

**EXHIBIT A TO WILLIAMSON ICL
OPPOSITION DECLARATION
PART 2 OF 7**

Exhibit 2

SUBJECT TO CONFIDENTIALITY PROTECTIVE ORDER
IN RE SEPTEMBER 11 LITIGATION
21 MC 97 (AKH) (S.D.N.Y)
21 MC 101 (AKH) (S.D.N.Y)

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SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is made between:

- Allianz Global Risks US Insurance Company f/k/a Allianz Insurance Company ("Allianz")

on the one hand; and, on the other hand:

- World Trade Center Properties LLC ("WTC Properties LLC"), Silverstein Properties, Inc., Silverstein WTC Mgmt. Co., LLC, 2 World Trade Center LLC, 3 World Trade Center LLC (formerly known as "5 World Trade Center LLC"), and 4 World Trade Center LLC (hereinafter collectively referred to as the "Silverstein Insureds");
- Westfield, LLC (formerly known as "Westfield Corporation, Inc.") and Westfield America, Inc. (hereinafter collectively referred to as the "Westfield Insureds");
and
- WTC Retail LLC (formerly known as "Westfield WTC LLC"), 1 World Trade Center LLC; and
- The Port Authority of New York and New Jersey ("Port Authority").

Throughout this Agreement, all parties other than Allianz are collectively referred to as the "Insureds" and individually referred to as an "Insured"; WTC Retail LLC, 1 World Trade Center LLC, 2 World Trade Center LLC, 3 World Trade Center LLC, and 4 World Trade Center LLC are collectively referred to as the "Net Lessee Insureds"; 2 World Trade Center LLC, 3 World Trade Center LLC, and 4 World Trade Center LLC are collectively referred to as the "Silverstein Net Lessee Insureds"; WTC Retail LLC and 1 World Trade Center LLC are collectively referred to as

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the "Port Authority Net Lessee Insureds"; and Allianz and the Insureds are referred to herein as the "Parties" (each, a "Party"), unless otherwise indicated.

WHEREAS, pursuant to net leases dated on or about July 16, 2001, the Net Lessee Insureds leased from the Port Authority certain buildings and structures at the World Trade Center (hereinafter referred to as the "World Trade Center Property");

WHEREAS, in August 2001, Allianz issued insurance policy No. CLP 3001091 (the "Allianz Direct Policy") in the amount of \$7,898,734 per occurrence in Layer 3 (\$25 million xs \$50 million) and in the amount of \$70,000,000 per occurrence in Layer 6 (\$250 million xs \$250 million), including, subject to the policy terms and conditions, insurance for the World Trade Center Property and business interruption/lost rents;

WHEREAS, Allianz also issued insurance policy No. CLP 3001140, which is the subject of a separate Settlement Agreement of even date (the "Fronting Policy Settlement Agreement");

WHEREAS, Allianz agreed to deem each of the Insureds to be insureds and/or loss payees and/or mortgagees, as their interests may be, under the Allianz Direct Policy;

WHEREAS, the World Trade Center Property was destroyed on September 11, 2001;

REDACTED

WHEREAS, the Parties disputed whether the destruction of the World Trade Center Property constituted one or more than one occurrence under the Allianz Direct Policy and various other issues concerning the Parties' rights and obligations under the Allianz Direct Policy arising out of the destruction of the World Trade Center Property;

ALLIANZ DIRECT SETTLEMENT -- 2

WTCP 0015966

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WHEREAS, the Parties have litigated this dispute in the civil actions numbered Case Numbers 01-CV-9291 and 02-CV-0017 in the United States District Court for the Southern District of New York and have taken related appeals (collectively, the "Federal Action"), and also in Index Numbers 602857/03, 602897/03, and 402523/06 in the Supreme Court of the State of New York, County of New York (collectively, the "State Actions") (all collectively, the "Lawsuits");

WHEREAS, the Parties litigated the number-of-occurrences issue in the Federal Action;

WHEREAS, on December 6, 2004, a jury in the Federal Action found that, under the Allianz Direct Policy, the Parties intended to treat what happened on September 11, 2001 at the World Trade Center as two occurrences;

WHEREAS, Allianz appealed from the jury verdict in the Federal Action to the United States Court of Appeals for the Second Circuit;

WHEREAS, on October 18, 2006, the United States Court of Appeals for the Second Circuit affirmed the jury verdict in the Federal Action in favor of the Insureds and against Allianz and, on December 29, 2006, the Second Circuit denied Allianz's petition for rehearing;

