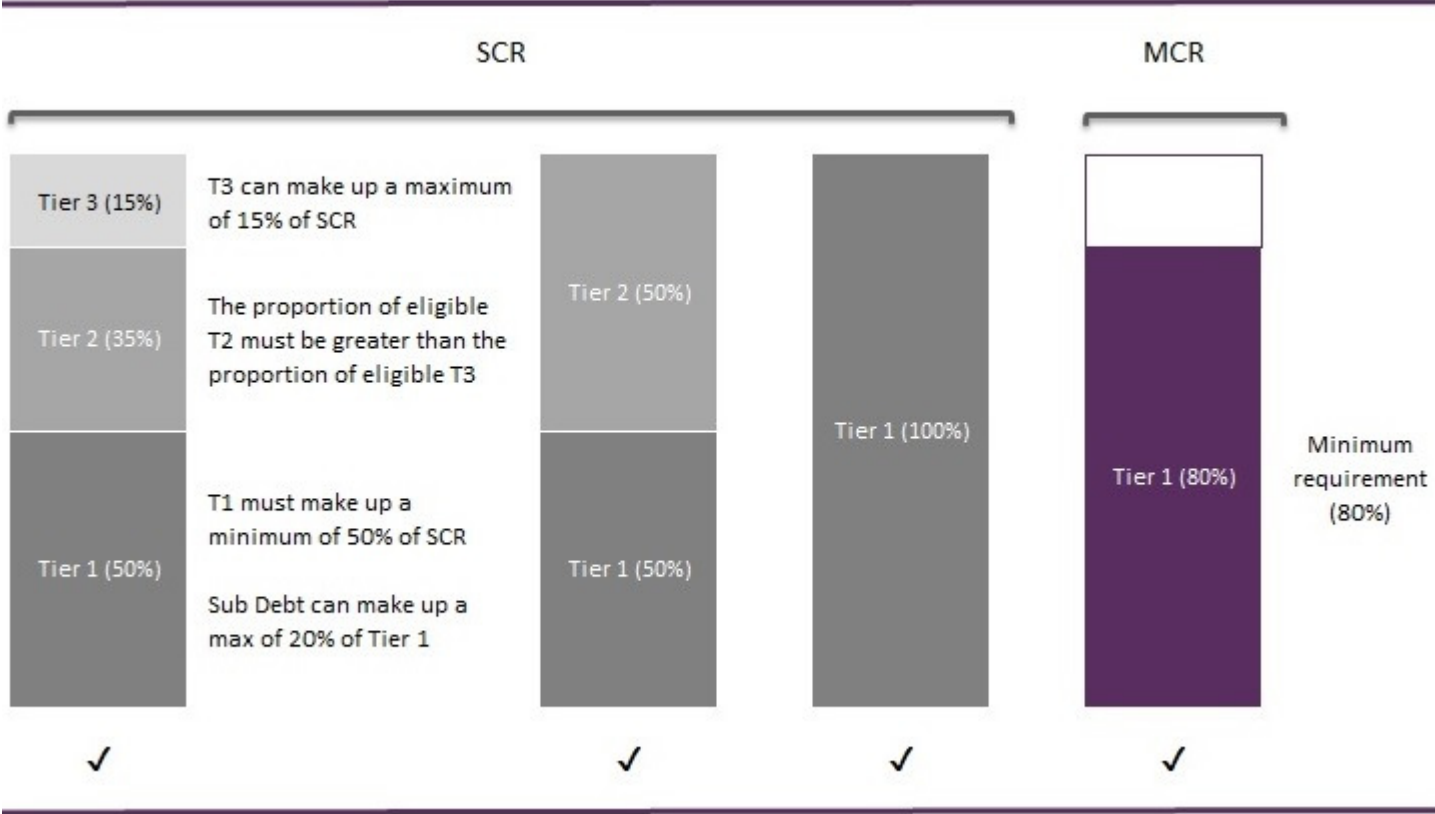
- Increases transparency of relationship with cedant
- Maiden computes ultimate liabilities for each account and shares with clients

Collateralized reinsurance assets mitigate and reduce counterparty credit risk for European insurers under Solvency II

- Offsets counterparty risk capital requirement via deduction to the Loss Given Default calculation

Maiden's collateralized reinsurance solutions provide greater Solvency II benefit than uncollateralized solutions from higher-rated reinsurers

IRC's Tier 2 Subordinated Debt is Solvency II Eligible Capital and Can Meaningfully Increase Insurers SCR

