



To: All Brokers and Shipowners

Date: Monday, July 31, 2000

From: Neil Clemens, President

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Capital Repurchase

I am pleased to announce that SIGCo has recently completed the repurchase of \$10 million of its original capital of \$25 million. That this repurchase has been completed 18 months ahead of the planned date for the first stage of capital repurchase is indicative of the success that the Company has had in developing and maintaining its current position as market leader in the provision of COFR guaranties.

As a further demonstration of support for the future of the Company, all of the shareholders have shown enthusiasm to remain committed as capital providers until the next scheduled repurchase date, which is December 2006. Originally, some shareholders were to relinquish their involvement by redeeming their shares after completion of five years of operation (ie December 2001).

The current repurchase represents a significant step in the planned process of developing the Company into a shipowner controlled and managed facility, underpinning SIGCo's ultimate objective of being a long-term, stable provider of COFR guaranties and related services. The SIGCo Trustee Board have confirmed their wholehearted support for the early redemption of the shares and the continuing plans for the ultimate transfer of ownership and control of the Company to the Trustee Board.