

IN THE ROYAL COURT OF THE ISLAND OF JERSEY

2025/219

(Samedi Division)

IN THE MATTER OF THE REPRESENTATION OF

U K INSURANCE LIMITED

First Representor

and

INTACT INSURANCE UK LIMITED

Second Representor

**AND IN THE MATTER OF AN APPLICATION PURSUANT TO ARTICLE 27 OF AND
SCHEDULE 2 TO THE INSURANCE BUSINESS (JERSEY) LAW 1996**

REPRESENTATION

1. Purpose of the Representation

This Representation relates to the proposed scheme (the **Jersey Scheme**, a copy of which is annexed to this Representation) for the transfer of certain general insurance business carried on in or from within Jersey (as defined in Article 1(1) of the Insurance Business (Jersey) Law 1996 (the **Insurance Law**), from U K Insurance Limited (the **Transferor**) to Intact Insurance UK Limited (the **Transferee**). The Jersey Scheme is intended to transfer such general insurance business from the Transferor to the Transferee (together the **Representors**) on the same terms as the terms of the insurance business transfer scheme pursuant to Part VII of the Financial Services and Markets Act 2000 (the **FSMA**) filed with the High Court of England and Wales (the **High Court**) around 8 October 2025 for its approval (the **UK Scheme**). The terms of the UK Scheme are incorporated into the Jersey Scheme as Schedule 1 to the Jersey Scheme.

2. Interpretation

Words and expressions used in this Representation, which are defined in the Jersey Scheme or the UK Scheme, shall bear the same meanings herein (save where they are expressly defined herein) unless the context otherwise requires.

3. Introduction

- (a) The Transferor was incorporated in England and Wales on 6 August 1974 and its registered number is 01179980. The Transferor was incorporated with the name, Ultra Keen Recovery Limited, but changed its name to Ultra Keen Recovery Insurance Limited on 27 October 1978, and to Ultra Keen Insurance Limited on 21 November 1980. It has been known as U K Insurance Limited since 8 December 1987.
- (b) The Transferor is a wholly owned subsidiary of Direct Line Insurance Group plc. Direct Line Insurance Group plc is a wholly owned subsidiary of Aviva plc as a result of Aviva plc's acquisition of the Direct Line Group, which took effect on 1 July 2025.
- (c) The Transferee was originally constituted by a deed of settlement dated 31 May 1845, and re-registered as an unlimited liability company on 1 November 1862. On 19 June 1907 the Transferee was registered as a limited liability company, and its registered number is 00093792. The Transferee was incorporated with the name Royal Insurance Public Limited Company, but changed its name on 1 November 1997 to Royal & Sun Alliance Insurance Plc, and to Royal & Sun Alliance Insurance Limited on 2 June 2021. It has been known as Intact Insurance UK Limited since 19 August 2025.

- (d) The Transferee's ultimate parent company is Intact Financial Corporation, a company registered in Canada. At a local, UK level, the Transferee is a member of the RSA Insurance Group headed by RSA Insurance Group Limited and its immediate parent is Royal Insurance Holdings Limited.
- (e) Each of the Representors is an insurance company carrying on general insurance business from the UK to which the FSMA applies and each holds an authorisation under the FSMA.
- (f) Each of the Representors also holds a Category A permit to carry on general insurance business under the Insurance Law.
- (g) The transfer of the Transferring Business conducted by the Transferor will proceed pursuant to the UK Scheme, subject to approval being granted by the High Court.
- (h) The transfer of the Transferring Jersey Business is proposed pursuant to the terms of the Jersey Scheme in accordance with the provisions of Article 27 of and Schedule 2 to the Insurance Law, which requires the sanction of the Royal Court of Jersey (the **Court**) to any scheme under which the whole or part of the insurance business of a permit holder is to be transferred to an insurance company or other permit holder.
- (i) The Transferor and Transferee entered into a business transfer agreement on 6 September 2023 as amended and restated on 01 May 2024 (the **Business Transfer Agreement**) for the sale of the Transferor's brokered commercial insurance business (the **Insurance Business**) to the Transferee. The Insurance Business comprises the brokered commercial lines insurance and coinsurance business carried out by the Transferor. The Transferor shall retain the back book in relation to business written and earned by the Insurance Business prior to 1 October 2022 pursuant to certain reinsurance arrangements.
- (j) The Transferor and Transferee also entered into a quota share reinsurance agreement dated 6 September 2023 as amended and restated on 1 May 2024 and 30 June 2025 (the **Quota Share Reinsurance Agreement**) relating to the reinsurance of new and certain existing business of the Insurance Business (the **QS Portfolio**). The Quota Share Reinsurance Agreement took effect from 01 October 2023 (the **Risk Transfer Date**) and is intended to continue until the completion of the Transfer or until the Transferor ceases to have any further liability under the covered policies.

- (k) Pursuant to the Business Transfer Agreement, the Insurance Business and associated partnerships were transferred to the Transferee through a combination of a 100% quota share reinsurance transaction and a form of renewal rights transfer. As a result, the economic risk and reward in relation to the Insurance Business were transferred to the Transferee with effect from the Risk Transfer Date. The purpose of the Jersey Scheme and the UK Scheme is to effect the legal transfer to the Transferee, noting the economic risk has already been transferred.
- (l) The UK Scheme has the effect that:
 - (i) if the transfer of any Transferring Jersey Policies pursuant to the Jersey Scheme is sanctioned by the Court, with effect from the Jersey Transfer Date, such policies shall be treated for all purposes of the UK Scheme as if they were Transferring Policies with effect from the Transfer Date and, to the extent necessary to comply with the FSMA, shall also be transferred pursuant to the terms of the UK Scheme; and
 - (ii) if the Court does not sanction the transfer of any Transferring Jersey Policies pursuant to the Jersey Scheme despite having jurisdiction to do so, or if the Jersey Scheme is sanctioned by the Court but the transfer of any Transferring Jersey Policies does not become effective by the Jersey Transfer Date, then such policies shall, with effect from the Transfer Date, be deemed to be Excluded Policies under the UK Scheme and shall be reinsured by the Transferee as Excluded Policies as provided for under the terms of the UK Scheme. Such Excluded Policies shall cease to be Excluded Policies under the UK Scheme, and shall cease to be so reinsured to the Transferee, on the relevant Subsequent Transfer Date.
 - (iii) Each of the Representors has agreed to appear by counsel at the hearing of this Representation to sanction the Jersey Scheme and undertake to be bound thereby and to execute all such documents and to do all such acts and things as may be necessary or expedient to be executed or done by it for the purposes of giving effect to the Jersey Scheme.

4. Independent Actuary's Report

Pursuant to paragraph 3 of Schedule 2 to the Insurance Law, an independent actuary, Stewart Mitchell of Lane Clark & Peacock LLP, has prepared a report in relation to the UK Scheme and the Jersey Scheme (the **Independent Actuary's Report**), which confirms that his conclusions in relation to the UK Scheme apply equally to the Jersey Scheme.

5. Notices and Availability of Documents

- (a) In accordance with the requirements of paragraph 4(a) of Schedule 2 to the Insurance Law, a notice of the presentation of this Representation containing the prescribed information will be published in the Jersey Gazette.
- (b) In accordance with the requirements of paragraph 4(c) of Schedule 2 to the Insurance Law, a copy of this Representation, the Independent Actuary's Report and the Policyholder Pack (as defined below) will be served on the Jersey Financial Services Commission (the **JFSC**) at least 21 days before the Representors seek an order sanctioning the Jersey Scheme.
- (c) In accordance with the requirements of paragraphs 4(d) and 5 of Schedule 2 to the Insurance Law, copies of this Representation and the Independent Actuary's Report will be made available:
 - (i) for inspection at the offices of Maurant Ozannes (Jersey) LLP, 22 Grenville Street, St Helier, Jersey JE4 8PX for a period of not less than 21 days beginning with the date of the first publication of the notice referred to in paragraph (a) above; and
 - (ii) for collection at any time before the grant of an order sanctioning the Jersey Scheme.

6. Notification of Policyholders and Members

- (a) Paragraph 4(b) of Schedule 2 to the Insurance Law requires that, except where the Court has otherwise directed, a statement setting out the terms of the Jersey Scheme and containing a summary of the Independent Actuary's Report sufficient to indicate the opinion of the actuary on the likely effects of the Jersey Scheme on the policyholders of the Representors be sent to:
 - (i) each of the policyholders of the Representors; and
 - (ii) every member of the Representors,(the **Paragraph 4(b) Requirement**).
- (b) The Paragraph 4(b) Requirement, in this case, means that the required statement should (except where the Court has otherwise directed) comprise the following:
 - (i) a complete copy of the Jersey Scheme;
 - (ii) a complete copy of the UK Scheme which is incorporated in the Jersey Scheme; and

- (iii) a sufficient summary of the Independent Actuary's Report.
- (c) The Paragraph 4(b) Requirement, in this case, also means that such statement should (except where the Court has otherwise directed) be sent to the following different classes of persons:
 - (i) every member of the Representors;
 - (ii) each of the policyholders of policies of the Transferor, including persons who hold or have an interest in policies issued as part of the business conducted by the Transferor in or from within Jersey; and
 - (iii) each of the policyholders of policies of the Transferee, including persons who hold or have an interest in policies issued as part of the business conducted by the Transferee in or from within Jersey.
- (d) Subject to the directions of the Court, it is intended that the Representors will use reasonable endeavours to send a notification (each a **Policyholder Pack**) to the Notified Policyholders (as defined in paragraph 6(f) below). Every Policyholder Pack will include information relating to the Jersey Scheme, including a statement indicating that policyholders have a right to object to the Jersey Scheme.
- (e) Subject to the directions of the Court, it is intended that the Policyholder Pack will consist of:
 - (i) a covering letter to be sent directly to the relevant policyholders, explaining the Representors' intention to transfer business from the Transferor to the Transferee; and
 - (ii) an information booklet available via QR code and/or URL from the covering letter, containing:
 - (1) a Q&A section;
 - (2) a summary of the key elements of the UK Scheme and a confirmation that such summary applies equally to the terms of the Jersey Scheme;
 - (3) a summary of the Independent Actuary's Report and a confirmation that the conclusions apply equally to the Jersey policyholders and the Jersey transfer; and
 - (4) a copy of the legal notice relating to the UK Scheme.

