

DARAG • 25 Eastcheap, 4<sup>th</sup> Floor • London, England • EC3M 1DT, UK

[Print Date]

[Name]

[Address 1]

[Address 2]

[Address 3]

[Address 4]

[Address 5]

[Postcode]

Dear Sirs,

## **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 as a reinsurer of DARAG Legacy UK Ltd (formerly called One Re Limited) (**DLUK**) in connection with two proposed insurance business transfer schemes under Part VII of the Financial Services and Markets Act 2000 (**FSMA**). The proposals involve the following companies:

- DLUK; and
- Soteria Insurance Limited (**Soteria**);  
as the Transferors; and
- DARAG Insurance UK Limited (**DIUK**);  
as the Transferee;

(together, the **Companies**). DLUK and DIUK are both part of the DARAG group of companies.

The proposed transfers of insurance business 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**) under Part VII of FSMA.

As well as the transfer of business underwritten by or transferred to the Transferors, the proposals will involve the transfer of all outwards reinsurances protecting the transferring policies, including the reinsurance of DLUK underwritten by you. You will therefore be affected by 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 will be replaced by DIUK as your cedant, your rights and obligations as reinsurer will remain unchanged. However, following the Transfer, they will be exercisable against or owed to DIUK alone.

The Court has extremely wide powers under Part VII of FSMA which include making an order for the transfer of contracts which would not otherwise be capable of being transferred or assigned without the consent or concurrence of a third party. The Transfer will be valid and binding on reinsurers whose contracts are transferring notwithstanding, for example, any restriction in a reinsurance contract on transferring or assigning the contract. The Transfer will be deemed to take effect on the basis that it does not contravene any such restriction and does not give rise to any right to terminate, modify, acquire or claim an interest or right, or to treat an interest or right as being terminated or modified. Any such restrictions or rights will remain in force, but will not be triggered by the Transfer.

### **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 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](http://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 in 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 this proposal, 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](mailto: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 [www.darag-group.com/contact-us/UK-Part-VII-Transfers](http://www.darag-group.com/contact-us/UK-Part-VII-Transfers).

Yours faithfully,

Tom Booth

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

DARAG Legacy UK Ltd

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London, England  
EC3M 1DT, UK

Company No. 08179596

**Bank Accounts**  
Barclays Bank PLC  
IBAN GB53 BARC 20000053141152

**VAT number**  
GB 346 5527 83

DARAG Legacy UK Ltd is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Firm Reference No. 618659