



UNITED NATIONAL GROUP, LTD. FILES REGISTRATION STATEMENT FOR INITIAL PUBLIC OFFERING

George Town, Grand Cayman, Cayman Islands, September 17, 2003 -- United National Group, Ltd. today announced that it has filed a registration statement on Form S-1 for an initial public offering of its class A common shares. United National Group intends to apply to have its class A common shares approved for quotation on the Nasdaq National Market under the symbol "UNGL."

United National Group plans to use the net proceeds from the offering to redeem all of its outstanding preferred stock and to use any remaining proceeds for general corporate purposes including capitalization of its non-U.S. operations.

Merrill Lynch & Co. is acting as sole book-running manager for the potential transaction. Banc of America Securities LLC and Dowling & Partners Securities, LLC are acting as co-managers.

A registration statement relating to these securities has been filed with the Securities and Exchange Commission but has not yet become effective. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any jurisdiction. Following effectiveness of the registration statement, copies of the prospectus relating to this offering may be obtained from Merrill Lynch & Co., 4 World Financial Center, New York, NY 10080.

About United National Group:

United National Group, Ltd. is a holding company formed under the laws of the Cayman Islands that, through its wholly-owned operating subsidiaries, is a specialty property and casualty insurer with a 43-year operating history in the specialty insurance markets. Its U.S. insurance subsidiaries are either licensed or authorized to write surplus lines or specialty admitted business in all states. Its non-U.S. operations consist of a recently formed Barbados-based insurance company.

Safe Harbor Statement:

Certain statements contained in this press release are forward-looking in nature. These statements can be identified by the use of forward-looking terminology such as "believe," "expect," "may," "will," "should," "project," "plan," "seek," "intend," or "anticipate" or the negative thereof or comparable terminology, or by discussions of strategy. United National Group's business and operations are subject to a variety of risks, and uncertainties and other factors. Consequently, actual results may materially differ from those contained in any forward-looking statements. Such risks, uncertainties and other factors that could cause actual results to differ from those projected include, but are not limited to, the following: (1) ineffectiveness of United National Group's business strategy due to changes in current or future market conditions, (2) the effects of competitors' pricing policies, and of changes in laws and regulations on competition, including industry consolidation and development of competing financial products, (3) greater frequency or severity of claims and loss activity than United National Group's underwriting, reserving or investment practices have anticipated, (4) decreased level of demand for United National Group's insurance products or increased competition due to an increase in capacity of property and casualty insurers. United National Group makes no commitment to revise or update any forward-looking statements in order to reflect events or circumstances occurring or existing after the date any forward-looking statement is made.

Contact:

Richard March

Senior Vice President and General Counsel, United National Insurance Company

Phone: 610-660-6816

###