

**Charter of Executive Committee
of the Board of Directors of
Tower Group, Inc.**

A. Purpose

The role of the Executive Committee (the "Committee") of Tower Group, Inc. (the "Company") shall be to: (i) assist the Board of Directors (the "Board") in fulfilling its responsibilities with respect to providing guidance on the Company's overall strategy, business development and corporate oversight; and (ii) exercise the power and authority of the Board between Board meetings.

B. Functions

In furtherance of these purposes, the Committee shall have the following functions. The tasks and processes are set forth as a guide, and not as minimum requirements, with the understanding that the Committee may supplement them as appropriate, or may choose to fulfill its responsibilities in other ways which it deems advisable in its business judgment.

1. To exercise the power and authority of the Board between Board meetings, except that the Executive Committee may not authorize the following acts:
 - a. the issuance of equity securities of the Company;
 - b. adoption, amendment or repeal of the By-laws of the Company;
 - c. the merger of the Company;
 - d. the sale of all or substantially all of the assets of the Company;
 - e. the liquidation or dissolution of the Company;
 - f. any transaction which, in the aggregate, exceeds [\$20 million];
 - g. any action that, pursuant to resolution of the Board, applicable law or the rule of any securities exchange or automated inter-dealer quotation system on which any of the Company's securities are traded, is reserved to any other committee of the Board;
 - h. any action or matter expressly required by any provision of the By-laws or Certificate of Incorporation of the Company or the laws of the state of Delaware to be submitted to stockholders for approval; or
 - i. any action that is in contravention of specific directions given by the full Board.

2. To appoint special committees to work with management with regard to possible transactions involving mergers, acquisitions or dispositions, as requested by management.
3. To consider and make a recommendation to the Board with respect to any transaction involving the issuance of equity or equity-like securities.
4. To recommend positions for the Company on significant, relevant public policy issues.
5. To maintain minutes of Committee meetings and report regularly to the full Board with respect to all of the foregoing.
6. To review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

C. Composition

The Committee shall consist of at least [two] directors. Committee members shall be appointed by the Board, upon the recommendation of the Corporate Governance & Nominating Committee. The Committee shall include a Committee Chairperson. If a Chairperson is not designated or present, the members of the Committee may designate a Chairperson by majority vote.

D. Meetings

The Committee shall meet as frequently as circumstances dictate, and it is expected that Committee members shall be present at all Committee meetings. The Committee Chairperson may call a Committee meeting upon due notice of each other Committee member at least forty-eight (48) hours prior to the meeting. Attendance by a Committee member at any meeting called on less than 48 hours' notice shall be deemed a waiver of notice unless such attendance is for the sole purpose of contesting the validity of such meeting. Members of senior management or others may attend meetings of the Committee at the invitation of the Chairperson of the Committee and shall provide pertinent information as necessary. The Chairperson of the Committee shall set the agenda of each meeting and arrange for the distribution of the agenda, together with supporting material, to the Committee members prior to each meeting. The Chairperson of the Committee will also cause minutes of each meeting to be prepared and circulated to the Committee members. The Committee may designate a non-voting Secretary or Acting Secretary for the Committee, who shall assist in the administration of meetings and prepare the minutes of such meeting as requested by the Committee. The Committee shall report its actions and recommendations to the Board at the next Board meeting following each Committee meeting.

A majority of the members of the Committee shall constitute a quorum for all purposes. The Committee is governed by the same rules regarding meetings (including meetings by conference telephone or similar communications equipment), action without meetings and voting requirements as are applicable to the Board. The Committee is

authorized and empowered to adopt its own rules of procedure not inconsistent with (i) any provision of this Charter; (ii) any provision of the By-laws or Certificate of Incorporation of the Company; or (iii) the laws of the state of Delaware.

E. Authority to Engage Advisors

The Committee shall have the authority necessary, and shall have the appropriate funding from the Company, to retain and approve the fees of legal and other advisors, as it deems necessary for the fulfillment of its responsibilities. Any communication between the Committee and legal counsel in the course of obtaining legal advice will be considered privileged communications of the Company, and the Committee will take all necessary steps to preserve the privileged nature of those communications.

Adopted: June22, 2004