

Division	As of December 31,			Change For the Years Ended December 31,		
	2004	2003	2002	2004	2003	2002
Reinsurance Balances Receivable						
Americas	\$ 186.8	\$ 194.4	\$ 178.6	\$ (7.6)	\$ 15.8	\$ 19.5
EuroAsia	79.6	52.4	40.3	27.2	12.1	11.6
London Market	36.8	45.6	42.2	(8.8)	3.4	15.2
Total	\$ 303.2	\$ 292.4	\$ 261.1	\$ 10.8	\$ 31.3	\$ 46.3
Unearned Premium Reserve						
Americas	\$ 162.7	\$ 167.6	\$ 115.8	\$ (4.8)	\$ 51.7	\$ 11.9
EuroAsia	97.3	55.7	40.3	41.6	15.4	11.6
London Market	13.6	18.9	12.9	(5.4)	6.0	11.5
Total	\$ 273.6	\$ 242.2	\$ 169.0	\$ 31.4	\$ 73.1	\$ 35.0

Premium estimates, the corresponding acquisition costs and unearned premium reserves are established on a contract level for any significant accounts due but not rendered by the ceding company at the end of each accounting period. The estimated ultimate premium for the contract, actual accounts rendered by the ceding company, and our own experience on the contract are considered in establishing the estimate at the end of each accounting period. Subsequent adjustments, based on actual results, are recorded in the period in which they become known. The estimated accounts receivable balances are considered fully collectable. The estimates primarily represent the most current two underwriting years of accounts for which all corresponding reported accounts have been settled within contract terms. These estimates are considered “critical accounting estimates” because changes in these estimates can materially affect net income.

Expenses

Our reserves for unpaid losses and loss adjustment expenses reflect estimates, which are considered “critical accounting estimates,” of ultimate claim liability. We perform quarterly reviews of the adequacy of these estimates of ultimate claim liability taking into consideration current and historical claim information, industry information, pricing and loss trends and relevant qualitative information. The effect of such quarterly reviews impacts incurred losses for the current period. Our methodology for evaluating reserve adequacy involves processes that may involve assessment of individual contracts, groups of like contracts, classes of business and business units. The complexities of our operations require analysis on both quantitative and qualitative bases. In addition, the allocation of changes in reserve estimates between underwriting year and accident year require allocations, both qualitative and quantitative. All of these processes, methods and practices appropriately balance actuarial science, business experience, and management judgment in a manner intended to assure the accuracy and consistency of our reserving practice.

Estimates of reserves for unpaid losses and loss adjustment expenses are contingent on many events occurring in the future. The eventual outcome of these events may be different from the assumptions underlying our reserve estimates. In the event the business environment and loss trends diverge from selected trends, we may have to adjust our reserves accordingly. Management believes that the recorded estimate represents the best estimate of unpaid losses and loss adjustment expenses based on the information available as of December 31, 2004. The estimate is reviewed on a quarterly basis and the ultimate liability may be more or less than the amounts provided, for which any adjustments will be reflected in the periods in which they become known.

Included in the estimate of ultimate losses and loss expense liabilities is our exposure to asbestos and environmental claims, which are considered to have a long reporting tail. Our reserve for gross unpaid losses and loss expenses for asbestos claims as of December 31, 2004 was \$242.2 million. Our provision for gross unpaid losses and loss adjustment expenses for environmental claims as of December 31, 2004 was \$29.9 million. Net of reinsurance and indemnifications, unpaid losses and loss adjustment