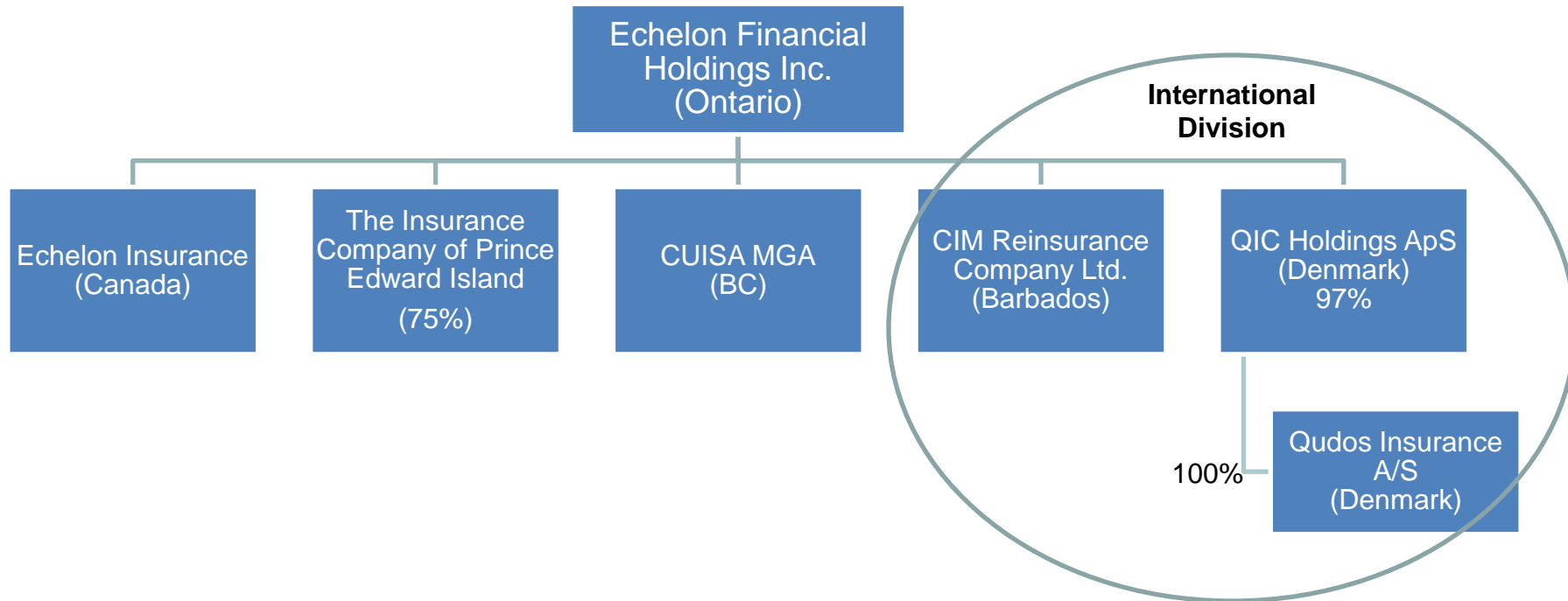




**Investor Presentation on European Operations
December, 2015**

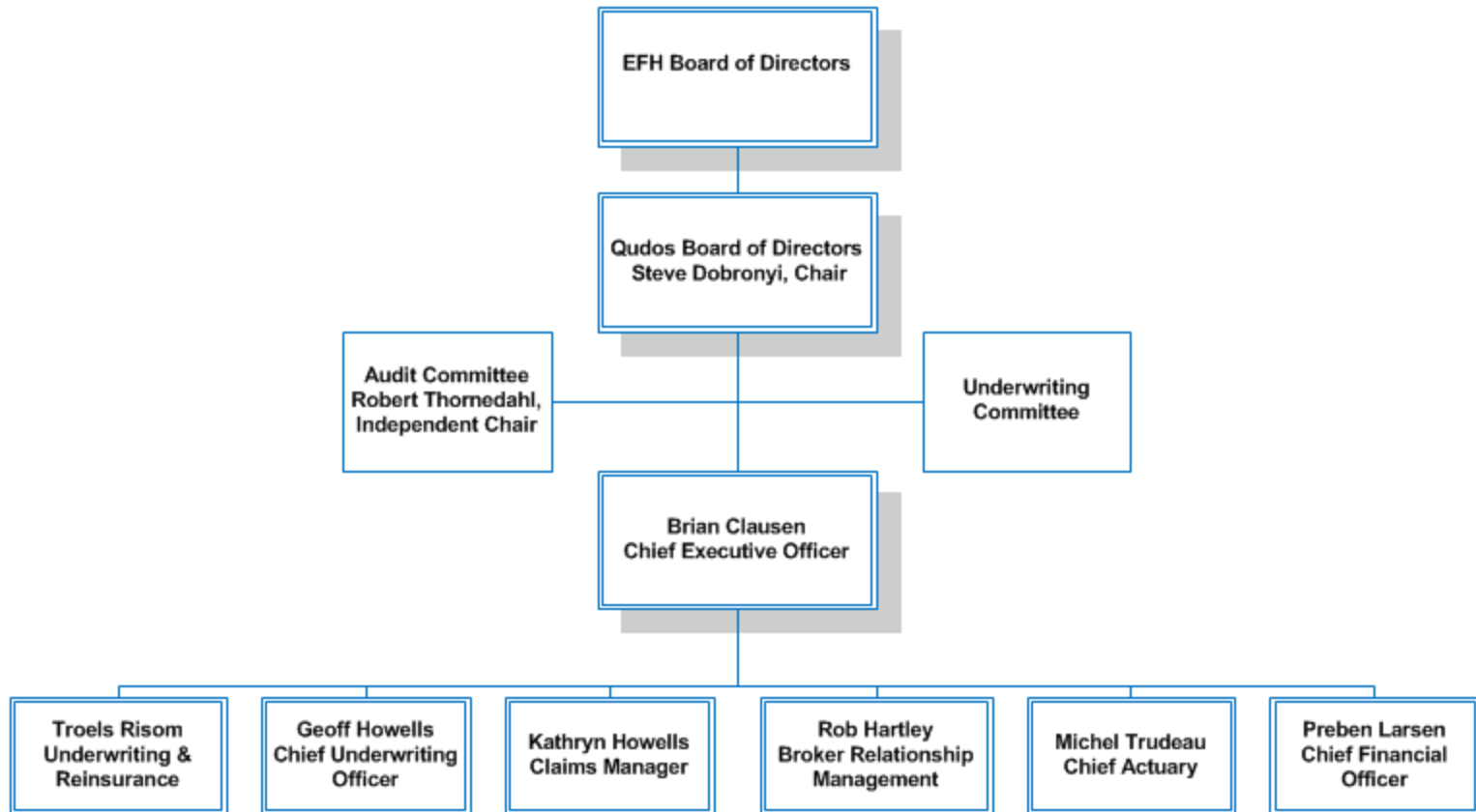
Corporate Structure



In 2015, the International Division accounted for 48% of net written premiums and 30% of the total capital of Echelon

- Mission – With an emphasis on profitability, to design, develop and market specific niche product lines in conjunction with the MGA distribution channel
- Registered in Denmark and licensed to write all classes of property & casualty insurance products in most European countries
- Regulated by the Danish Financial Supervisory Authority (FSA) and subject to Solvency II capital requirements
- Offices in Copenhagen and London

Management and Governance



Experienced management team and strong corporate governance

Long-Term Strategy

- Focused on non-catastrophic lines of business
- Scandinavian and UK Warranty Insurance – new and resale homes, cable boxes, electronics
- Specialty Motor insurance – non-standard auto, disabled drivers, caravans, classic cars, artisan vans
- Focused on underwriting profitability
- Solvency II capital efficient

Europe

- Large market for specialty insurance risks, originally due to Lloyds market
- Local management has deep expertise and strong relationships with quality distributors that have developed over many years
- Scandinavian specialty insurance market historically very profitable
- Diversification to Echelon's Canadian business
- Operational, financial and management synergies with Canada

MGA Distribution

- Same distribution model that's used in Canada
- Flexibility and speed to market
- Niche and specialty focused
- Minimal investment in infrastructure
- Low fixed costs
- Access to historical data
- Existing relationships

