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Corporate News Release

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Sovereign Announces Establishment of Dubai Office

HAMILTON, Bermuda - May 14, 2008: Sovereign Risk Insurance Ltd. (“Sovereign”), announced today that it has received approval in principle from the Dubai Financial Services Authority (DFSA) to establish a wholly-owned subsidiary in Dubai. Sovereign Risk Insurance (Dubai) Ltd. will be based in the Dubai International Financial Center (DIFC). Nila Davda, Vice President and Senior Underwriting Officer will head Sovereign Risk Insurance (Dubai) Ltd. and will relocate from Bermuda to Dubai.

Price Lowenstein, President and Chief Executive Officer of Sovereign, commented: “This is an important strategic initiative for us and we have chosen Dubai as the location for our first overseas office. We see tremendous potential to expand our business in the region, and believe that Nila, with her background and experience, is the right person to spearhead this initiative. We look forward to working with both new and existing clients in the region.”

John Keogh, Chief Executive Officer of ACE Overseas General added: “ACE is delighted that Sovereign will be opening an office in Dubai. This fits in very well with our strategic initiatives in this region and adds another key product to our capabilities, helping us meet the needs of our clients, both regionally and globally.”

Sovereign is one of the world’s leading providers of political risk insurance and reinsurance. Sovereign's portfolio exceeds \$13 billion of exposure spread over 100 emerging markets. Sovereign's clients include financial institutions, national export credit agencies, leading multilateral agencies and multinational corporations. Sovereign is owned by ACE Bermuda Insurance Ltd., a wholly-owned subsidiary of ACE Limited (NYSE: ACE). Sovereign is also a member of the Berne Union (the International Union of Credit and Investment Insurers).

Additional information is available on Sovereign's website: www.sovereignbermuda.com.