

NGH

INA Corporation
1600 Arch Street
Philadelphia, Pa. 19101
215-241-5051

Ralph S. Saul
Chairman

May 1, 1978

Mr. James F. Brinkerhoff
Vice President and
Chief Financial Officer
The University of Michigan
Ann Arbor, Michigan 48109

Dear Mr. Brinkerhoff:

Thank you for your thoughtful letter of April 19, 1978.

INA Corporation's business involvement in the Republic of South Africa is through the operation of an insurance subsidiary known as I.N.A. Insurance Company Limited. The company was organized in 1973 to conform to the South African Government's economic policy and statutes which required insurance operations in that country after 1974 to be conducted through South African incorporated companies.

The Corporation's insurance operations were first begun in South Africa in 1951, and through 1973 they were conducted through Insurance Company of North America which ceased to operate in South Africa when its existing business was transferred to the new company.

The home office of INA South Africa is located in Johannesburg, with small service offices at Durban and Capetown. The company employs 42 persons, 7 of whom are non-white. The non-whites are classified as follows:

- 1 African underwriter
- 1 African claim and loss clerk
- 1 African file clerk (future underwriter trainee)
- 2 African messengers and file clerks
- 1 Indian receptionist-typist
- 1 Coloured junior clerk (underwriter trainee)

Early in 1978 INA Corporation was requested to endorse the Statement of Principles of the Rev. Leon Sullivan, Zion Baptist Church. These six principles are: non-segregation of races

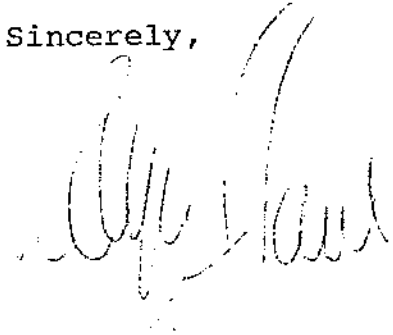
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in all eating, comfort and work facilities; equal and fair employment practices; equal pay for comparable work; training programs to prepare Blacks and other non-whites for supervisory, administrative, clerical and technical jobs in substantial numbers; more Blacks and other non-whites in management and supervisory positions; and improvements in employees' lives outside the work environment.

Accordingly, I requested the managing director of INA South Africa to come to Philadelphia so that the Corporation's senior management could review with him directly the personnel policies and practices of INA South Africa. As a result of those meetings, I was satisfied that those operations were being conducted in substantial conformance with Dr. Sullivan's Principles. Thereafter, on February 1, 1978, I advised Dr. Sullivan that we strongly supported his Principles and requested that the Corporation's name be added to the list of names of endorsing U. S. firms.

While INA Corporation's investment in the Republic of South Africa is small, we believe that adherence to the Sullivan Principles is the most effective action we can take, under the circumstances, toward improving the status of non-whites there.

Sincerely,

A handwritten signature in dark ink, appearing to read "J. F. Brinkerhoff", written in a cursive style.

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