Summary of Results

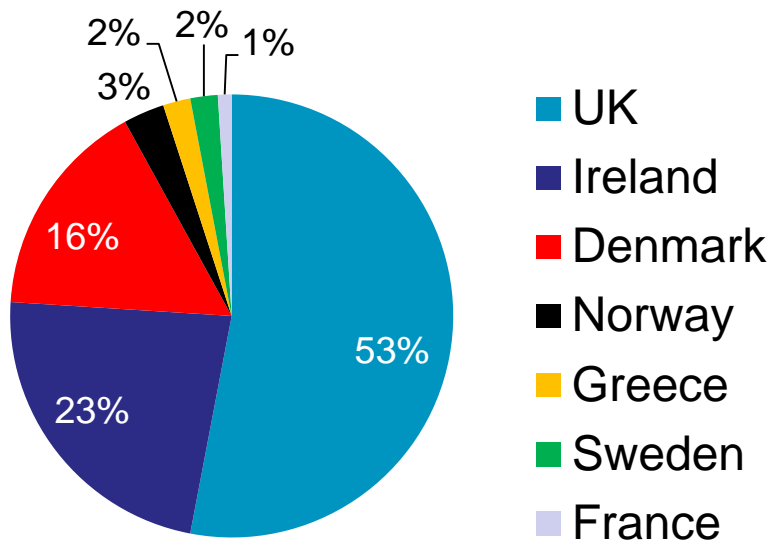
CAD(\$ M)	30/09/2015	12/31/2014	Since Inception
GWP	203.4	177.6	502.8
NWP	129.4	113.5	335.4
U/W Income	1.1	(3.2)	(4.8)
Investment Income	1.1	4.3	6.6
Net Income	2.2	1.1	1.8
Claims Ratio	56.5%	62.5%	60.1%
Combined Ratio	98.8%	102.9%	101.8%

A solid business has been built with little to no start-up costs

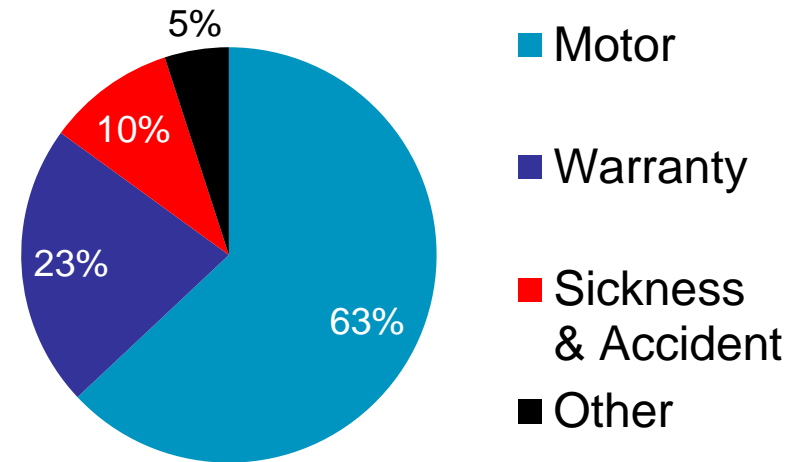
Mix of Business

YTD 30/9/2015

By Geography



By Line of Business



5 Largest Programs

YTD 30/9/2015

Program	Description	NEP \$millions
Program A	Irish Motor	8.5
Program B	UK Warranty	4.6
Program C	Scandinavian Warranty	4.2
Program D	UK Taxis	3.9
Program E	UK Commercial Motor	2.6

Reducing exposure to UK auto and focusing on profitability

Management actions undertaken to improve the performance of International:

- A telematics learner driver program has been provided with provisional notice of cancellation.
- A marginally profitable Accident and Sickness program has been cancelled, effective January 1, 2016.
- A new program moratorium has been implemented with immediate effect.
- More restrictive premium caps
- An increase in external reinsurance and coinsurance
- Over 85% of the UK and Irish motor business will be ceded externally in 2016, an increase from approximately 50% in 2015.
- Net premiums for UK and Irish motor, as a percentage of our overall European business, will decrease from approximately 50% in 2015 to about 20% in 2016.

2016 Goals

- Achieve a 95% combined ratio by the end of 2016
- Reduce UK motor business to 20% of total NWP
- Work within the existing capital base
- Improve capital efficiency

Risk Management

Governance

- Independent chair of Audit Committee

Management

- Strong operational infrastructure

Underwriting

- Monthly and quarterly review of binders
- Input from Denmark and Canada
- Premium caps on each program
- Coinsurance

Investments

- Match assets and liabilities by currency and duration
- Hedge EFH capital in Europe
- Average rating of A

Reinsurance

- Risk sharing with internal and external reinsurance
- Quota share & XOL with large global insurers

Reinsurance Structure