WHEREAS, Allianz demanded appraisal on February 25, 2002 and the Insureds and, among other insurers, Allianz, have been engaged in an ongoing appraisal to resolve valuation issues with respect to the World Trade Center Property (the "Appraisal");

WHEREAS, the Appraisal is ongoing and has resulted in settlements and awards on certain disputed issues of fact relating to "core and shell" Replacement Cost, but other valuation issues, including Actual Cash Value, Lost Rents, Allocation and certain aspects of Replacement Cost remain to be resolved;

ALLIANZ DIRECT SETTLEMENT -- 3

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WHEREAS, the Lawsuits have resulted in numerous rulings as a matter of law on disputed issues, many of which have not yet been appealed but could be appealed at a later time, and other legal issues remain in dispute but have not yet been presented to the court for resolution;

WHEREAS, the Parties have incurred and in the absence of this Agreement would continue to incur substantial attorneys fees and expenses in connection with the Lawsuits and the Appraisal;

WHEREAS, the Parties wish to preclude the necessity of incurring such additional fees and expenses;

WHEREAS, the Parties seek in this Agreement to settle fully and finally and to resolve for all time any and all disputes between them regarding the Allianz Direct Policy, including but not limited to the pending Lawsuits, on the terms and conditions set forth herein (but without waiving their positions, arguments and defenses in connection with the Lawsuits);

NOW, THEREFORE, in consideration of these premises, mutual promises and covenants, the Parties hereby agree as follows:

REDACTED

ALLIANZ DIRECT SETTLEMENT -- 4

WTCP 0015968

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REDACTED

4. Release by the Insureds:

REDACTED

WTCP 0015969

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REDACTED

(d) except as set forth in paragraph 6; any claims, demands, debts, causes of action, obligations or liabilities relating to matters of subrogation, priority of recovery and claims against third parties; and (e) any obligations created herein.

ALLIANZ DIRECT SETTLEMENT -- 6

WTCP 0015970

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5. Release by Allianz:

REDACTED

This release and

REDACTED

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REDACTED

(d) except as set forth in paragraph 6, any claims, demands, debts, causes of action, obligations or liabilities relating to matters of subrogation, priority of recovery and claims against third parties; and (e) any obligations created herein.

6. Subrogation/Priority of Recovery:

The Parties to this Agreement are pursuing claims against third-parties alleged to be responsible for property and other damages occurring on September 11, 2001. These claims are pending in the United States District Court for the Southern District of New York in consolidated litigation entitled *In Re September 11 Litigation* (21 MC 97) and *In Re September 11 Property Damage and Business Loss Litigation* (21 MC 101) (collectively the "Recovery Litigation"). The Parties have a disagreement with respect to issues of subrogation and priority of recovery in the Recovery Litigation. The Parties hereby agree that they shall request that either Judge Alvin K. Hellerstein or Judge Harold Baer, Jr. of the United States District Court for the Southern District of New York (with a request that the matter of which judge is to hear the motion to be determined by the two judges) resolve this disagreement by means of one or more motions.

7. Dismissal:

REDACTED

(a) the Insureds and Allianz shall jointly file with the respective courts motions dismissing all claims and counterclaims as between the Insureds and Allianz with respect to the Allianz Direct Policy from the Lawsuits with prejudice

ALLIANZ DIRECT SETTLEMENT -- 8

WTCP 0015972

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and without costs as to any party, pursuant to the terms of agreed-upon forms of order, which order shall have a provision consistent with the terms of this Agreement reserving the Parties' respective rights with respect to claims of subrogation and priority of recovery as provided in paragraph 6;

REDACTED

ALLIANZ DIRECT SETTLEMENT -- 9

WTCP 0015973

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REDACTED

14. Entire Agreement:

The Parties acknowledge and agree that this Agreement embodies the entire and complete terms and conditions of their agreement described herein and that it supersedes any and all prior representations, understandings and agreements, whether written or oral.

