

DARAG • 25 Eastcheap, 4th Floor • London, England • EC3M 1DT, UK

[Print Date]

[Name]

[Address 1]

[Address 2]

[Address 3]

[Address 4]

[Address 5]

[Postcode]

Dear Sir/Madam,

Proposed transfer of business under Part VII of the Financial Services and Markets Act 2000 to DARAG Insurance UK Limited

We are writing to you in connection with our proposal to accept transfers of insurance and reinsurance business from Soteria Insurance Limited (**Soteria**) and from our fellow group company, DARAG Legacy UK Ltd (**DLUK**). The transfers will be effected under the procedure in Part VII of the Financial Services and Markets Act 2000 (**FSMA**).

Our records indicate that you are a policyholder of DARAG Insurance UK Limited (**DIUK**), or are pursuing or acting for a party pursuing a claim against a policyholder of DIUK.

DIUK's business is not being transferred and a policyholder's rights and obligations under any policy with DIUK will remain the same. There will be no change in the insurer or to the parties currently responsible for, or the approach to, claims administration. We are notifying you of the proposals because we are required to do so, in order to give you an opportunity to ask questions and raise any concerns you may have.

The proposed transfers of insurance business from Soteria and DLUK are in the same terms in all material respects and are intended to be simultaneous. The transfers are referred to collectively in this letter as the Transfer.

The Transfer

DLUK and Soteria (together, the **Transferors**) are proposing to transfer:

- in the case of DLUK, certain of its reinsurance business and associated assets and liabilities; and
- in the case of Soteria, part of its business, comprising predominantly direct commercial liability and inwards reinsurance business;

to DIUK (the **Transferee**).

Each of the Companies is required to notify its policyholders about the Transfer.

Effect of the Transfer

The effect of the Transfer is that the relevant Transferor's rights and obligations under the policies comprising their insurance and/or reinsurance business will be transferred without alteration to DIUK. While DLUK and Soteria will be replaced by DIUK as (re)insurer, policyholders' rights and obligations under their policies will remain unchanged. However, following the Transfer, they will be exercisable against or owed to DIUK alone.

The Transfer Process

In order for the Transfer to take place, a rigorous legal and regulatory approval process must be followed. The process provides a comprehensive set of safeguards to your interests.

As part of this process:

- a) The respective boards of directors of Soteria, DLUK and DIUK (the **Companies**) have approved the proposals.
- b) The Companies have consulted closely with their respective regulators, the Prudential Regulation Authority (**PRA**) and the Financial Conduct Authority (**FCA**).
- c) The PRA, after consulting with the FCA, has approved the appointment of an Independent Expert to prepare a report on the terms of the Transfer and to review the impact of the Transfer on policyholders and other affected parties (including considering any representations or objections made by a person who considers that they will be adversely affected by the Transfer). A summary of his report is in the Communication Pack enclosed with this letter.
- d) The High Court of Justice of England and Wales (**Court**) will be asked to approve the Transfer. The Court will consider whether the Transfer will adversely affect policyholders and other affected parties and whether it is appropriate to allow it to proceed (taking any representations or objections made by interested parties into account). The Transfer will not proceed unless the Court approves it.

An application has been submitted to the Court for approval of the Transfer, and is expected to be heard on 17 September 2026 at The Rolls Building, 7 Rolls Buildings, Fetter Lane, London, EC4A 1NL, United Kingdom.

What should you do?

Please read the information we have included in this letter and the enclosed Communication Pack to make sure that you understand what we are proposing to do. The Communication Pack includes:

- Notice of the application to sanction the Transfer.

- A summary of the principal provisions of the Transfer.
- A summary of the report prepared by the Independent Expert .

The Communication Pack, the Transfer and the full report of the Independent Expert may also be viewed on our website www.darag-group.com/contact-us/UK-Part-VII-Transfers.

If you consider you may be adversely affected by the proposal or if you object to the proposal, then you have a right to raise your concerns or questions with the Court, either in writing or by attending in person or through a representative. Details of how to do this are included at paragraph 17 of the Information Booklet in the enclosed Communication Pack.

Any representations we receive, written or otherwise, will be notified to the PRA and the FCA prior to the Court hearing, and will be included in the evidence filed in Court and drawn to the attention of the Court at the hearing.

Further information and assistance

If you need any further information or if you have any concerns about the Transfer, then please call us on +44 (0)204 530 9800 or write to us at DARAG Insurance UK Limited and DARAG Legacy UK Ltd 25 Eastcheap, 4th Floor, London EC3M 1DT United Kingdom or Email: projectlegacy@darag-group.com Ref: UK Part VII Transfers.

We have published further information about the Transfer, including full copies of the above documentation, on the website: www.darag-group.com/contact-us/UK-Part-VII-Transfers.

Yours faithfully,

Tom Booth

**for and on behalf of
DARAG Insurance UK Limited**

DARAG Insurance UK Limited

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London, England
EC3M 1DT, UK

Company No. 03654581

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DARAG Insurance UK Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Firm Reference No. 203265