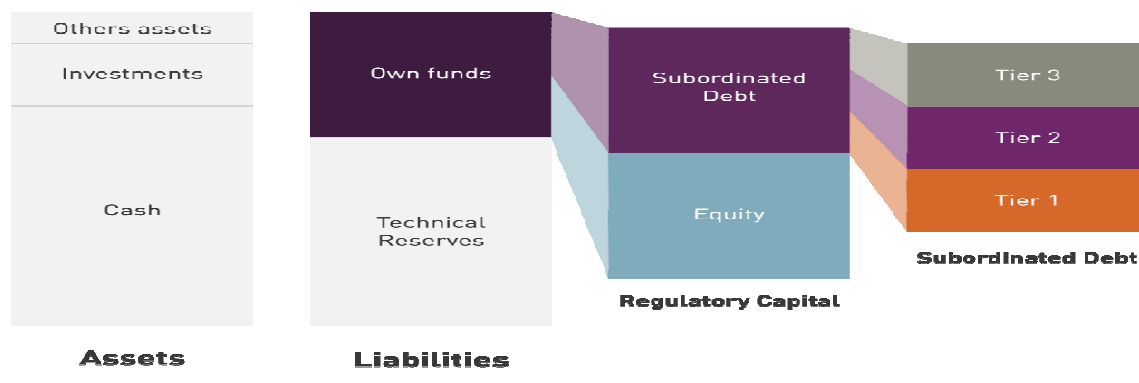


Subordinated debt can provide up to 20% of insurers Tier 1 regulatory capital and 50% of Tier 2 regulatory capital

Tier 2 Sub Debt Enables Long Term Capital Management for Insurer's Balance Sheets



Insurance Balance Sheet



Solvency II Subordinated Debt Characteristics

	Fixed Coupons	Step Up Coupon	Min Issue Term /years	Cumulative*
Tier 1**	No	No	30NC10***	No
Tier 2	Yes	After 10 yrs	10NC5***	Yes
Tier 3	Yes	After 3 yrs	3	Yes

*If coupons are not permitted by regulators to be paid they will accumulate to the next period

** Tier I is not fully defined yet

*** NC - non call



Source: EIOPA guidance

Subordinated debt can provide 10-year capital with optionality after 5 years



Maiden's & IRC's Capital Solutions Can Respond to Insurers Specific Capital Requirements



	Collateralized Proportional Reinsurance	Subordinated Debt
		
Cost of capital	Variable	7-12% subject to credit review
Term	Annually negotiated but flexible	10 years
Payments	Variable	Fixed or floating
Deferrable Payment	No	Yes (cumulative)
Tax treatment	Premiums tax deductible	Interest payments tax deductible
Solvency II capital credit	Use of QS reduces SCR (benefit increases over time)	Yes - full credit up to 50% of SCR
Dilutive to shareholders	No	No
Counterparty risk	Limited due to Maiden collateral	No
Regulatory risk of capital treatment	Low	Low
Risk transfer	Yes	No
Acquisitions	Yes	Yes
Risk capital	Indemnity	All risk
Increases equity	No	Yes



Maiden & IRC's Customized Solutions Offer European Insurers A Continuum of Capital



Unique strategic differentiation for the European insurance market

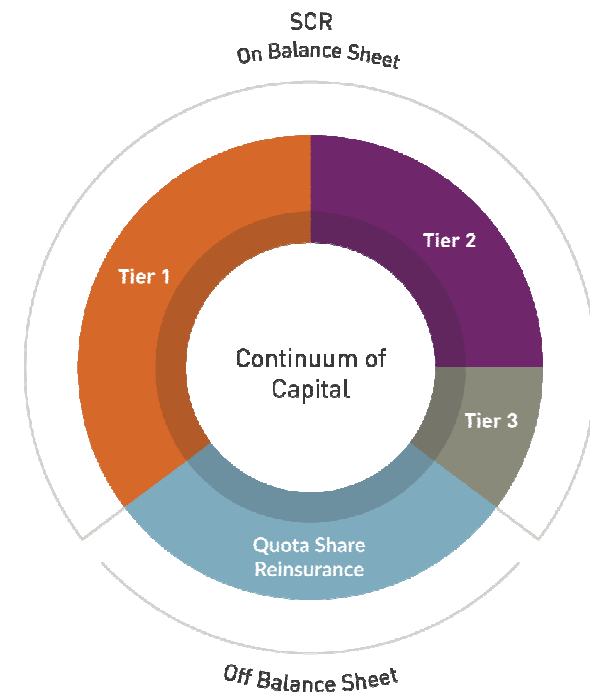
Superior capital management flexibility

Enables insurers to manage capital volatility

Customer focus aligns Maiden with insurers strategies and solves historic barriers to capital markets