REDACTED

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WORLD TRADE CENTER PROPERTIES LLC,
SILVERSTEIN PROPERTIES, INC.,
SILVERSTEIN WTC MGMT. CO. LLC,
2 WORLD TRADE CENTER LLC,
3 WORLD TRADE CENTER LLC (formerly known
as "5 WORLD TRADE CENTER LLC"),
4 WORLD TRADE CENTER LLC

By:

Name: *Michael Levy*

Its: *SVP*

Dated: *7/6/07*

REDACTED

ALLIANZ DIRECT SETTLEMENT -- 13

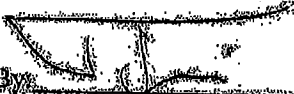
WTCP 0015977

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REDACTED

WORLD TRADE CENTER LLC
By The Port Authority of New York and New
Jersey, its sole member


By: _____
Name: Timothy Blaine
Its: Deputy Director of Development
Dated: July 9, 2007

REDACTED

ALLIANZ DIRECT SETTLEMENT v. 16

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ALLIANZ GLOBAL RISKS US INSURANCE
COMPANY

By: Brent A. Sorenson
Name: BRENT A. SORENSON
Its: SENIOR VICE PRESIDENT
Dated: July 6, 2007

ALLIANZ DIRECT SETTLEMENT -- 15

WTCP 0015981

Exhibit 3

OFFICE LEGAL COPY
ITEM# 1535-A

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SR INTERNATIONAL BUSINESS INSURANCE CO.
LTD.,

Plaintiff-Counterclaim Defendant,

v.

WORLD TRADE CENTER PROPERTIES LLC, et al.,
Defendants-Counterclaimants.

WORLD TRADE CENTER PROPERTIES LLC;
SILVERSTEIN PROPERTIES, INC.; SILVERSTEIN
WTC MGMT. CO. LLC; 1 WORLD TRADE CENTER
LLC; 2 WORLD TRADE CENTER LLC; 4 WORLD
TRADE CENTER LLC; and 5 WORLD TRADE
CENTER LLC,

Counterclaimants,

v.

ALLIANZ INSURANCE COMPANY; COPENHAGEN
REINSURANCE CO. (UK) LTD.; EMPLOYERS
INSURANCE OF WAUSAU; FEDERAL INSURANCE
COMPANY; GREAT LAKES REINSURANCE (UK)
PLC; GULF INSURANCE COMPANY; HOUSTON
CASUALTY COMPANY; INDUSTRIAL RISK
INSURERS; LEXINGTON INSURANCE CO.;
CERTAIN UNDERWRITERS AT LLOYD'S OF
LONDON; QBE INTERNATIONAL INSURANCE
LIMITED; ROYAL INDEMNITY COMPANY; TIG
INSURANCE CO.; TOKIO MARINE AND FIRE
INSURANCE CO.; TRAVELERS INDEMNITY
COMPANY; TWIN CITY FIRE INSURANCE CO.;
WÜRTTEMBERGISCHE VERSICHERUNG AG; and
ZURICH AMERICAN INSURANCE CO.,

Additional Counterclaim-
Defendants.

Civil Action No. 01 CV 9291 (MBM)

SUPPLEMENTAL AND SECOND
AMENDED ANSWER
AND COUNTERCLAIMS

**PART II — COUNTERCLAIMS
AGAINST ADDITIONAL
COUNTERCLAIM DEFENDANTS**

JURY TRIAL DEMANDED

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AMENDED ANSWER AND COUNTERCLAIMS**

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169. The Silverstein Parties are therefore entitled to prompt relief from this Court (in addition to the relief specified above in paragraph 166): (a) declaring that the events of September 11 constitute two occurrences under the coverage the Insurers agreed to provide; (b) to the extent not already paid, ordering the Insurers without condition or delay to pay their applicable shares of the Insureds' claim for Actual Cash Value; (c) ordering the Insurers to pay their applicable shares of the Insureds' Replacement Cost; (d) to the extent not already paid, ordering the Insurers to pay their applicable shares of the Insureds' Business Interruption/Rental Value claims made to date, as well as any claims made hereafter during the period of restoration and any extended period of indemnity; and (e) providing related declaratory relief resolving various disputes as to policy interpretation that have developed between the Insurers and the Insureds.

170. The combined total of the Replacement Cost and Business Interruption/Rental Value losses to be incurred attributable to each of the two occurrences here will equal or exceed the \$3.5468 billion policy limit applicable to each such occurrence.

THE ADDITIONAL COUNTERCLAIM-DEFENDANTS

171. Counterclaim-Defendant Allianz Insurance Company ("Allianz") is a California corporation with its principal place of business in Burbank, California.

172. Counterclaim-Defendant Copenhagen Reinsurance Co. (UK) Ltd. ("Copenhagen Re") is a private limited company based in London, England.

173. Counterclaim-Defendant Federal Insurance Company ("Federal Insurance") is an Indiana corporation with its principal place of business in Warren, New Jersey.