- (f) Subject to the directions of the High Court and the Court, it is intended that the Transferor will use reasonable endeavours to send (directly or via its directly authorised brokers) a Policyholder Pack to each policyholder of the Transferor whose policy is transferring pursuant to the Jersey or UK Scheme, subject to the qualifications in paragraphs 54 – 56 of the first witness statement of David Innes (the **First Transferor Witness Statement**) signed in connection with the UK Scheme (each a **Notified Policyholder** and together the **Notified Policyholders**). The Notified Policyholders will include persons who hold or have an interest in policies issued as part of the business carried on in or from within Jersey by the Transferor but, for the reasons explained in paragraphs 54 – 56 of the First Transferor Witness Statement, may not be all such policyholders. Subject to the directions of the High Court and the Court, it is intended that the Transferee will not send (directly or via its directly authorised brokers) a Policyholder Pack to any policyholder of the Transferee.

7. Directions - Content of the Policyholder Pack

The Representors accordingly apply for directions dispensing with the Paragraph 4(b) Requirement in relation to the content of the Policyholder Pack on the grounds that:

- (a) sending a complete copy of the Jersey Scheme and the UK Scheme would not generally be helpful to policyholders because of the length and technical nature of those documents;
- (b) the content of the Policyholder Pack is sufficient for these purposes because it contains a summary of the terms of the UK Scheme and the Independent Actuary's conclusions in relation to the UK Scheme, as well as a statement to the effect that the Jersey Scheme will be implemented in Jersey on substantially the same terms as are contained in the UK Scheme and that the Independent Actuary's assessment and conclusions in relation to the UK Scheme apply equally to the Jersey Scheme;
- (c) copies of this Representation, including the Jersey Scheme and the UK Scheme incorporated therein, and the Independent Actuary's Report will be made available:
 - (i) for inspection at the offices of Mourant Ozannes (Jersey) LLP, 22 Grenville Street, St Helier, Jersey JE4 8PX for a period of not less than 21 days beginning with the date of the first publication of the notice referred to in paragraph 5(a) above;
 - (ii) for collection at any time before the grant of an order sanctioning the Jersey Scheme;

- (d) the Representors will make available a complete copy of the Jersey Scheme, the UK Scheme and the Independent Actuary's Report, amongst other documents, on the Transferor's website at www.u-k-insurance.co.uk/nig/symphonytransfer and on the Transferee's website at <https://www.intactinsurance.co.uk/intactuki-partvii-transfer> and
- (e) the Representors will send a complete copy of the Jersey Scheme, the UK Scheme and the Independent Actuary's Report to any policyholder who requests a copy.

8. Directions - Recipients of the Policyholder Pack

The Representors also apply for directions dispensing with the Paragraph 4(b) Requirement in relation to the recipients of the Policyholder Pack on the grounds that:

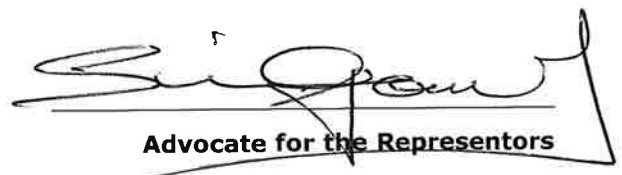
- (a) the member of the Transferor does not need to be sent a statement as required by paragraph 4(b) of Schedule 2 to the Insurance Law or the Policyholder Pack, on the basis that it is already aware of the Jersey Scheme;
- (b) it is not proposed to send the Policyholder Pack to policyholders of the Transferor whose policies will not transfer under the Jersey or UK Scheme for the reasons explained in paragraphs 59 to 64 of the First Transferor Witness Statement;
- (c) policyholders of the Transferee do not need to be sent a statement as required by paragraph 4(b) of Schedule 2 to the Insurance Law or the Policyholder Pack, for the reasons explained at paragraphs 41 – 42.20 of the first witness statement of Kenneth Michael Norgrove;
- (d) the Transferor will use reasonable endeavours to send the Policyholder Pack to the Notified Policyholders described in paragraph 6(f) above (which excludes certain categories of policyholder, as detailed in the First Transferor Witness Statement, for example, where brokers do not respond, are not currently trading or do not have a current registration on Financial Conduct Authority's financial services register);
- (e) the Transferee will use reasonable endeavours to send the Policyholder Pack to its sole member; and
- (f) other policyholders of the Representors may also become aware of the proposals pursuant to the UK Scheme and the Jersey Scheme because:
 - (i) a notice containing the prescribed information in relation to the Jersey Scheme will be published in the Jersey Gazette as described in paragraph 5(a) above;

- (ii) a notice in the form approved by the UK Prudential Regulation Authority (in consultation with the Financial Conduct Authority) stating that an application pursuant to Part VII of the FSMA has been made shall be published in the London Gazette, the Edinburgh Gazette and the Belfast Gazettes, and in The Times, The Sun, The Metro, The Daily Mail, The Insurance Post, The Farmers Guardian and The Construction News; and
- (iii) a copy of this Representation, the Independent Actuary's Report, the UK Scheme, the Jersey Scheme, the Jersey Gazette Notice, and the Policyholder Pack will also be available online at www.u-k-insurance.co.uk/nig/symphonytransfer , and on the Transferee's website at <https://www.intactinsurance.co.uk/intactuki-partvii-transfer>

WHEREFORE THE REPRESENTORS PRAY THAT THIS HONOURABLE COURT DO MAKE THE FOLLOWING ORDERS:

- (a) THAT service of a statement as required by paragraph 4(b) of Schedule 2 to the Insurance Law upon each of the policyholders and on each member of each Representor be dispensed with;
- (b) THAT such other interim Order(s) be made as this Honourable Court shall deem appropriate;
- (c) THAT an Order be made pursuant to Schedule 2 of the Insurance Law sanctioning the Jersey Scheme;
- (d) THAT the Representors do within ten days from the date of such Order referred to in paragraph (c) above, or such longer period as the JFSC may allow, deposit two office copies of such Order with the JFSC; and
- (e) THAT such other Order(s) be made as this Honourable Court shall deem appropriate.

Dated this 13th day of October 2025.



Advocate for the Representors

The Representors' Address for Service:
Mourant Ozannes (Jersey) LLP
22 Grenville Street
St Helier
Jersey

Our ref: 8073286/254654545/10

Annex

Jersey Scheme

IN THE ROYAL COURT OF THE ISLAND OF JERSEY

(Samedi Division)

IN THE MATTER OF

U K INSURANCE LIMITED

- and -

INTACT INSURANCE UK LIMITED

**AND IN THE MATTER OF AN APPLICATION PURSUANT TO ARTICLE 27 OF AND
SCHEDULE 2 TO THE INSURANCE BUSINESS (JERSEY) LAW 1996**

JERSEY SCHEME

**pursuant to Article 27 of and Schedule 2 to the Insurance Business (Jersey) Law 1996
for the transfer of certain general insurance business of (1) U K Insurance Limited to (2)
Intact Insurance UK Limited**

1. Interpretation

Definitions

- 1.1 In this scheme (the **Jersey Scheme**), unless inconsistent with the subject or context, the following expressions have the following meanings:

Excluded Jersey Assets means any and all assets of the Transferor other than the Transferring Jersey Assets and the Residual Jersey Assets, and such Excluded Jersey Assets shall include:

- (a) the rights of the Transferor to any defences, claims, counterclaims, defences to counterclaims and rights of set-off to the extent related to the Excluded Jersey Liabilities;
- (b) the right, benefits and property of the Transferor under or relating to the Excluded Jersey Policies;
- (c) any Tax reliefs or other assets in respect of Tax of the Transferor (including amounts received or receivable by the Transferor in respect of insurance premium tax for which the Transferor is required to account to the relevant tax authority); and
- (d) any property of the Transferor that would be comprised in the Transferring Jersey Assets but where the Transferor and the Transferee agree in writing prior to the Jersey Transfer Date that it should not be transferred pursuant to this Jersey Scheme;

Excluded Jersey Liabilities means:

- (a) any Losses which arise out of or in connection with acts or omissions of the Transferor or any member of the Transferor's Group (or any of their directors, officers, employees, contractors, agents or appointed representatives, or any person for whose acts or omissions the Transferor may be, become or have been, responsible) during the period prior to the Jersey Transfer Date, other than to the extent any such Losses which arise out of or in connection with any acts or omissions of a member of the Transferee's Group, comprising any Losses arising out of or in connection with:
 - (i) any breach of the Transferring Jersey Policies;
 - (ii) any breach of Applicable Law in respect of any Transferring Jersey Policy;
 - (iii) any penalty or fine in respect of any Transferring Jersey Policy; or
 - (iv) any penalty or fine, or any programme of outreach, review, redress, restitution, remediation or compensation payable by any member of the Transferor's Group either voluntarily in connection with legal or regulatory obligations or in accordance with Applicable Law, in connection with the sale, marketing, pricing, administration, distribution or carrying out of any of the Transferring Jersey Policies; or
 - (v) in connection with limbs (i), (ii), (iii) or (iv) above, any legal, regulatory or administrative proceedings or steps including arbitration, mediation, any other dispute resolution procedure, any judicial, quasi-judicial, administrative or regulatory review or process, any investigations or reviews or requests or similar carried out at the direction or requirement of any applicable regulator, or any complaint or claim to any ombudsman;
- (b) any liabilities of the Transferor under or arising from the Jersey Scheme;

- (c) save as expressly agreed in writing between the Transferor and the Transferee prior to the Jersey Transfer Date, any Losses of the Transferor in respect of Taxation;
- (d) any Losses that would be comprised in the Transferring Jersey Liabilities but which the Transferor and the Transferee agree in writing, prior to the date on which the Royal Court grants a Jersey Order which sanctions the Jersey Scheme, shall not be transferred to the Transferee;
- (e) any Losses arising as a result of, or in connection with, any fraud by the Transferor or any member of the Transferor's Group or any of their directors, officers, employees, contractors, agents or appointed representatives; and
- (f) any and all liabilities of the Transferor under or relating to the Excluded Jersey Policies,