Continuum of capital solutions consistent with emphasis on long-term partnerships

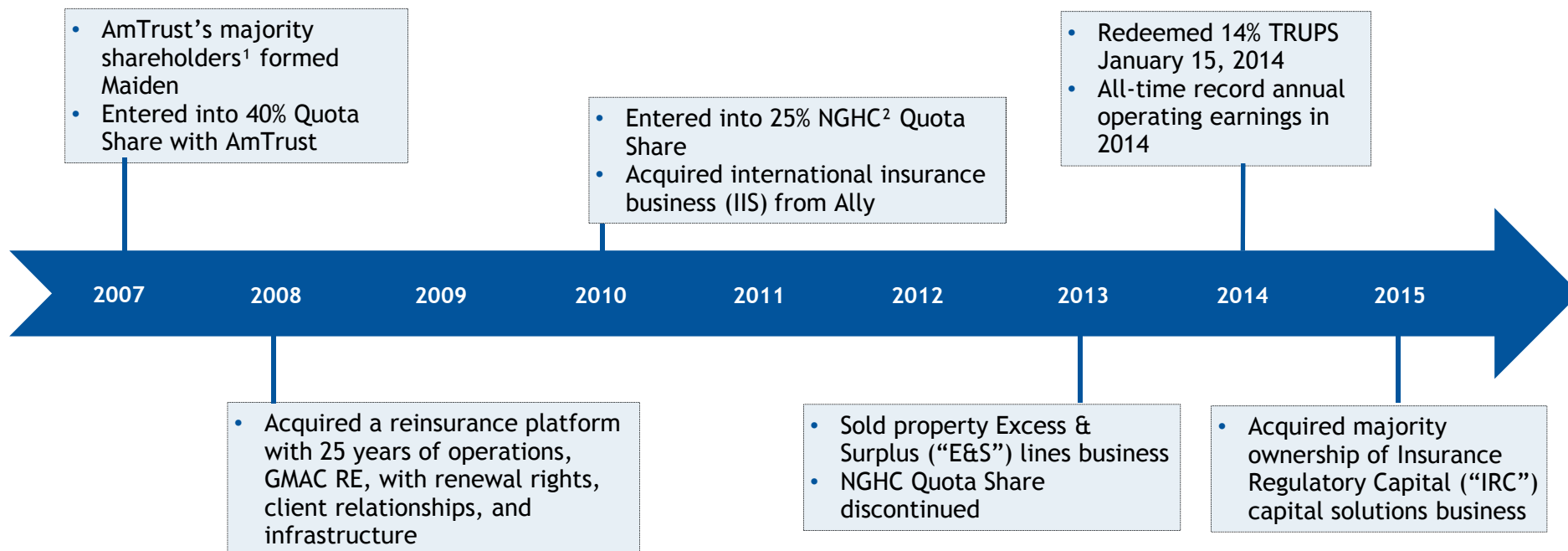
Expertise to enable insurers to achieve their Solvency II capital goals and meet needs of increasingly transparent market



Pipeline of capital solutions opportunities is increasing - Maiden & IRC are ready to work with clients to analyze and design optimized solutions

Appendix

Maiden's History



	2007	2008	2009	2010	2011	2012	2013	2014
Net Premiums Written ("NPW")	\$247	\$727	\$1,030	\$1,228	\$1,724	\$1,901	\$2,096	\$2,458
Employees	5	129	139	204	213	214	185	194
Founding Shareholders ¹ Ownership	18.6%	30.1%	30.1%	28.3%	28.3%	28.4%	28.4%	28.1% ³

¹ AmTrust's majority shareholders include holdings of Michael Karfunkel, Leah Karfunkel, George Karfunkel, and Barry Zyskind ("Founding Shareholders").

² National General Holdings Corporation ("NGHC"), formerly known as American Capital Acquisition Corporation ("ACAC"), acquired GMAC Personal Lines Business in 2010.

³ As of most recent filing.

