

HCC Insurance Holdings, Inc.
Enterprise Risk Oversight Committee Charter

PURPOSE

The Committee shall be the primary Committee to assist the board with oversight of management's responsibility to identify, assess, prioritize and manage all material risks to the corporation's business objectives.

MEMBERSHIP

The full board shall designate members of the committee and shall name a chairman of the committee. The committee shall consist of a minimum of three independent directors, with at least one director having experience in risk management, and an additional member who shall be a member of management and participate on an ex-officio non-voting basis.

AUTHORITIES AND RESPONSIBILITIES

- Review the identification and assessments of all material risks to the corporation's business objectives.
- Review management's plans to mitigate, control, hedge or otherwise manage all such risks.
- Review management's assessment of enterprise risk capacity and appetite, including the assessment of key risk correlations and systemic risks.
- Review guidelines and policies that govern the process for identifying, assessing, prioritizing and managing material risks.
- Review reports that monitor such risks and the effect of management's procedures, actions and controls, including in-depth reports on critical priority risks as management deems appropriate from time to time.
- Review management's crisis plans to deal proactively with extraordinary risks, including disaster business recovery plans.
- Coordinate with the Audit and the Investment and Finance Committees to ensure completeness of the Board's risk oversight responsibilities, but also to avoid redundancy across committees, where possible.
- Report to the full board periodically, and as needed, to ensure full board oversight.

MEETINGS

The committee will meet at least three times annually or more frequently as needed. The business of the committee may be transacted if a quorum of the committee's members is present. A quorum shall consist of at least one-third of the committee's membership, but no fewer than two members.

ANNUAL EVALUATION

The committee will evaluate its performance on an annual basis by comparing its performance to the requirements of this charter.