(and **Excluded Jersey Liability** shall mean any one of them);

Excluded Jersey Policies means any Jersey Policies which are Excluded Policies, and any Jersey Policies comprised in the Transferring Jersey Policies under which any liability remains unsatisfied or outstanding at the Jersey Transfer Date which are not otherwise capable of being transferred pursuant to Article 27 of, and Schedule 2 to, the Jersey Law at the Jersey Transfer Date;

Existing Jersey Policies means the Existing Policies that are Jersey Policies;

Jersey Law means the Insurance Business (Jersey) Law 1996;

Jersey Order means an order made by the Royal Court pursuant to Article 27 of and Schedule 2 to the Jersey Law sanctioning this Jersey Scheme and any order (including any subsequent order, which is ancillary thereto) in relation to this Jersey Scheme made by the Royal Court pursuant to Schedule 2 to the Jersey Law;

Jersey Transfer Date means the time and date ascribed to it in paragraph 4.1 of this Jersey Scheme;

JFSC means the Jersey Financial Services Commission;

Quota Share Jersey Policies means the Quota Share Policies which are Jersey Policies;

Rejected Jersey Policies means the Rejected Policies which are Jersey Policies;

Residual Jersey Assets means:

- (a) any property of the Transferor that would be comprised in the Transferring Jersey Business (including any right, benefit or power of the Transferor under any Transferring Jersey Policy) but for a refusal by the Royal Court to order the transfer to the Transferee under Article 27 of, and Schedule 2 to, the Jersey Law at the Jersey Transfer Date;
- (b) any other property of the Transferor that would be comprised in the Transferring Jersey Business (including any right, benefit or power under a Transferring Jersey Policy) but for any agreement between the Transferor and the Transferee prior to the Jersey Transfer Date that its transfer should be delayed or should not be transferred at all;
- (c) any property of the Transferor that would be comprised in the Transferring Jersey Business (including any right, benefit or power under a Transferring Jersey Policy) but for the fact that it is outside the jurisdiction of the Royal Court or in respect of which the transfer pursuant to an order of the Royal Court is not recognised by the laws of the jurisdiction in which the property is situated or in respect of which

further steps are necessary to effect the transfer pursuant to the laws of the jurisdiction in which such property is situated;

- (d) any property of the Transferor that would be comprised in the Transferring Jersey Business (including any right, benefit or power under a Transferring Jersey Policy) but which cannot be transferred to or vested in the Transferee on the Jersey Transfer Date for any other reason; or
- (e) any proceeds of sale or income or other accrual or return whatsoever, whether or not in any case in the form of cash, or any other property or rights earned or received from time to time after the Jersey Transfer Date but prior to any relevant Subsequent Jersey Transfer Date in respect of any such property referred to in paragraphs (a) to (d) of this definition;

Residual Jersey Liability means any liability of the Transferor:

- (a) that is attributable to or connected with a Residual Jersey Asset (including any right, benefit or power under a Transferring Jersey Policy) and arises at any time before the Subsequent Jersey Transfer Date applicable to that Residual Jersey Asset;
- (b) that would be comprised in the Transferring Jersey Business but for the refusal by the Royal Court to order the transfer to the Transferee under Article 27 of, and Schedule 2 to, the Jersey Law on the Jersey Transfer Date;
- (c) that would be comprised in the Transferring Jersey Business but for the fact that it cannot be transferred to or vested in the Transferee for any other reason on the Jersey Transfer Date; or
- (d) that would be comprised in the Transferring Jersey Business (including any right, benefit or power under a Transferring Jersey Policy) but for any agreement between the Transferor and the Transferee prior to the Jersey Transfer Date that its transfer should be delayed;

but for the avoidance of doubt excluding the Excluded Jersey Liabilities;

Royal Court means the Royal Court of Jersey;

Subsequent Jersey Transfer Date means, in relation to any Residual Jersey Asset, Excluded Jersey Policy or Residual Jersey Liability, the date (and each date) after the Jersey Transfer Date on which such Residual Jersey Asset, Excluded Jersey Policy or Residual Jersey Liability is transferred to the Transferee, namely:

- (a) in respect of any Residual Jersey Asset falling within paragraph (a), (c) or (d) of the definition of Residual Jersey Assets, and of any Residual Jersey Liability which is attributable to or connected with that Residual Jersey Asset or which falls within paragraph (b) or (c) of the definition of Residual Jersey Liability, the date on which any impediment to its transfer shall have been removed or overcome;
- (b) in respect of any Residual Jersey Asset falling within paragraph (b) of the definition of Residual Jersey Assets and of any Residual Jersey Liability falling within paragraph (d) of the definition of Residual Jersey Liability which is attributable to or connected with that Residual Jersey Asset, the date on which the relevant Transferor and Transferee agree the transfer should take effect; and
- (c) in respect of any Residual Jersey Asset falling within paragraph (e) of the definition of Residual Jersey Assets, the Business Day after the date on which such Residual Jersey Asset is received by the Transferee in accordance with paragraph 8.3 of the UK Scheme, as deemed part of this Jersey Scheme pursuant to paragraph 3.1 of this Jersey Scheme; or

- (d) in respect of any Excluded Jersey Policy, the date on which all consents, orders, permissions or other requirements for the transfer or novation of such Excluded Jersey Policy are obtained, or are no longer required or are dispensed with by Order of the Royal Court;

Transferring Jersey Assets means all or any Transferring Assets relating to or forming part of the Transferring Jersey Business immediately prior to the Jersey Transfer Date but excluding the Excluded Jersey Assets and, prior to the applicable Subsequent Jersey Transfer Date, the Residual Jersey Assets and any rights, benefits and property under or relating to the Excluded Jersey Policies;

Transferring Jersey Business means all or any of the Transferring Business carried on in or from within Jersey, comprising the Transferring Jersey Policies, the Transferring Jersey Assets, the Transferring Jersey Liabilities and, following each Subsequent Jersey Transfer Date, the relevant Residual Jersey Asset or Residual Jersey Liability, but excluding the Rejected Jersey Policies;

Transferring Jersey Liabilities means all or any Transferring Liabilities to the extent arising from or relating to the Transferring Jersey Business, but excluding the Excluded Jersey Liabilities and, prior to each Subsequent Transfer Date, the relevant Residual Jersey Liabilities;

Transferring Jersey Policies means the Transferring Policies that are Jersey Policies, but excluding the Excluded Jersey Policies (until the Subsequent Jersey Transfer Date as applicable) and excluding the Rejected Jersey Policies (in perpetuity);

Transferring Jersey Reinsurance Contracts means all or part of any contracts of reinsurance, together with any security arrangements or letters of credit which have been arranged by the relevant reinsurer for the benefit of the Transferor or to which the Transferor is a party, which cover any part or all of any of the Transferring Jersey Policies as at or prior to the Jersey Transfer Date, including those which have expired but in respect of which claims have been brought or may be brought as contained in the list in Agreed Form in accordance with the Reinsurance Protocols;

UK Scheme means the insurance business transfer scheme pursuant to Part VII of the Financial Services and Markets Act 2000 for, *inter alia*, the transfer of certain general insurance business of the Transferor to the Transferee, a copy of which is contained in the Schedule to this Jersey Scheme, as it may be varied or amended from time to time in accordance with its terms.

- 1.2 Other words and expressions used as defined terms in this Jersey Scheme shall bear the meanings given to them in the UK Scheme.
- 1.3 Subject to paragraph 1.2 above and except where the context requires otherwise, words and expressions used in the Jersey Law or in any regulations made under it shall have the same meanings in this Jersey Scheme.

Headings

- 1.4 Headings in this Jersey Scheme are inserted for convenience only and shall not affect its construction.

References

- 1.5 Any reference in this Jersey Scheme to "the incorporated terms of the UK Scheme" shall be read to mean "the same terms as the terms of the UK Scheme as incorporated into this Jersey Scheme" in accordance with section 3 of this Jersey Scheme.

- 1.6 Any reference in this Jersey Scheme to an enactment, statutory provision or regulations shall be deemed to include a reference to the enactment or statutory provision or those regulations as from time to time amended, consolidated, modified, replaced or re-enacted by any statute or statutory provision.
- 1.7 Any reference to the singular includes a reference to the plural and vice versa. Any reference to he, she or it includes the others.
- 1.8 Any reference to a time of day is a reference, unless otherwise expressly specified, to London time.
- 1.9 Any reference to this Jersey Scheme shall include the Schedule hereto.

2. Introduction

- 2.1 U K Insurance Limited (the **Transferor**) was incorporated in England and Wales on 6 August 1974 and is a UK authorised person as defined in section 105(8) of FSMA.
- 2.2 Intact Insurance UK Limited (the **Transferee**) was originally constituted by a deed of settlement dated 31 May 1845, and re-registered as an unlimited liability company on 1 November 1862. On 19 June 1907 the Transferee was registered as a limited liability company in England and Wales, and is a UK authorised person as defined in section 105(8) of FSMA.
- 2.3 The Transferor and the Transferee each hold a Category A permit to carry on general insurance business under the Jersey Law.
- 2.4 It is proposed that, by Order of the Royal Court in accordance with Article 27 of, and Schedule 2 to, the Jersey Law, the Transferring Jersey Business shall be transferred to the Transferee on the Jersey Transfer Date on the same terms as the terms of the UK Scheme governing the transfer of the Transferring Business to the Transferee and as if the Transferring Jersey Business were part of the Transferring Business as defined in the UK Scheme.
- 2.5 The UK Scheme has the effect that:
- (a) if the transfer of any Transferring Jersey Policies is sanctioned by the Royal Court pursuant to this Jersey Scheme with effect from the Jersey Transfer Date, such policies shall be treated for all purposes of the UK Scheme as if they were Transferring Policies of the Transferor with effect from the Transfer Date and, to the extent necessary to comply with Part VII of the FSMA, shall also be transferred pursuant to the terms of the UK Scheme; and
 - (b) if the Royal Court does not sanction the transfer of any Transferring Jersey Policies pursuant to this Jersey Scheme, despite having the jurisdiction to do so, or if this Jersey Scheme is sanctioned by the Royal Court but the transfer of any Transferring Jersey Policies does not become effective by the Jersey Transfer Date, then such policies shall, with effect from the Transfer Date, be deemed to be Excluded Policies under the UK Scheme and shall be reinsured by the Transferee as Excluded Policies as provided for under the terms of the UK Scheme. Such policies shall cease to be Excluded Policies under the UK Scheme, and shall cease to be so reinsured to the Transferee, on the relevant Subsequent Transfer Date.
- 2.6 Each of the Transferor and Transferee have agreed to appear by Counsel at the hearing of the Representation to sanction this Jersey Scheme and undertake to be bound thereby and to execute all such documents and to do all such acts and things as may be necessary or expedient to be executed or done by it for the purposes of giving effect to this Jersey Scheme.

