

TERMS OF APPOINTMENT FOR NON-EXECUTIVE DIRECTOR

Argo Group Limited
33 Athol Street
Douglas
Isle of Man
IM1 1LB

David Fisher
Innova Capital
Rondo ONZ 1, 35th Floor
Warsaw 00-124, Poland

Z-Invest AG
Morning Star
Main Street
Charlestown, Nevis
West Indies

Date: 11 November 2008

Dear David

I write to confirm the terms of your appointment as a non-executive director of Argo Group Limited (the "Company"). We understand that your services will be provided to the Company by Bentley Advisors, a division of Z-Invest AG.

1 Terms of appointment

- 1.1 Subject to and conditional upon the entire issued share capital of the Company being admitted to trading on AIM (a market operated by the London Stock Exchange) on or before 30 September 2009 ("Admission") your appointment on the terms of this letter will commence on the date of Admission (the "Commencement Date").
- 1.2 Your appointment will continue, subject to the terms set out in this letter, for an initial period of 12 months from the Commencement Date and then until terminated by either the Company or you giving to the other not less than three months' prior written notice of such termination.
- 1.3 Your appointment is subject to:
 - 1.3.1 the provisions of the Articles; and
 - 1.3.2 any provisions of the Companies Acts relating to the removal of directors.

- 1.4 You shall, unless prevented by sickness or ill-health, properly perform such duties as are appropriate to your role as a non-executive director including, without limitation, preparing for and attending (in person or by teleconference) board meetings of the Company. The Company shall notify you of the dates of all meetings which you may be asked to attend. It is envisaged that you will be required to spend 1 day per month on your non-executive duties for the Company, which shall include attendance at board meetings and remuneration committee meetings.
- 1.5 You may also be required to serve on one of the Company's Remuneration Committee and Audit Committee.
- 1.6 You will comply with all lawful reasonable directions and regulations of the Company including, without limitation, regulations with respect of confidentiality, dealings in shares and notifications required to be made by a director to the Company or any relevant regulatory body, whether under the Companies Acts, the Articles or otherwise.
- 1.7 You shall act in good faith and in the interests of the Company and exercise all reasonable skill and care in the performance of your duties. By signing the duplicate copy of this letter you confirm that you are aware of your fiduciary duties as a director including the obligation to avoid a conflict between your personal interests and those of the Company.
- 1.8 You will not be required to render services in the United States or United Kingdom.

2 **Remuneration**

- 2.1 In consideration of the services to be rendered by you to the Company, the Company shall pay you an annual fee of £25,000 payable monthly in arrears, subject to such deductions as the Company is obliged by law to make, if any.
- 2.2 Your appointment as a non-executive director does not constitute an employment relationship between you and the Company. You will therefore not be entitled to participate in any Company pension scheme or any of its employee benefit or share option schemes.

3 **Freedom to take up duties with the Company**

- 3.1 You undertake that by entering into or performing any of your duties for the Company, you will not be in breach of any other obligation binding on you.

4 **Expenses**

- 4.1 Subject to the Articles and any expenses policy operated by the Company from time to time, the Company will reimburse you for any reasonable travelling and other expenses you

incur in performing your duties provided that the Company may require any such expenses to be duly vouched by written evidence where possible.

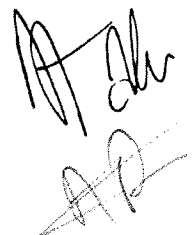
5 Outside interests

- 5.1 You will understand the obligation of a director not to put himself in a position where his/her own interests are in conflict with those of the Company. Accordingly, during your appointment, unless you have the prior written consent of the Board, you must not be directly or indirectly engaged, concerned or interested in any capacity, whether on your own or another person's behalf, in any business which is directly in competition with the business carried on by the Company or any other company in the Group (except as a holder of, or person beneficially interested in, nor more than 3% of the issued shares or securities of any companies which are listed or dealt in on any recognised stock exchange).
- 5.2 If you are or become a member of the Company's Remuneration Committee you must not hold any cross-directorships which do or could give rise to a potential conflict of interest except with the prior written consent of the Board.
- 5.3 You shall inform the Board of any circumstances which exist or arise which might be thought to jeopardise your independence from the management of the Company or which might interfere with the exercise of your independent judgement.
- 5.4 During the term of your appointment as a director you will, and will procure that your spouse and minor children will comply with all applicable rules of law, any recognised investment exchange regulations (including the London Stock Exchange AIM Rules for Companies and any revisions, or amendments of the same), any Company or Group policy or code issued in relation to dealings in shares, debentures or other securities of the Company and any Group Company, or any unpublished price sensitive information affecting the securities of any other company applicable either to you or to employees or officers of the Company generally.

6 Confidential information

- 6.1 During your term of office you will have access to and become aware of information which is confidential to the Company. You agree that you will not directly or indirectly, save in the proper performance of your duties, make use of or disclose to any person, (including for the avoidance of doubt any competitors of the Company), any of the trade secrets or other confidential information of or relating to the Company and/or its business, or any client of the Company which you may have received or obtained in confidence while in the service of the Company. You will likewise use your utmost endeavours to prevent the unauthorised publication or disclosure of any such trade secrets or confidential information.