174. Counterclaim-Defendant Great Lakes Reinsurance (UK) PLC ("Great Lakes") is incorporated as a public company and is based in London, England.

ADDITIONAL COUNTERCLAIMS FOR RELIEF

A. ALLIANZ — THE “QUOTA SHARE” INSURER

221. Allianz participated in the Silverstein program both on its own behalf — in the third and sixth layers of the program — and as a “front” for SCOR, a French insurance company, with respect to a 10% “quota share” participation on all layers of the overall program. See Exs. A and B hereto. In direct communications with Willis, SCOR agreed to provide a 10% quota share participation in the coverage program, but advised that (due to certain restrictions) it could not participate as the primary insurer of record and required another insurer who could do so to act as its “front.” SCOR reinsured 100% of Allianz’s 10% quota share “front” participation.

222. On July 9, 2001, Allianz received an abbreviated version of the underwriting submission from Stewart Smith, the wholesale arm of Willis. It was the custom and practice of Stewart Smith not to include a draft policy form with such underwriting submissions. Consistent with this custom and practice, the submission sent to Allianz did not include the draft WilProp Form. The submission sent to Allianz likewise did not refer to the draft WilProp Form.

223. On July 12, 2001, Allianz submitted to Stewart Smith, a unit of Willis, a quotation for coverage in layers 3 and 6 of the program (the second and fifth excess layers above the primary layer). In layer 3, Allianz quoted a limit of \$9,750,000 “per occurrence,” but ultimately bound coverage in the amount of \$7,898,734 “per occurrence” (as part of a \$25 million layer excess of \$50 million). In layer 6, Allianz initially quoted a limit of \$110,000,000 “per occurrence,” but ultimately bound coverage in the amount of \$70,000,000 “per occurrence” (as part of a \$250 million layer excess of \$250 million).

224. Thereafter, Stewart Smith sent Allianz a July 18, 2001 e-mail confirming that Allianz was binding coverage in the amount of \$7,898,734 per occurrence in layer 3 and \$70,000,000 per occurrence in layer 6. The Stewart Smith e-mail expressly stated that the terms and conditions of the coverage would be "Follow form primary." Allianz accepted these terms on July 18, 2001, by providing Stewart Smith with an Allianz policy number to refer to the coverage that Allianz had agreed to bind. This July 18 e-mail exchange constituted Allianz's binder for the coverage. Neither the Allianz quotation sheet nor the Allianz binder defined "occurrence."

225. Stewart Smith advised Allianz in mid-July that the Travelers Form would be adopted as the basis for the coverage. Allianz voiced no objection to the use of the Travelers Form, and Allianz's binder explicitly set forth "Follow form primary," a reference to the Travelers Form.

226. In early August 2001, Stewart Smith again advised Allianz that the Travelers Form would be used on the program, and Allianz's underwriter memorialized this conversation by writing the words "Travelers — Form" next to the words "Follow form primary" on a paper printout of Allianz's binder.

227. In connection with providing coverage to the Silverstein Leaseholders, SCOR was originally approached by Willis with the WilProp Form as a potential starting point for form negotiations. On or about July 9, 2001, SCOR advised Willis's London office of its willingness to provide a 10% quota share of the coverage on the World Trade Center Properties. On July 12, 2001, SCOR offered in writing to provide a 10% quota share of \$2.33 billion per occurrence in excess of a \$1 million per occurrence deductible. On or about July 17, 2001, Willis London advised SCOR that the size of the program was increasing to over \$3.2 billion per

occurrence, and SCOR (for an increased premium) orally agreed to increase its 10% quota share to that larger amount. Subsequently, on or about July 20, 2001, one of SCOR's underwriters was advised by a representative of Willis's London office that the policy form would be the Travelers Form. On July 20, 2001, one SCOR underwriter expressly acknowledged having been so advised, e-mailing another SCOR underwriter that: "Policy form will be Travelers and we will soon have a copy." On July 23, 2001, Willis's London office e-mailed to SCOR a copy of the Travelers Form as well as a draft slip reflecting the increased size of the program.

