

media release

Vero Construction and Engineering announces joint venture with AP Surety

Australia, 19 June 2006: Vero Insurance Limited (Vero) today announced it has entered into a joint venture arrangement with AP Surety in relation to its Construction and Engineering business.

AP Surety will continue to operate independently of Vero and no personnel changes within AP Surety are planned.

AP Surety provides two products - contract surety bonds and commercial surety bonds - to meet the needs of the construction and engineering industry.

Mr Duncan West, Chief Executive Vero said, "In line with our continued focus on the development our specialist business units, we are delighted to be able to expand our Construction and Engineering division. AP Surety offers considerable specialist knowledge and expertise in the underwriting of surety bonds.

"This business complements Vero's existing expertise in construction and engineering underwriting and will allow Vero to continue to offer leadership, innovation, expertise and knowledge for the construction, engineering and manufacturing industries in Australia."

AP Surety has been successfully operating in Australia and New Zealand for over ten years with highly qualified and skilled surety underwriters.

AP Surety's Group Managing Director Peter Kohlmann, Director Rodney Russell and NZ Managing Director Jason Sutherland, pride themselves on the

media release

companies' profitable specialist underwriting and long-term reinsurance backing. Rodney Russell chairs the Australian Surety Association.

The client base for AP Surety and Vero Construction and Engineering has a high level of crossover, providing a great opportunity for both companies, and the product offerings are also complementary.

"This is an exciting time for Vero and we look forward to the continued success of our specialist team in our enhanced Construction and Engineering business," said Mr West.

ENDS

Editor's note

Vero Insurance Limited ("Vero") is a subsidiary of the Promina Group Limited, which is one of the top 50 companies listed on the Australian Stock Exchange. Vero, formerly Royal & Sun Alliance Insurance Australia Limited, has for many years been offering highly specialised solutions to its large range of customers.

Vero is one of Australia's largest intermediated general insurance companies and has 19 branches across Australia, providing a suite of quality specialised and risk management products and services through brokers, corporate partners and risk managers.

For further information please contact:

Sue Repanellis
Communications Manager
Vero
Tele: 02 9978 2641
Mobile: 0407 210 710

Danielle Fanning
Media Executive
Vero
Tele: 02 9978 2048