3. Incorporation of the UK Scheme

- 3.1 Save as otherwise set out in this Jersey Scheme, the terms of Part C (*Transfer of the Business*) of the UK Scheme shall be deemed to be part of this Jersey Scheme as if reproduced herein mutatis mutandis. For this purpose, the following definitions of the UK Scheme shall be read and construed as follows:
- (a) Excluded Assets shall be read as Excluded Jersey Assets;
 - (b) Excluded Liabilities shall be read as Excluded Jersey Liabilities;
 - (c) Excluded Policies shall be read as Excluded Jersey Policies;
 - (d) Existing Policies shall be read as Existing Jersey Policies;
 - (e) Order shall be read as Jersey Order;
 - (f) Policy shall be read as Jersey Policy;
 - (g) Quota Share Policies shall be read as Quota Share Jersey Policies;
 - (h) Residual Assets shall be read as Residual Jersey Assets;
 - (i) Residual Liability shall be read as Residual Jersey Liability;
 - (j) Scheme shall be read as Jersey Scheme;
 - (k) Subsequent Transfer Date shall be read as Subsequent Jersey Transfer Date;
 - (l) Transfer Date shall be read as Jersey Transfer Date;
 - (m) Transferring Assets shall be read as Transferring Jersey Assets;
 - (n) Transferring Business shall be read as Transferring Jersey Business;
 - (o) Transferring Liabilities shall be read as Transferring Jersey Liabilities;
 - (p) Transferring Policies shall be read as Transferring Jersey Policies;
 - (q) Transferring Reinsurance Contracts shall be read as Transferring Jersey Reinsurance Contracts;
- 3.2 In the UK Scheme deemed to be part of this Jersey Scheme as if reproduced herein mutatis mutandis:
- (a) paragraph 3.2 shall be deleted;
 - (b) in paragraph 6.1, the words "including those that fall within limb (b) of the definition of Excluded Policies for so long as they have not been transferred in accordance with the Jersey Scheme" shall be deleted;
 - (c) in paragraph 6.1, the words "on the terms set out in an Excluded Policies reinsurance agreement" shall be read as " on the terms set out in an Excluded Policies (as defined in the UK Scheme) reinsurance agreement".
- 3.3 This Jersey Scheme is ancillary to the UK Scheme and is intended to transfer business carried on in or from within Jersey and assets and liabilities relating to such business that would not otherwise transfer under the UK Scheme (as a matter of local law). Nothing in this Jersey Scheme shall operate so as to prevent or conflict with any transfer provided for by the UK Scheme.

4. Jersey Transfer Date

- 4.1 This Jersey Scheme shall become effective, and the Jersey Transfer Date shall occur simultaneously with the last of the following two conditions being met, namely,
- (a) the Jersey Order by the Royal Court sanctioning this Jersey Scheme being made; and
 - (b) the UK Scheme in relation to the Transferring Business of the Transferor becoming effective in accordance with its terms.
- 4.2 If the Transferor and Transferee agree that the transfer to the Transferee of the Transferring Jersey Business should become effective after 00.01 BST on 1 July 2026, the Transferor and Transferee must apply to the Royal Court for a further order, specifying any time and date after 00.01 BST on 1 July 2026 which, subject to the consent of the Royal Court, shall then become the Jersey Transfer Date for the purposes of this Jersey Scheme and this Jersey Scheme shall then become operative on and from the time and date so specified, provided that:
- (a) the Transferor and the Transferee shall consider how the policyholders of the Transferring Jersey Policies are informed of the new Jersey Transfer Date, including whether individual policyholder notifications are appropriate;
 - (b) the JFSC shall be notified in advance and as soon as reasonably practicable, and shall have the right to be heard at, any hearing of the Royal Court at which such application is considered;
 - (c) such application shall be accompanied by a certificate from an independent actuary to the effect that the proposed amendment will not materially adversely affect the holders of the Transferring Jersey Policies or existing policyholders of the Transferor or the Transferee, including as to their benefit expectations;
 - (d) the independent actuary shall be provided with the most up-to-date financial information (audited and/or unaudited, as may be appropriate) available to the Transferor and the Transferee in respect of that party; and
 - (e) a notice of the making of such order is published on the website of the Transferor within 5 days of the making of such further order.

5. Modification of this Jersey Scheme

- 5.1 The Transferor and Transferee may consent for and on behalf of all other persons concerned (other than the JFSC) to any modification of or addition to this Jersey Scheme except the Schedule to this Jersey Scheme (modifications of or additions to which shall be governed by the terms of the UK Scheme) or to any further condition or provision affecting the same which, prior to its sanction of this Jersey Scheme, the Royal Court may approve or impose.
- 5.2 Subject to paragraph 5.4, at any time after the sanction of this Jersey Scheme, the Transferee and the Transferor shall be at liberty to apply jointly to the Royal Court for consent to amend its terms except for the Schedule to this Jersey Scheme (modifications of or additions to which shall be governed by the terms of this UK Scheme), provided that in any such case:
- (a) the JFSC shall be given at least 30 Business Days' notice of, and have the right to be heard at, any hearing of the Royal Court at which such application is considered;
 - (b) such application shall be accompanied by a certificate from an independent actuary to the effect that in his opinion (having considered all of the possible impacts of the proposed amendments), the proposed amendments to the Jersey Scheme will not have a material adverse effect on the policyholders of the Transferee.

- 5.3 If such consent is granted, the Transferee and the Transferor may amend the terms of this Jersey Scheme except the Schedule to this Jersey Scheme (modifications of or additions to which shall be governed by the terms of the UK Scheme) in accordance with such consent.
- 5.4 The consent of the Royal Court or the JFSC shall not be required in relation to the amendment or termination of the Excluded Policies Reinsurance Arrangement.
- 5.5 Notwithstanding paragraph 5.2, any amendment to this Jersey Scheme except the Schedule to this Jersey Scheme (modifications of or additions to which shall be governed by the terms of the UK Scheme) will not require Royal Court approval where such amendment is:
- (a) a minor and/or technical amendment to terms (including amendments to correct manifest errors) that may be agreed by the Transferee and the Transferor;
 - (b) required to reflect any change in Applicable Law which has or will have any implications for the Transferor or Transferee in relation to the terms or operation of this Jersey Scheme;
 - (c) necessary to reflect any changes in the actuarial practices relating to, or techniques for the management of, the Transferring Jersey Policies; or
 - (d) required to protect the rights and reasonable expectations of the policyholders of the Transferring Jersey Policies,
- 5.6 provided that the JFSC have been given at least 28 days' notice (from the date that the JFSC acknowledged the notice) of the amendment and have indicated that they do not object thereto prior to that date.

6. Governing Law

- 6.1 This Jersey Scheme shall be governed by and construed in accordance with Jersey law.

SCHEDULE

UK Scheme

CR-2025-003706
IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS
OF ENGLAND AND WALES
COMPANIES COURT (ChD)

IN THE MATTER OF U K INSURANCE LIMITED

-and-

IN THE MATTER OF INTACT INSURANCE UK LIMITED

-and-

IN THE MATTER OF PART VII OF
THE FINANCIAL SERVICES AND MARKETS ACT 2000

SCHEME

pursuant to Part VII of the Financial Services and Markets Act 2000 for the
transfer of certain general insurance business of U K Insurance Limited to Intact Insurance UK Limited

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PART A – DEFINITIONS

1. INTERPRETATION

In this Scheme, unless the subject or context otherwise requires, the following words and phrases have the following meanings:

Actuary means the person appointed by the relevant insurer and approved by the PRA from time to time to perform SIMF20;

Affiliate means, in relation to a person, a subsidiary or a holding company of that person and any other subsidiaries of such holding companies from time to time (and for the purposes of this Scheme **subsidiary** and **holding company** shall have the meanings ascribed to them in the Companies Act 2006);

Agreed Form means, in relation to any document, that document in a form agreed and initialled for the purposes of identification by or on behalf of the Parties;

Applicable Law means, at any time and in respect of either Party, any and all of the following as applicable to that Party and in force at that time:

- (a) legislation (including enactments, statutes, statutory instruments, treaties, regulations, orders, directives, by-laws and decrees where binding on a Party), common law and equitable principles;
- (b) rules, regulations, guidance and requirements of any governmental, regulatory, supervisory or administrative body which are binding on the Transferee or the Transferor (as the case may be) or with which a firm in the position of the Transferee or the Transferor (as the case may be) is customarily expected to comply (whether or not having the force of law) including the FS Handbook and instructions from the applicable regulator; and
- (c) binding judgments, resolutions, decisions, orders, directions, notices, demands or other requirements of a competent court, tribunal or applicable regulator;

Board means the board of directors of the relevant Party from time to time;

BST means British Summer Time;

Business Day means a day (other than a Saturday or Sunday) on which banks are open for general business in London and Toronto;

Business Transfer Agreement means the business transfer agreement entered into between the Transferor's Group and the Transferee on 6 September 2023 and as amended and restated on 1 May 2024, as varied, amended or restated in accordance with its terms from time to time;

Claim has the meaning given in paragraph 9.2;

Coinurance Policies means the contracts of insurance where the Transferor is among several other insurers providing coverage over a shared schedule of capacity of the risk, as contained in the list in Agreed Form;

Court means the High Court of England and Wales;

Data Protection Laws means any law, enactment, regulation, order, or binding guidance of any governmental, regulatory, supervisory or administrative body concerning the processing of personal data including:

