

Release

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Contact:

Mike Schroeder

440-617-0333

MSchroeder@RoundstoneInsurance.com

www.RoundstoneInsurance.com.



ROUNDSTONE

Roundstone Insurance, Ltd., through a US subsidiary, Completes Acquisition of Stoneville Insurance Company of Arkansas.

Westlake, Ohio, January 3, 2007

Roundstone Insurance, Ltd., the Bermuda based alternative risk insurance organization, announced today that its wholly owned US subsidiary completed the acquisition of

Stoneville Insurance Company of Arkansas (NAIC # 10146). Stoneville Insurance Company of Arkansas is an Arkansas domiciled speciality lines commercial insurer that has been in run-off since 2001. As part of the acquisition, Stoneville Insurance Company of Arkansas has been renamed Roundstone Insurance Company.

Michael A. Schroeder, President of Roundstone Insurance, Ltd., commented: “This acquisition represents a significant step in the strategic development of Roundstone. The acquisition of a surplus lines company will provide Roundstone and its business partners additional operating flexibility and complements our Bermuda and South Carolina segregated account reinsurance facilities. We intend to use this acquisition to further expand our specialty program and captive business.”

ADDITIONAL INFORMATION

Roundstone is an insurance organization focused on the development, underwriting and servicing of alternative risk products, including specialty insurance programs, captives and rent-a-captives. Additional information and other items of interest regarding Roundstone are available at the companies' web site located at www.RoundstoneInsurance.com.