PLAINTIFF'S EXHIBIT 402

CAPCO

MEMORANDUM

August 11, 2000

To: George Cubbon

From: Howard Smith

Re: Investment in Capco Preferred shares

This memo serves as authorization for AIRCO to execute the purchase of 8,500 Series A Preferred Shares of Capco Reinsurance Company Ltd. for the aggregate purchase price of $170,000,000 USD. I understand the transaction is to take place at or near August 25th, 2000.

cc: M. Murphy
J. Umansky

PLAINTIFF'S EXHIBIT 6 5-14-07