- (a) the UK General Data Protection Regulation, as defined by in the Data Protection Act 2018, as amended by the Data Protection, Privacy and Electronic Communications (Amendments etc.) (EU Exit) Regulations 2019;
- (b) the UK Data Protection Act 2018; and
- (c) the Privacy and Electronic Communications Regulation 2003,

each to the extent applicable to the Transferor and Transferee (from time to time), and the terms “controller”, “data subject”, “personal data”, “processing” and “personal data breach” shall when used in respect of an activity or obligation, have the meaning given to them in the applicable Data Protection Laws applicable to that activity or obligation;

DISP means the Dispute Resolution: Complaints chapter of the FCA’s Handbook of Rules and Guidance;

DVD means a DVD-ROM identified as the [●] and signed by or on behalf of the Transferor and the Transferee for the purposes of identification;

Encumbrance means any mortgage, charge (fixed or floating), pledge, lien, option, right to acquire, right of pre-emption, assignment by way of security or trust arrangement for the purpose of providing security or other security interest of any kind (including any retention arrangement), or any agreement to create any of the foregoing;

Excluded Assets means any and all assets of the Transferor other than the Transferring Assets and the Residual Assets, and such Excluded Assets shall include:

- (a) the rights of the Transferor to any defences, claims, counterclaims, defences to counterclaims and rights of set-off to the extent related to the Excluded Liabilities;
- (b) the right, benefits and property of the Transferor under or relating to the Excluded Policies;
- (c) any Tax reliefs or other assets in respect of Tax of the Transferor (including amounts received or receivable by the Transferor in respect of insurance premium tax for which the Transferor is required to account to the relevant tax authority); and
- (d) any property of the Transferor that would be comprised in the Transferring Assets but where the Transferor and the Transferee agree in writing prior to the Transfer Date that it should not be transferred pursuant to this Scheme;

Excluded Liabilities means:

- (a) any Losses which arise out of or in connection with acts or omissions of the Transferor or any member of the Transferor’s Group (or any of their directors, officers, employees, contractors, agents or appointed representatives, or any person for whose acts or omissions the Transferor may be, become or have been, responsible) during the period prior to the Transfer Date, other than to the extent any such Losses which arise out of or in connection with any acts or omissions of a member of the Transferee’s Group, comprising any Losses arising out of or in connection with:

- (i) any breach of the Transferring Policies;
 - (ii) any breach of Applicable Law in respect of any Transferring Policy;
 - (iii) any penalty or fine in respect of any Transferring Policy; or
 - (iv) any penalty or fine, or any programme of outreach, review, redress, restitution, remediation or compensation payable by any member of the Transferor's Group either voluntarily in connection with legal or regulatory obligations or in accordance with Applicable Law, in connection with the sale, marketing, pricing, administration, distribution or carrying out of any of the Transferring Policies; or
 - (v) in connection with limbs (i), (ii), (iii) or (iv) above, any legal, regulatory or administrative proceedings or steps including arbitration, mediation, any other dispute resolution procedure, any judicial, quasi-judicial, administrative or regulatory review or process, any investigations or reviews or requests or similar carried out at the direction or requirement of any applicable regulator, or any complaint or claim to any ombudsman;
- (b) any liabilities of the Transferor under or arising from the Scheme;
 - (c) save as expressly agreed in writing between the Transferor and the Transferee prior to the Transfer Date, any Losses of the Transferor in respect of Taxation;
 - (d) any Losses that would be comprised in the Transferring Liabilities but which the Transferor and the Transferee agree in writing, prior to the date on which the Court grants an Order which sanctions the Scheme, shall not be transferred to the Transferee;
 - (e) any Losses arising as a result of, or in connection with, any fraud by the Transferor or any member of the Transferor's Group or any of their directors, officers, employees, contractors, agents or appointed representatives; and
 - (f) any and all liabilities of the Transferor under or relating to the Excluded Policies,
- (and **Excluded Liability** shall mean any one of them);

Excluded Policies means Policies comprised in the Transferring Policies:

- (a) under which any liability remains unsatisfied or outstanding at the Transfer Date which are not otherwise capable of being transferred pursuant to FSMA at the Transfer Date; or
- (b) which are Jersey Policies (to the extent that and for so long only as the Jersey Scheme has not yet become effective in accordance with its terms).

Existing Policy means the Policies included in the Existing Portfolio;

Excluded Policies Reinsurance Arrangement means the reinsurance arrangement entered into between the Transferor and the Transferee described in paragraph 6.1;

Existing Portfolio means:

- (a) the Existing Portfolio FarmWeb Policies and the Existing Portfolio NIG Policies with an inception date of 1 October 2022 or later;

- (b) the Multi-Year Policies that have unearned premium at the Risk Transfer Date or which have an inception date of 1 October 2022 or later;
- (c) the Coinsurance Policies; and
- (d) the NIG Broker Branded Policies.

Existing Portfolio FarmWeb Policies means each and every contract of insurance which meets all of the following criteria:

- (a) it is a contract of insurance in relation to which the Transferor is the insurer;
- (b) it inceptioned, took effect or otherwise became binding on the Transferor on or prior to the Risk Transfer Date; and
- (c) it carries the FarmWeb Brand (including where the FarmWeb Brand appears with another brand as part of a dual branded product);

Existing Portfolio NIG Policies means each and every contract of insurance which meets all of the following criteria:

- (a) it is a contract of insurance in relation to which the Transferor is the insurer;
- (b) it inceptioned, took effect or otherwise became binding on the Transferor on or prior to the Risk Transfer Date; and
- (c) it carries the NIG Brand (including where the NIG Brand appears with another brand as part of a dual branded product);

FarmWeb Brand means the ‘FarmWeb’ marks as contained in the list in Agreed Form;

FCA means the Financial Conduct Authority of the United Kingdom, or such other authority as shall from time to time carry out the functions carried out by it in the United Kingdom as at the Transfer Date;

FCA Handbook means the handbook which contains the rules made by the FCA that apply to FCA-authorized firms and which is, at the Transfer Date, available online at <http://www.handbook.fca.org.uk>;

FSMA means Financial Services and Markets Act 2000 (as amended from time to time);

FS Handbook means the FCA handbook of rules and guidance (including the FCA Handbook) and the PRA handbook of rules and guidance (including the PRA Rulebook) issued from time to time;

General Insurance Business has the meaning set out in the Glossary;

Glossary means the glossary to the PRA Rulebook;

Group means, in respect of a person, that person and its Affiliates;

Independent Expert means the independent expert appointed pursuant to Section 109 of FSMA in relation to the Scheme;

Jersey Policies means the Policies of the Transferor comprised in the Transferring Business carried on by the Transferor in or from within Jersey (as such expression is interpreted for the purposes of

the Insurance Business (Jersey) Law 1996) and in respect of which any liability remains unsatisfied or outstanding at the Transfer Date and which the Royal Court of Jersey has jurisdiction to transfer pursuant to Article 27 of, and Schedule 2 to, the Insurance Business (Jersey) Law 1996;

Jersey Scheme means the scheme of transfer referred to in paragraph 3.2;

Jersey Transfer Date means the time and date on which the transfer pursuant to the Jersey Scheme becomes effective in accordance with its terms;

Losses means:

- (a) all direct losses (including for the avoidance of doubt, direct loss of profits), liabilities (including any settlement payment irrespective of whether legal liability has been admitted or determined), damages, penalties, costs (including costs relating to disciplinary actions, fines and legal fees) and expenses, but excluding consequential or indirect loss (such as, for the avoidance of doubt, indirect loss of profits); and
- (b) all costs and expenses (including legal fees) properly incurred as a result of investigating, defending or settling a claim or in connection with any threatened, pending or actual proceeding;

Marketing Preference means:

- (a) a consent given by a data subject for use of personal data to market directly to them by any means;
- (b) an indication (by act or omission, as appropriate) by the data subject that such consent is withheld, or that the data subject has exercised their rights to object to receiving direct marketing; or
- (c) a record of the fact that a data subject has not exercised their rights;

Multi-Year Policies means the following Policies which provide cover in relation to more than one calendar or underwriting year, [●];

NIG Brand means the 'NIG' marks as contained in the list in Agreed Form;

NIG Broker Branded Policies means the contracts of insurance to which the Transferor is the insurer, which have an inception date of 1 October 2022 or later, and which carry one of the following intermediary brands:

- (a) Accelerate;
- (b) Action 365 Pukka;
- (c) Action 365 Stella;
- (d) C-Quence;
- (e) Footman James;
- (f) Pedal Cover;
- (g) Petcover;

(h) AON Trio; and

(i) Reich.