- 6.2 This restriction shall continue to apply for a period of five years after you cease to be a director of the Company but shall not apply to information ordered to be disclosed by a court of competent jurisdiction or otherwise required to be disclosed by law, or to information which becomes available to the public generally (other than by reason of your breaching this clause) without requiring a significant expenditure of labour skill or money.
- 6.3 For the purposes of this Agreement confidential information shall include, but shall not be limited to:
- 6.3.1 the Company's corporate and marketing strategy and plans, business development plans and research results;
 - 6.3.2 budgets, management accounts, and other confidential financial data of the Company;
 - 6.3.3 business methods and processes, compliance and procedural manuals, information relating to the running of the Company's which is not in the public domain, including details of salaries, bonuses, commissions and other employment terms applicable within the Company;
 - 6.3.4 the names and addresses of the Company's clients, including client lists and contact details at those clients;
 - 6.3.5 the terms on which the Company does business with its clients and suppliers; and
 - 6.3.6 information which the Company is bound by an obligation of confidence owed to a third party (including its clients).
- 6.4 In this clause 6, any reference to "Company" includes any "Group Company" as defined in clause 9.
- 6.5 You must not initiate any statements on behalf of the Company and/or any Group Company or otherwise concerning the Company or any Group Company to the press, media, venture capitalists, brokers, banks, financial analysts and/or anyone associated with the stock market or the investor community without the prior approval of an executive director of the Company.
- 7 Delivery up of the Company's property**
- 7.1 You may not save in the proper performance of your duties as a director or with the Company's permission, remove any property belonging to the Company or any Group

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Company, or relating to the affairs of the Company or any Group Company, from the Company's or any Group Company's premises, or make any copies of documents or records relating to the Company's or any Group Company's affairs.

7.2 Upon the Company's request at any time, and in the event on the termination of your appointment as a director, you will immediately deliver up to the Company or its authorised representative, all plans, keys, security passes, credit cards, equipment, documents, records, papers, computer disks, tapes or other computer hardware or software (together with all copies of the same), and all property of whatever nature in your possession or control which belongs to the company or any Group Company or relates to its or their business affairs.

7.3 If you have any information relating to the Company or the Group or work you have carried out for the company or any Group Company which is stored on a computer or laptop computer which computer or lap top does not belong to the Company, this must be disclosed to the Company and the Company shall be entitled to down load the information and/or supervise its deletion from the computer or laptop concerned.

8 **Termination of appointment**

8.1 Your appointment will terminate forthwith without any entitlement to unaccrued compensation if, at any time, you:-

8.1.1 are not reappointed as a director upon retirement by rotation pursuant to any relevant provision in the Articles;

8.1.2 are removed as a director by a resolution passed at a general meeting of the Company;

8.1.3 cease to be a director by reason of you vacating office pursuant to any provision of the Articles or pursuant to law;

8.1.4 resign or do not offer yourself for re-election at a general meeting of the Company (and whether requested so to do by the Board or not);

8.1.5 you commit any material breach of the terms of this letter or your general obligations at law as a director and fail to remedy the same within 30 days of being required by the Company to do so or repeat or continue any breach of any of such terms after receiving written notice identifying such breach and, in either case, the Board resolves that your appointment be terminated; or

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8.1.6 you are guilty of serious misconduct tending to bring yourself or the Company into disrepute.

8.2 Upon the termination of your appointment as a director for whatever reason, you shall forthwith resign from all offices held by you in the Company or in any Group Company and in the event of your failure to do so, the Company Secretary is hereby irrevocably authorised to appoint some person in your name and on your behalf to do all such things and execute all such documents as may be necessary to bring about such resignations. A written notification signed by a director of the company that any instrument, document or act falls within the authority conferred by this clause will be conclusive evidence that it does so.

9 **Other Matters.**

9.1 The Company will indemnify you on an on-going basis on the terms and conditions provided for in the current articles of association (and such terms shall apply notwithstanding any future changes that may be made to the articles of association) and subject always to any limitations imposed by applicable statute. The Company will also provide you with customary D&O insurance in keeping with the terms of the Dual Corporate Risks policy provided to you regarding this engagement.

10 **Definitions**

10.1 Any reference in this Agreement to:

10.1.1 any Act or delegated legislation includes any statutory modification or re-enactment of it or the provision referred to;

10.1.2 "the Articles" means the Articles of Association of the Company from time to time;

10.1.3 "the Board" shall mean the Board of Directors of the company from time to time or any person or any committee of the Board duly appointed by it;

10.1.4 "the Companies Acts" means every English statute from time to time in force concerning companies insofar as it applies to the Company and/or any Group Company;

10.1.5 "a Group Company" means a company which from time to time is a subsidiary or a holding company of the Company or a subsidiary of such holding company and "subsidiary" and "holding company" have the meanings attributed to them by section 1159 of the Companies Act 2006.

11 **Professional Advice**

11.1 Occasions may arise where you consider that you need professional advice in connection with the performance of your duties as a director and you will therefore be permitted to such a reasonable level of legal advice at the Company's expense and in accordance with the Company's terms of reference on this issue.

12 **Jurisdiction/ language of the contract**

12.1 This Agreement is governed by and construed in accordance with the laws of England and the parties submit to the non-exclusive jurisdiction of the English courts.

Please acknowledge receipt and acceptance of these terms by signing and returning the enclosed copy of this letter.

Yours sincerely

For and on behalf of Argo Group Limited



Accepted and agreed,


Signed as a Deed by **DAVID FISHER**
in the presence of:

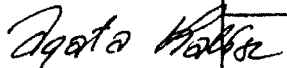
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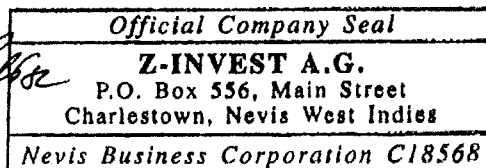
Witness name
.....ALEKSANDRA.....BIELIŃSKA

Witness occupation
.....ASSISTANT.....

Witness address
.....RONDÓ ON 21.....
.....00-124 WARSZAWA.....
.....POLAND.....

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For and on behalf of Z-Invest AG