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Corporate
News
Release

FOR IMMEDIATE RELEASE

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ACE AGREES TO ACQUIRE PERSONAL LINES BUSINESS OF THE ATLANTIC COMPANIES

NEW YORK – December 20, 2007 – The ACE Group of Companies announced today that it has signed a definitive agreement to acquire the high-net-worth personal lines business of the Atlantic Companies. The transaction, subject to regulatory approvals and closing conditions, is expected to close within 30 days.

The acquisition includes substantially all of the assets of the personal lines business of the Atlantic Companies, including certain systems, distribution arrangements and renewal rights. In connection with the transaction, the majority of the Atlantic Companies' personal lines employees become employees of ACE. The Atlantic Companies, also known as Atlantic Mutual, are headquartered in New York City and widely recognized for their Atlantic Master Plan (AMP) policy, which is offered through independent agents across the country. The AMP policy includes coverage options for homeowners, automobile, umbrella liability and personal property insurance for affluent individuals and families.

“Atlantic’s personal lines business is an excellent complement to our existing personal lines capabilities, which include recreational marine and fine art,” said Brian Dowd, ACE’s Chief Executive Officer for Insurance-North America. “We’re excited by the opportunity to bring



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these capabilities together with our financial strength and capacity to offer a leading personal lines set of products to the high-net-worth market.

“Atlantic has an outstanding claims reputation and a solid technology platform to support this business. Best of all, their people have deep experience and a passion for serving affluent customers, and they are recognized across the industry for their customer service. For example, recent regulatory data revealed auto policyholders in New York, New Jersey and Connecticut, three of the company’s largest markets, registered zero customer complaints – a remarkable customer satisfaction record. We have ambitious plans to expand and grow our personal lines business both domestically and overseas, utilizing the global ACE network to serve customers with assets around the world.”

The ACE Group of Companies is a global leader in insurance and reinsurance serving a diverse group of clients. Headed by ACE Limited (NYSE: ACE), a component of the Standard & Poor’s 500 stock index, the ACE Group of Companies conducts its business on a worldwide basis with operating subsidiaries in more than 50 countries. Additional information can be found at www.ancelimited.com.

Additional information about The Atlantic Companies and the Atlantic Master Plan can be found at www.atlanticmasterplan.com.

Cautionary Statement Regarding Forward-Looking Statements:

All forward-looking statements made in this press release, related to the anticipated acquisition described above or otherwise, reflect ACE’s current views with respect to future events, business transactions and business performance and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements involve risks and uncertainties, which may cause actual results to differ materially from those set forth in these statements. For example, ACE’s



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forward-looking statements related to the anticipated acquisition and the business expected to be acquired could prove incorrect if the transaction were to not close or if the acquired business were to perform differently than currently expected by ACE. More generally, the businesses of ACE and the acquired business could be affected by competition, pricing and policy term trends, the levels of new and renewal business achieved, market acceptance, changes in demand, the frequency and severity of catastrophic events, actual loss experience, uncertainties in the loss reserving and claims settlement process, new theories of liability, judicial, legislative, regulatory and other governmental developments, litigation tactics and developments, investigation developments, the amount and timing of reinsurance recoverables, credit developments among reinsurers, changes in the cost or availability of reinsurance, market developments, rating agency action, possible terrorism or the outbreak and effects of war and economic, political, regulatory, insurance and reinsurance business conditions, as well as management's response to these factors, and other factors identified in ACE's filings with the Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the dates on which they are made. ACE undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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