Order means an order made by the Court pursuant to section 111 of FSMA sanctioning the Scheme and any order (including, without limitation, any subsequent order) in relation to this Scheme made by the Court pursuant to section 112 of FSMA;

Parties means the parties to this Scheme, each being a **Party**;

Policy and **Policyholder** each have the meaning, as appropriate, set out in section 424(2) of FSMA and regulation 2 of the Financial Services and Markets Act 2000 (Meaning of “Policy” and “Policyholder”) Order 2001 (SI 2001/2361);

PRA means the Prudential Regulation Authority of the United Kingdom, or such other authority as shall from time to time carry out the functions carried out by it in the United Kingdom as at the Transfer Date;

PRA Rulebook means the rulebook which contains the rules made by the PRA that apply to PRA-authorized firms and which is, at the Transfer Date, available online at <http://www.prarulebook.co.uk>;

Proceedings means any claim, counterclaim, complaint, petition, suit, appeal or other legal process (including any application), whether intended to have interim or final legal effect in relation to its subject matter, before any court, governmental authority, regulatory authority, tribunal, arbitration panel, ombudsman or other body subsisting or empowered by law or regulation or by the provisions of an agreement;

Quota Share Policy means the general policies included in the Quota Share Portfolio;

Quota Share Reinsurance Agreement means the reinsurance agreement entered into between the Transferor and Transferee on 6 September 2023 and as amended and restated on 1 May 2024 and 30 June 2025, where the Transferee has agreed to reinsure and indemnify the Transferor in relation to the Quota Share Portfolio and the Existing Policies;

Quota Share FarmWeb Policies means each and every contract of insurance which meets all of the following criteria:

- (a) it is a contract of insurance in relation to which the Transferor is the insurer;
- (b) it inceptioned, took effect or otherwise became binding on the Transferor after the Risk Transfer Date; and
- (c) it carries the FarmWeb Brand (including where the FarmWeb Brand appears with another brand as part of dual branded product);

Quota Share NIG Policies means each and every contract of insurance which meets all of the following criteria:

- (a) it is a contract of insurance in relation to which the Transferor is the insurer;
- (b) it inceptioned, took effect or otherwise became binding on the Transferor after the Risk Transfer Date; and

- (c) it carries the NIG Brand (including where the NIG Brand appears with another brand as part of a dual branded product;

Quota Share Portfolio means the Quota Share NIG Policies and the Quota Share FarmWeb Policies;

RAO means the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544);

Records means copies of all documents, files and other records necessary to administer the Transferring Policies in accordance with Applicable Law and the policy terms and conditions in physical form and electronic form, which are in the actual possession of, or under the control of (including being held by any provider of services to the Transferor relating to the Transferring Policies), the Transferor (excluding any documents, files or other records solely relating to Tax other than Tax records relating to the Policies);

Rejected Policies means (i) a Policy in respect of which the Transferee has given the Transferor notice in writing that such Policy is in clear contravention of an instruction given by the Transferee pursuant to and in accordance with paragraph 2.6 of Schedule 3 of the Quota Share Reinsurance Agreement; and (ii) any Policy placed by Verex Insurance Services pursuant to the terms of business agreement as of 14 February 2023;

Reinsurance Protocols means the reinsurance protocols set out in the [●] agreement entered into between the Transferor and Transferee on [●]; *[AOS Note: DLG/AOS understand that the reinsurance protocols will be incorporated into the RQSA]*

Relevant Reinsurance Arrangement has the meaning in paragraph 5.6;

Residual Assets means:

- (a) any property of the Transferor that would be comprised in the Transferring Business (including any right, benefit or power of the Transferor under any Transferring Policy) but for a refusal by the Court to order the transfer to the Transferee under section 112 of FSMA at the Transfer Date;
- (b) any other property of the Transferor that would be comprised in the Transferring Business (including any right, benefit or power under a Transferring Policy) but for any agreement between the Transferor and the Transferee prior to the Transfer Date that its transfer should be delayed or should not be transferred at all;
- (c) any property of the Transferor that would be comprised in the Transferring Business (including any right, benefit or power under a Transferring Policy) but for the fact that it is outside the jurisdiction of the Court or in respect of which the transfer pursuant to an order of the Court is not recognised by the laws of the jurisdiction in which the property is situated or in respect of which further steps are necessary to effect the transfer pursuant to the laws of the jurisdiction in which such property is situated;
- (d) any property of the Transferor that would be comprised in the Transferring Business (including any right, benefit or power under a Transferring Policy) but which cannot be transferred to or vested in the Transferee on the Transfer Date for any other reason; or
- (e) any proceeds of sale or income or other accrual or return whatsoever, whether or not in any case in the form of cash, or any other property or rights earned or received from time to time

after the Transfer Date but prior to any relevant Subsequent Transfer Date in respect of any such property referred to in paragraphs (a) to (d) of this definition;

Residual Liability means any liability of the Transferor:

- (a) that is attributable to or connected with a Residual Asset (including any right, benefit or power under a Transferring Policy) and arises at any time before the Subsequent Transfer Date applicable to that Residual Asset;
- (b) that would be comprised in the Transferring Business but for the refusal by the Court to order the transfer to the Transferee under section 112 of FSMA on the Transfer Date;
- (c) that would be comprised in the Transferring Business but for the fact that it cannot be transferred to or vested in the Transferee for any other reason on the Transfer Date; or
- (d) that would be comprised in the Transferring Business (including any right, benefit or power under a Transferring Policy) but for any agreement between the Transferor and the Transferee prior to the Transfer Date that its transfer should be delayed;

but for the avoidance of doubt excluding the Excluded Liabilities.

Risk Transfer Date means 1 October 2023;

Retained Reinsurance has the meaning given in paragraph 5.6(a);

Scheme means this scheme made pursuant to Part VII of FSMA in its original form or with or subject to any modification, addition or condition which may be approved or imposed in accordance with paragraph 13;

Subsequent Transfer Date means:

- (a) in relation to any Residual Asset, Excluded Policy or Residual Liability, the date (and each date) after the Transfer Date on which such Residual Asset, Excluded Policy or Residual Liability is transferred to the Transferee, namely:
 - (i) in respect of any Residual Asset falling within paragraph (a), (c) or (d) of the definition of Residual Assets, and of any Residual Liability which is attributable to or connected with that Residual Asset or which falls within paragraph (b) or (c) of the definition of Residual Liability, the date on which any impediment to its transfer shall have been removed or overcome;
 - (ii) in respect of any Residual Asset falling within paragraph (b) of the definition of Residual Assets and of any Residual Liability falling within paragraph (d) of the definition of Residual Liability which is attributable to or connected with that Residual Asset, the date on which the relevant Transferor and Transferee agree the transfer should take effect; and
 - (iii) in respect of any Residual Asset falling within paragraph (e) of the definition of Residual Assets, the Business Day after the date on which such Residual Asset is received by the Transferee in accordance with paragraph 8.3; or
 - (iv) in respect of any Excluded Policy, the date on which all consents, orders, permissions or other requirements for the transfer or novation of such Excluded

Policy is obtained, or are no longer required or are dispensed with by Order of the Court.

- (b) in respect of any Excluded Policy falling within paragraph (b) of the definition thereof, the Jersey Transfer Date;

Tax or Taxation means any kind of tax, impost, duty, or levy or any similar charge, contribution, withholding or deduction, including any form of stamp taxes or social security or National Insurance contributions, whether or not similar to any in force at the date of this Agreement, and whether of the United Kingdom or elsewhere, and any related fine, penalty, interest or charge in respect thereof;

Transfer Date means the date on which the Scheme takes effect in accordance with paragraph 12;

Transferee has the meaning given in paragraph 2.2;

Transferor has the meaning given in paragraph 2.1;

Transferring Assets means:

- (a) the rights, benefits and property of the Transferor under or by virtue of or otherwise arising in connection with the Transferring Policies;
- (b) the Records, including all rights, title and interest of the Transferor in the Records;
- (c) the Transferring Reinsurance Contracts, to the extent covering the Transferring Policies;
- (d) subject to Clause 12.3 of the Business Transfer Agreement, part of any terms of business agreements or other brokerage or distribution agreements maintained by the Transferor which cover any part or all of any of the Transferring Policies as contained in the list in Agreed Form and other assets which the Transferor and Transferee agree, before the Transfer Date, are to be transferred under the Scheme; and `
- (e) the rights of the Transferor to any defences, claims, counterclaims, defences to counterclaims, settlements and rights of set-off and any other rights that would have been available to the Transferor in respect of the Transferring Liabilities, Transferring Assets as set out in limbs (a) to (d) above and Transferring Policies,

but excluding the Excluded Assets and, prior to the applicable Subsequent Transfer Date, the Residual Assets and any rights, benefits and property under or relating to the Excluded Policies;

Transferring Business means:

- (a) the Transferring Policies;
- (b) the Transferring Assets;
- (c) the Transferring Liabilities; and
- (d) following each Subsequent Transfer Date, the relevant Residual Asset or Residual Liability but excluding the Rejected Policies;

Transferring Liabilities means all liabilities and commitments of any kind and description of the Transferor under or in respect of the Transferring Policies and, to the extent they cover the

Transferring Policies, the Transferring Reinsurance Contracts but excluding the Excluded Liabilities and, prior to each Subsequent Transfer Date, the relevant Residual Liabilities;

Transferred Personal Data has the meaning given in Clause 3.5;

Transferring Policies means the Existing Policies and the Quota Share Policies listed on the [DVD] [USB drive], but excluding the Excluded Policies (until the Subsequent Transfer Date as applicable) and excluding the Rejected Policies (in perpetuity);

Transferring Reinsurance Contracts means all or part of any contracts of reinsurance, together with any security arrangements or letters of credit which have been arranged by the relevant reinsurer for the benefit of the Transferor or to which the Transferor is a party, which cover any part or all of any of the Transferring Policies as at or prior to the Transfer Date, including those which have expired but in respect of which claims have been brought or may be brought as contained in the list in Agreed Form in accordance with the Reinsurance Protocols; and

United Kingdom means the United Kingdom of Great Britain and Northern Ireland.

1.1 In this Scheme:

- (a) any reference to a **person** includes a body corporate, firm, unincorporated association of persons (including a partnership, joint venture or consortium), government, state, agency, local or municipal authority, government body, organisation and any other entity whether or not having separate legal personality, and an individual, his estate and personal representatives;
- (b) any reference to a **party** to this Scheme includes the successors and assigns (immediate or otherwise) of that party;
- (c) the words **including** and **include** shall mean including without limitation and include without limitation, respectively;
- (d) any reference to **liabilities** includes duties and obligations of every description (whether present or future, actual or contingent);
- (e) any reference to **property** or **assets** includes property (including real property and charges registered at the Land Registry within England and Wales and at the Registers of Scotland in Scotland and elsewhere and unregistered real property and charges), assets, cash, Encumbrances, causes of action, rights (including contingent rights as to the repayment of tax) and powers of every description (whether present or future, actual or contingent) and includes property held on trust and securities, benefits, income or interest accrued but unpaid, powers of any description and any interest whatsoever in any of the foregoing;
- (f) any reference to **transfer** includes (as the context may require) “assign”, “assignment” or “assignment”, “dispose” or “disposal”, or “convey” or “conveyance”;
- (g) any reference to **variation** includes any amendment, modification, variation, supplement, deletion, replacement or termination, however effected;
- (h) any reference to the singular shall include a reference to the plural and vice versa and any reference to the masculine shall include a reference to the feminine and neuter and vice versa;

- (i) any reference in this Scheme to a statute, a statutory provision or any subordinate legislation shall be deemed to include a reference to that statute, statutory provision or subordinate legislation as amended, replaced or re-enacted on or before the Transfer Date and any reference to a statute or statutory provision shall be deemed to include a reference to any subordinate legislation made thereunder (as amended, replaced or re-enacted on or before the Transfer Date);
- (j) expressions used in this Scheme which have meanings under FSMA shall bear those meanings (unless the context otherwise requires);
- (k) any references to paragraphs or Parts are to paragraphs or Parts of this Scheme (unless the context otherwise requires);
- (l) headings are inserted for convenience only and shall not affect the construction of this Scheme;
- (m) if a period of time is specified from a given day or date or from the day or date of an actual event, it shall be calculated exclusive of that day or date;
- (n) any reference to writing shall include any modes of reproducing words in a legible and non-transitory form;
- (o) any reference to an amount shall be exclusive of any applicable value added or other Tax (unless the context otherwise requires); and
- (p) the words "to the extent that" are used to indicate an element not degree and are not synonymous with the word "if".