228. On or about July 26, after being thus advised that the Travelers Form, not the WilProp Form, would be the form used for the program, after receiving a specimen of the Travelers Form, and after having had full opportunity to review it, SCOR executed a slip binding itself pursuant to the terms thereof to provide, through Allianz as a "front," a 10% quota share of coverage in the amount of \$3.26 billion "per occurrence" in excess of a \$1 million per occurrence deductible. The SCOR slip, which SCOR faxed to Willis on July 27, 2001, states that the applicable "FORM" was: "Slip Policy (NMA 1779) or Companies equivalent." "Slip Policy (NMA 1779)" refers to a Lloyd's form that contains no substantive terms of coverage or "occurrence" definition. "Companies equivalent" refers to a form used by insurers in the London market that parallels the NMA 1779 form and similarly contains no substantive terms of coverage or "occurrence" definition. The SCOR slip specifies that its coverage is "per occurrence" and does not purport to define, or require an expanded or special definition of, the term "occurrence."

229. On August 1, 2001, SCOR proceeded to execute an endorsement to its July 26 slip. This endorsement altered the name of the Insured — from "Silverstein Properties,

Inc." to "World Trade Center Properties LLC" — and provided that "[a]ll other terms and conditions remain unchanged." The endorsement did not define the term "occurrence."

230. On August 1, 2001, Stewart Smith sent Allianz an e-mail attaching SCOR's signed reinsurance agreement and asking Allianz to confirm that Allianz would "front" for SCOR. Allianz's underwriter later printed this e-mail out, wrote "fronting policy" on it and affixed a post-it note that read "Travelers form primary." Allianz understood that the "fronting policy" would be on the Travelers Form.

231. Thereafter, on August 3, 2001, Allianz issued a binder for a 10% quota share of all layers in the program, which at that time totaled \$3.26 billion "per occurrence." The binder did not define the term "occurrence." With respect to this 10% quota share binder, Allianz was acting, as noted, as a "front" for SCOR. On August 14, 2001, SCOR issued an endorsement amending its slip to provide that the sum insured was \$3.5468 billion "per occurrence" (of which SCOR's share remained 10%) and to change the "Period" covered by SCOR's July 26 slip from twelve months beginning on July 18, 2001, to twelve months beginning on July 19, 2001. This endorsement did not define the term "occurrence," and also provided that all other terms and conditions of its slip "remain unchanged." On August 31, 2001, SCOR signed an amended certificate of facultative reinsurance for the correct amount of 10% of \$3.5468 billion "per occurrence." The amended certificate was sent to Willis.

232. In August 2001, Allianz issued two excess policies (one with respect to the 10% quota share it fronted for SCOR and one with respect to Allianz's additional participations in layers 3 and 6 as described above). In a decision issued on January 29, 2003, and amended on February 25, 2003, this Court held that these Allianz excess policies govern the

terms of the Allianz coverage, including the portion fronting for SCOR. The Allianz excess policies contain the following definition of the term "Occurrence":

The word "occurrence" shall mean any one loss, disaster or casualty, or series of losses, disasters or casualties arising out of one event. When the word applies to loss or losses from the perils of tornado, cyclone, hurricane, windstorm, hail, flood, earthquake, volcanic eruption, riot, riot attending a strike, civil commotion and vandalism and malicious mischief one event shall be construed to be all losses arising during a continuous period of seventy-two (72) hours. When filing proof of loss, the Insured may elect the moment at which the seventy-two (72) hour period shall be deemed to have commenced, which shall not be earlier than when the first loss to the covered property or interests occurs. (emphasis supplied).

233. The losses suffered by the Insureds on September 11 arise out of two "events," not one. Each airplane impact, causing a separate fire and building collapse, constituted a separate "event." Furthermore, the events of September 11 do not constitute "vandalism" or "malicious mischief" within the meaning of the Allianz "occurrence" definition, and the provision in the definition aggregating all losses from the perils of "vandalism and malicious mischief . . . arising during a continuous period of seventy-two (72) hours" into a single "occurrence" does not apply. Accordingly, under the coverage that Allianz agreed to provide, the events of September 11 constitute two occurrences.

234. The Allianz excess policies contain no time limit on Business Interruption/Rental Value payments. The July SCOR 26 slip provides for an extended period of indemnity of up to two years.

235. On behalf of all Insureds, Willis made full payment to Allianz of all premiums due for the agreed-upon coverage, and Allianz accepted payment of those premiums. All conditions precedent to Allianz's obligations to perform have been satisfied.

SEVENTH COUNTERCLAIM – AGAINST ALLIANZ

Claim for partial judgment for single policy limit

236. The Silverstein Parties repeat and reallege the allegations of paragraphs 159 through 235 as if fully set forth herein.