Summary Balance Sheet

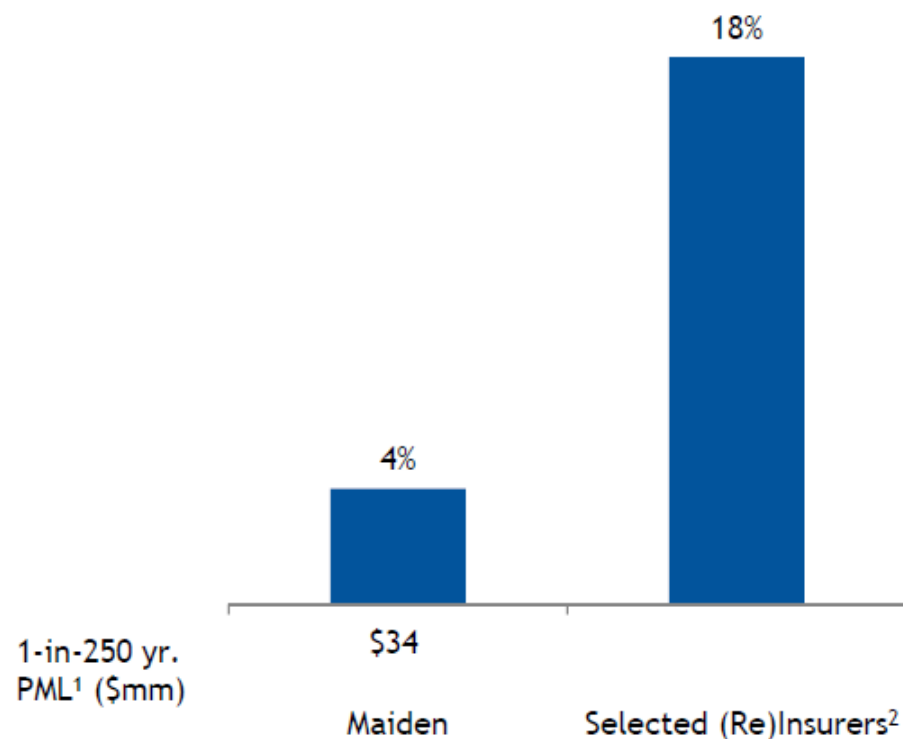


	2009	2010	2011	2012	2013	2014
	(\$ in millions)					
Invested Assets						
Investments	\$ 1,667.2	\$ 1,880.3	\$ 2,022.9	\$ 2,621.6	\$ 3,167.2	\$ 3,469.5
Cash & Cash Equivalents	252.3	185.9	303.0	213.8	217.2	392.5
Loan to Related Party	168.0	168.0	168.0	168.0	168.0	168.0
Total Invested Assets	2,087.5	2,234.2	2,493.9	3,003.4	3,552.4	4,030.0
Net Reinsurance Receivable	211.3	226.3	423.4	522.6	560.1	513.0
Deferred Acquisition Costs	173.0	203.6	248.4	270.7	304.9	372.5
Other Assets	164.3	318.5	229.4	341.5	296.0	248.6
Total Assets	\$ 2,636.1	\$ 2,982.6	\$ 3,395.1	\$ 4,138.2	\$ 4,713.4	\$ 5,164.1
Loss and LAE Reserve	\$ 1,002.7	\$ 1,226.8	\$ 1,398.4	\$ 1,740.3	\$ 1,957.8	\$ 2,271.3
Unearned Premiums	583.5	657.6	832.0	936.5	1,034.8	1,207.7
Senior Notes	-	-	107.5	207.5	360.0	360.0
Trust Preferred Securities	215.1	215.2	126.3	126.3	126.4	-
Other Liabilities	158.3	132.5	161.9	112.0	110.1	83.9
Total Liabilities	1,959.6	2,232.1	2,626.1	3,122.6	3,589.1	3,922.9
Equity	676.5	750.5	769.0	1,015.6	1,124.3	1,241.2
Total Liabilities & Equity	\$ 2,636.1	\$ 2,982.6	\$ 3,395.1	\$ 4,138.2	\$ 4,713.4	\$ 5,164.1
Book Value per Common Share	\$ 9.62	\$ 10.40	\$ 10.64	\$ 11.96	\$ 11.14	\$ 12.69
Growth in Total Invested Assets	13.8%	7.0%	11.6%	20.4%	18.3%	13.4%
Ratio of Total Invested Assets to Equity	308.6%	297.7%	324.3%	295.7%	316.0%	324.7%

Minimal Property Catastrophe Exposure

- Minimal exposure to property catastrophe risks
 - 1-in-250-year PML managed to less than annual net income
 - Further reduced property-catastrophe exposure through the sale of E&S property business to Brit Global Specialty (“Brit”) in 2013
- Maiden has generated annual underwriting income every year since its formation in 2007

1-in-250-Year Occurrence PML / Common Equity



¹ Maiden PML and common equity data as of 12/31/2014. (Re)insurer comparative PML as of latest available on February 23, 2015.

² Aspen, Arch, Axis, AWAC, Endurance, EverestRe, Montpelier, PartnerRe, Platinum, Validus, XL.