PART B – INTRODUCTION

2. BACKGROUND

- 2.1 U K Insurance Limited (the **Transferor**), a company registered in England and Wales, with registered number 01179980, is authorised under FSMA to effect and carry out contracts of General Insurance Business in the United Kingdom in classes I, II, III, IV, V, VI, VII, VIII, IX, X, XI, XII, XIII, XIV, XV, XVI, XVII and XVIII set out in Part I of Schedule 1 of the RAO.
- 2.2 Intact Insurance UK Limited (the **Transferee**), a company registered in England and Wales, with registered number 00093792, is authorised under FSMA to effect and carry out contracts of General Insurance Business in the United Kingdom in classes I, II, III, IV, V, VI, VII, VIII, IX, X, XI, XII, XIII, XIV, XV, XVI, XVII and XVIII set out in Part I of Schedule 1 of the RAO.
- 2.3 The purpose of this Scheme is to effect the transfer to the Transferee, subject to the terms of this Scheme, of certain General Insurance Business carried on by the Transferor. The economic risk in respect of the Transferring Business has already been transferred by the Transferor to the Transferee pursuant to the terms of the Quota Share Reinsurance Agreement.

PART C – TRANSFER OF THE BUSINESS

3. TRANSFER OF THE BUSINESS, ASSETS AND LIABILITIES

- 3.1 Each part of the Transferring Business (including, for the avoidance of doubt, the Transferring Business constituted by the Jersey Policies), the Residual Assets and the Residual Liabilities shall be transferred to and vested in the Transferee in accordance with this Scheme, so that:
- (a) on and with effect from the Transfer Date, each Transferring Asset and all the interest and property of the Transferor in it shall, by the Order and without any further act or instrument, be transferred to and be vested in the Transferee, subject to all Encumbrances (if any) affecting such asset in accordance with this Scheme;
 - (b) on and with effect from each Subsequent Transfer Date, each Residual Asset to which such Subsequent Transfer Date applies and all the interest and property of the Transferor in it shall, by the Order and without any further act or instrument, be transferred to and be vested in the Transferee, subject to all Encumbrances (if any) affecting such asset in accordance with this Scheme;
 - (c) on and with effect from the Transfer Date, each Transferring Liability shall, by the Order and without any further act or instrument, be transferred to and become a liability of the Transferee in accordance with this Scheme and shall cease to be a liability of the Transferor; and
 - (d) on and with effect from each Subsequent Transfer Date, each Residual Liability to which such Subsequent Transfer Date applies shall, by the Order and without any further act or instrument, be transferred to and become a liability of the Transferee in accordance with this Scheme and shall cease to be a liability of the Transferor.
- 3.2 Further the transfer of the Jersey Policies to the Transferee shall only take place to the extent that the transfer of such Policies to the Transferee by a scheme of transfer pursuant to the Insurance Business (Jersey) Law 1996 has been approved by the Royal Court of Jersey and has become effective
- 3.3 Nothing in this Scheme shall be construed as having the effect of transferring the Excluded Assets or the Excluded Liabilities and no Excluded Assets or Excluded Liabilities will be transferred to or vested in the Transferee under or by virtue of the terms of this Scheme.
- 3.4 The Transferee shall accept without investigation or requisition such title as the Transferor shall have to the Transferring Assets at the Transfer Date and, at any Subsequent Transfer Date, to each Residual Asset then transferred.
- 3.5 Data Protection:
- (a) On and with effect from the Transfer Date, and as between the Transferor and the Transferee, in respect of all personal data comprised in the Transferring Business in respect of which the Transferor was the controller immediately before the Transfer Date (the **Transferred Personal Data**):
 - (i) the Transferee shall become the controller in relation to the Transferred Personal Data, except in circumstances where Transferor retains a copy of, and continues to process, the Transferred Personal Data after the Transfer Date including for the purposes of responding to any complaints and/or enquiries made by Policyholders of the Transferring Policies, to exercise or defend its rights in relation to Excluded

Liabilities and to administer the Excluded Policies, the Existing Policies and the Quota Share Policies], and to comply with applicable regulatory requirements, in which case the Transferee and the Transferor shall be separate and independent controllers in respect of such Transferred Personal Data;

- (ii) any information made available to, or consent obtained or request or other notice received from, any data subject by or on behalf of the Transferor in relation to the Transferring Business will, as between the Transferor and the Transferee, be deemed to have been made available to, obtained or received by the Transferee; and
 - (iii) any reference to the Transferor in any such information, consent, request or other notice will be deemed to include a reference to the Transferee and any reference to the Transferor's Group will be deemed to include a reference to the Transferee's Group.
 - (b) As between the Transferor and the Transferee, where, prior to the Transfer Date, a data subject of Transferred Personal Data has provided Marketing Preferences to each of the Transferor and the Transferee, the Transferee's record of the Marketing Preference shall be deemed to apply with respect to the relevant Transferring Policy on and with effect from the Transfer Date whether or not it is the same as any Marketing Preference given by the relevant data subject to the Transferor.
 - (c) As between the Transferor and the Transferee, where a data subject of the Transferred Personal Data has made a data subject request to the Transferor before the Transfer Date and the Transferor has not responded before the Transfer Date with a copy of the Transferred Personal Data held by it in accordance with Data Protection Laws, the Transferor shall inform the Transferee of such data subject request and upon the Transferor's written request, the Transferee shall respond to the request on behalf of the Transferor, in accordance with Data Protection Laws, including by providing copies of the Transferred Personal Data held by the Transferor immediately before the Transfer Date.
 - (d) As between the Transferor and the Transferee, where a data subject of Transferred Personal Data has made a data subject request to the Transferor before the Transfer Date and the Transferor has not responded in accordance with the Data Protection Laws before the Transfer Date, the Transferor may exclude Transferred Personal Data transferred as a consequence of the Scheme from its response thereafter.
 - (e) Nothing in this paragraph 3.5 shall be deemed to transfer any right to process Transferred Personal Data or to send any direct marketing communication to the extent it would be unlawful under, or inconsistent with Data Protection Laws.
- 3.6 The Transferor shall retain the Excluded Assets and the Excluded Liabilities and no Excluded Assets or Excluded Liabilities will be transferred to or vested in the Transferee under or by virtue of the terms of this Scheme.
- 3.7 Any entitlement which, but for section 112A of FSMA, would or might arise to terminate, modify, acquire or claim an interest or right to treat an interest or right as terminated or modified as a result of anything done or pursuant to the Scheme will not be enforceable.
- 3.8 Neither the transfer of the Transferring Business nor this Scheme nor anything done or omitted to be done in connection with the transfer of the Transferring Business or this Scheme shall, in relation to the Transferring Business or any Transferring Policies, Transferring Assets, Transferring Liabilities, Residual Assets, Residual Liabilities or any other asset, property, liability or business of any member

of the Transferor's Group whether before or after the Transfer Date (or where applicable, the Subsequent Transfer Date applicable to Residual Assets or Residual Liabilities):

- (a) invalidate, discharge or result in the termination of any Policy, agreement, instrument, trust deed, indenture, Encumbrance, right, interest, benefit, power, obligation or title;
- (b) constitute a breach of or default, event of default, potential event of default, termination event, mandatory prepayment event, enforcement event, perfection event or other similar event or condition (however described) under, or allow any person to terminate, any Policy, agreement, instrument, trust deed, indenture, Encumbrance, right, interest, benefit, power, obligation or title;
- (c) require any registration, re-registration or filing or any amendment to any existing registration or filing in respect of any Policy, agreement, instrument, trust deed, indenture, Encumbrance, right, interest, benefit, power, obligation or title;
- (d) require any person to perform any new or additional obligation or take any new or additional step or action, including the giving of any notice, the obtaining of any consent, approval or determination, the accession to any agreement, the payment of any fee, cost, expense, interest or other amount, the granting of any new or additional Encumbrance or the transfer of any asset or property;
- (e) entitle or require any person to exercise any right or remedy, to reduce, suspend, delay, alter or discharge its rights or obligations, to accelerate, terminate, suspend, delay, alter or discharge the performance of any rights or obligations or otherwise to vary, amend, disclaim, repudiate or terminate any Policy, agreement, instrument or Encumbrance; or
- (f) affect the enforceability, priority or ranking of any Encumbrance.