237. There is no question that the dollar amounts of the losses sustained by the Silverstein Leaseholders with respect to the World Trade Center Properties exceed the \$3.5468 billion policy limit on a "per occurrence" basis. There is no basis for any good faith dispute that the losses exceed \$3.5468 billion. Therefore, putting aside the issue whether the events of September 11 constitute two occurrences under the coverage Allianz agreed to provide, Allianz is liable under that coverage, at a minimum, to pay out a single policy limit or \$432,578,735 (less any amounts previously advanced).

238. By virtue of the foregoing, the Silverstein Parties are entitled to partial judgment against Allianz in the amount of \$432,578,735 (less any amounts previously advanced by Allianz against the proofs of losses), plus pre-judgment interest as provided by law, and costs, without prejudice to the rights of any party as to any other issue.

EIGHTH COUNTERCLAIM – AGAINST ALLIANZ

Claim for declaratory relief on the number of occurrences

239. The Silverstein Parties repeat and reallege the allegations of paragraphs 159 through 235 as if fully set forth herein.

240. An actual case or controversy exists between the Silverstein Parties and Allianz regarding whether the September 11 World Trade Center attacks constitute one occurrence or two occurrences under the coverage that Allianz agreed to provide to the Silverstein Parties. The Silverstein Parties contend that the events of September 11 constitute two occurrences; Allianz contends that the events constitute but one occurrence.

241. Under the coverage that Allianz agreed to provide, the events of September 11 constitute two occurrences.

242. The Insureds are entitled to a declaration that the events of September 11 constitute two occurrences under the coverage that Allianz agreed to provide to the Silverstein Parties.

NINTH COUNTERCLAIM -- AGAINST ALLIANZ

Claim for partial judgment for Actual Cash Value and for Business/Interruption Rental Value through trial

243. The Silverstein Parties repeat and reallege the allegations of paragraphs 159 through 235 as if fully set forth herein.

244. The Insureds have submitted proofs of losses and damage reports to each of the Insurers, which document that the Actual Cash Value of the World Trade Center Properties and retail mall destroyed on September 11, 2001, is \$5.634 billion. The Insureds have also submitted proofs of losses for Business Interruption/Rental Value losses sustained totaling \$671,212,177 to date, and intend to continue periodically to submit proofs of losses for rental losses that will continue to be sustained during the years that will be required to rebuild the World Trade Center complex and for the extended periods of indemnity.

245. Allianz has refused to pay its full applicable share of these amounts.

246. Under the coverage that Allianz agreed to provide, the events of September 11 constitute two occurrences.

247. By virtue of the foregoing, the Silverstein Parties are entitled to partial judgment in an amount equal to Allianz's applicable share, for each occurrence on a two-occurrence basis, of (i) the Insureds' Actual Cash Value claim, and (ii) the total lost Business Interruption/Rental Value claimed by the Insureds through trial, less any amounts previously

advanced, plus pre-judgment interest on all of the foregoing as provided by law, and costs, all in an amount to be established at trial.

B. INSURERS WHOSE COVERAGE WAS PLACED THROUGH THE LONDON MARKETS

248. Brokers employed by Willis's London office placed coverage on behalf of the Silverstein Parties with a number of Insurers operating in the London insurance market. As a matter of industry custom, insurers providing coverage through the London insurance market — certain of which are physically located in Continental Europe but nevertheless transact business with London brokers — initially bind their obligation to provide coverage by subscribing a placing "slip." Once a slip is signed (or "scratched") and coverage is bound, the slip serves as the insurance contract between the insurer and the insured until a final policy form is issued.

249. A slip typically is prepared by a broker acting on behalf of an insured, and specifies the proposed terms and conditions of coverage. The draft slip is then presented by the broker to an underwriter, who can determine whether and on what terms he or she wishes to underwrite the risk. It is the underwriter's job to propose and physically mark on the slip any changes to the contemplated coverage that he or she requires, including, for example, specifying any particular clauses, conditions, or policy forms that must apply to that insurer's coverage. Once the underwriter and the broker have reached agreement on proposed terms and conditions of coverage — and the underwriter has hand-marked on the slip or attached to the slip any changes to the terms as initially proposed — the underwriter will commit to provide coverage by subscribing the slip, *i.e.*, by affixing and then initialing a stamp that specifies the insuring entity and the amount of the coverage.

250. Often in the London insurance market, consecutive Lloyd's syndicates and other London market insurers will review, amend, and subscribe the same placing slip for