4. CONTINUITY OF PROCEEDINGS

- 4.1 On and with effect from the Transfer Date, any Proceedings (or relevant part thereof) issued, served, pending, threatened, commenced or continued by or against the Transferor (including future Proceedings (or relevant part thereof) which may be brought in the future including those not yet in contemplation) in connection with the Transferring Policies, Transferring Assets or the Transferring Liabilities in respect of which the Transferor is a party (including as the plaintiff, claimant, applicant, defendant, respondent, pursuer, defender or petitioner), and including any such Proceedings (or relevant part thereof) commenced in error against the Transferor on or after the Transfer Date, shall be continued or commenced by or against the Transferee and the Transferee shall be entitled to all defences, claims, counterclaims, defences to counterclaims, settlements, rights of set-off and any other rights that would have been available to the Transferor in relation to the Transferring Policies, Transferring Assets, the Transferring Liabilities in such Proceedings (or relevant part thereof).
- 4.2 On and with effect from the Subsequent Transfer Date applicable thereto, any Proceedings (or relevant part thereof) issued, served, pending, threatened, commenced or continued by or against the Transferor in connection with the Excluded Policies, Residual Assets or the Residual Liabilities which are to be transferred on such Subsequent Transfer Date in respect of which the Transferor is a party (including as the plaintiff, claimant, applicant, defendant, respondent, pursuer, defender or petitioner), and including any such Proceedings (or relevant part thereof) commenced in error against the Transferor on or after the relevant Subsequent Transfer Date, shall be continued or commenced by or against the Transferee and the Transferee shall be entitled to all defences, claims, counterclaims, defences to counterclaims, settlements, rights of set-off and any other rights that would have been available to the Transferor in relation to the Residual Assets and the Residual

Liabilities and such Proceedings (or relevant part thereof). Until such Subsequent Transfer Date, the relevant Proceedings (or relevant part thereof) shall be continued by or against the Transferor, provided that such Proceedings or relevant part thereof shall be conducted by the Transferor in accordance with the instructions of (and at the expense of) the Transferee in relation to such Proceedings (or relevant part thereof).

- 4.3 For the avoidance of doubt, any Proceedings (or relevant part thereof) to the extent issued or served which are not to be continued by or against the Transferee pursuant to paragraph 4.1 or 4.2 shall be continued by or against the Transferor and the Transferor shall remain entitled to all defences, claims, counterclaims, settlements, rights of set-off and any other rights that were or would have been available to it in relation to those Proceedings (or relevant part thereof).
- 4.4 On and with effect from the Transfer Date, any judgment, settlement, order or award which is obtained by or against the Transferor in respect of the Transferring Policies, Transferring Assets or the Transferring Liabilities and not fully satisfied before the Transfer Date shall, to the extent to which it was enforceable by or against the Transferor immediately prior thereto, become enforceable by or against the Transferee.
- 4.5 On and with effect from the Subsequent Transfer Date, any judgment, settlement, order or award which is obtained by or against the Transferor in respect of the Residual Assets or the Residual Liabilities and not fully satisfied before the Subsequent Transfer Date shall, to the extent to which it was enforceable by or against the Transferor immediately prior thereto, become enforceable by or against the Transferee.
- 4.6 In respect of any Proceedings in relation to the Transferring Policies which are (i) commenced but not settled before the Transfer Date, or (ii) commenced on or after the Transfer Date in respect of acts or omissions of the Transferor prior to the Transfer Date, the Transferee undertakes to comply with:
- (a) the relevant provisions of DISP that would apply to the handling of any complaints:
 - (i) arising in relation to any act or omission of the Transferor in the United Kingdom prior to the Transfer Date; and
 - (ii) which are brought to the United Kingdom Financial Ombudsman Service and which fall under its jurisdiction; and
 - (b) any valid judgment, settlement, order or award (or relevant part thereof) of the United Kingdom Financial Ombudsman Service, made under its jurisdiction as set out in DISP 2,

to the extent that such compliance is compatible with any applicable regulatory requirements and any such judgment, settlement, order or award as is referred to in paragraph 4.6(b) shall be enforceable against the Transferee (to the exclusion of the Transferor).

5. RIGHTS AND OBLIGATIONS IN RELATION TO THE TRANSFERRING BUSINESS

- 5.1 On and with effect from the Transfer Date, subject to the terms of this Scheme, the Transferee shall become entitled to all the rights, benefits and property of the Transferor whatsoever subsisting on the Transfer Date under the Transferring Business including the Transferring Assets and the Transferring Policies.
- 5.2 Without prejudice to the generality of paragraph 5.1 above, where the benefits of any Transferring Policy are held under the terms of a trust, such terms shall operate and be construed on and with

effect from the Transfer Date on a basis which is consistent with the transfer of such Transferring Policy in accordance with the provisions of this Scheme. For the avoidance of doubt:

- (a) where the consent of the Transferor is required under any such terms, the consent of the Transferee shall, from the Transfer Date, instead be treated as required; and
- (b) where a power to appoint trustees under such terms is conferred on the Transferor, that power shall, from the Transfer Date, instead be treated as conferred on the Transferee.

- 5.3 Every person who is a holder of any of the Transferring Policies or is a party to, or has the benefit of, any other agreement with the Transferor which forms part of the Transferring Business shall, on and with effect from the Transfer Date, become entitled, in succession to, and to the exclusion of, any rights which he may have had against the Transferor under any of the Transferring Policies or any other such agreement relating to the Transferring Business, to the same rights against the Transferee (subject to the terms of this Scheme) as were available to him against the Transferor under such Transferring Policies or such other agreement which forms part of the Transferring Business.
- 5.4 All references relating to the Transferring Business in any Transferring Policy or any other agreement or document evidencing title to or the benefit or burden of the Transferring Business (including in a contract to which the Transferor is party, a contract to which the Transferor is not party or elsewhere and whether in writing or not) to the Transferor, its Board, its Actuary or any other officers, employees or agents of the Transferor shall from and after the Transfer Date be read as references to the Transferee, the Transferee's Board, the Transferee's Actuary or any other officers, employees or agents of the Transferee respectively, as appropriate. In particular, but without limitation, all rights and duties exercisable or expressed to be exercisable or responsibilities to be performed by the Transferor, its Board, its Actuary or any other officers, employees or agents of the Transferor in relation to any Transferring Policy or other agreement or document evidencing title to or the benefit or burden of the Transferring Business relating, in each case, to the Transferring Business (including in a contract to which the Transferor is party, a contract to which the Transferor is not party or elsewhere and whether in writing or not) shall, from and after the Transfer Date, be exercisable or required to be performed by the Transferee, the Transferee's Board, the Transferee's Actuary or any other officers, employees or agents of the Transferee respectively, as appropriate.
- 5.5 The provisions of paragraphs 5.1 to 5.4 shall apply, mutatis mutandis, on and with effect from the Subsequent Transfer Date applicable thereto, to any Residual Assets and Residual Liabilities.
- 5.6 In respect of any Transferring Reinsurance Contract, that is in part (and not wholly) a Transferring Reinsurance Contract (a "**Relevant Reinsurance Arrangement**"), on and with effect from the Transfer Date:
- (a) in respect of that part of the Relevant Reinsurance Arrangement that is not a Transferring Reinsurance Contract (the "**Retained Reinsurance**"), subject to paragraph 5.6(b), it shall continue in force on its original terms as if it did not apply to the relevant Transferring Policies; and
 - (b) both the Retained Reinsurance and the part of the Relevant Reinsurance Arrangement that is a Transferring Reinsurance Contract shall be deemed to be amended to the extent necessary to ensure that any limits or sub-limits, deductions or retentions and any other provisions of similar effect contained in the Relevant Reinsurance Arrangement immediately prior to the Transfer Date shall, on and with effect from the Transfer Date, apply in respect of claims brought under the Retained Reinsurance or the Transferring Reinsurance Contract in the same manner as they applied to claims brought under the Relevant Reinsurance Arrangement immediately prior to the Transfer Date so that, with respect to such provisions, the Retained Reinsurance and the Transferring Reinsurance Contract shall behave as a single

reinsurance arrangement and any references to the reinsured shall be construed as referring to both the Transferor and the Transferee taken together, and as between the Transferor and the Transferee the benefit and/or burden of such provisions shall be apportioned so as to achieve an equitable division of liability between them or in such other manner as they may from time to time agree.

- 5.7 All amounts due under or by virtue of the Transferring Reinsurance Contracts shall, on and with effect from the Transfer Date, be payable to the Transferee and shall be receivable and received by the Transferee.
- 5.8 The transfer of any rights, benefits, liabilities and obligations under or in connection with any Transferring Policy, Transferring Asset, Residual Asset, Transferring Liability or Residual Liability pursuant to this Scheme shall take effect and shall be valid and binding on all Parties having any interest in the same notwithstanding any restriction on transferring, assigning or otherwise dealing with the same and such transfer shall 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 terminated or modified.

6. EXCLUDED POLICIES

- 6.1 Subject to paragraph 6.2 below, Excluded Policies, including those that fall within limb (b) of the definition of Excluded Policies for so long as they have not been transferred in accordance with the Jersey Scheme, shall remain liabilities of the Transferor and be fully reinsured by the Transferee without limit in time or amount with effect from the Transfer Date on the terms set out in an Excluded Policies reinsurance agreement which will include the following terms (the **Excluded Policies Reinsurance Arrangement**):
- (a) all liabilities of the Transferor attributable to Excluded Policies, which would have been Transferring Liabilities had the relevant certificate under Part I of Schedule 12 to FSMA been provided or the other impediment to transfer not applied, shall be reinsured by the Transferee on and with effect from the Transfer Date;
 - (b) the liability of the Transferee on the Transfer Date shall be such that it will cover the full liability of the Transferor in respect of the rights, benefits and powers provided to holders of Excluded Policies which would have been Transferring Liabilities had the relevant certificate under Part I of Schedule 12 to FSMA been provided or the other impediment to transfer not applied;
 - (c) the premiums payable by the Transferor to the Transferee in connection with the provision of the reinsurance described in this paragraph 6.1 shall be deemed to have been satisfied by the transfer to the Transferee of the appropriate proportion of the Transferring Assets; and
 - (d) the Transferee shall be responsible for administering the Excluded Policies and shall do so as if they were Transferring Policies subject to cooperation from the Transferor.
- 6.2 The Parties may agree in writing to amend the terms of the Excluded Policies Reinsurance Arrangement in which event the provisions of this paragraph 6.2 shall be deemed to be amended accordingly.
- 6.3 If all consents, orders, permissions or other requirements for the transfer or novation of an Excluded Policy from the Transferor to the Transferee are obtained, such Excluded Policy shall be transferred to the Transferee, and shall thereafter be treated in all respects, as if it were a Transferring Policy on the terms of this Scheme and not an Excluded Policy.

7. MANDATES AND OTHER PAYMENTS

- 7.1 All premiums payable on and after the Transfer Date (or, if relevant, Subsequent Transfer Date) in respect of the Transferring Policies, if any, shall be payable to the Transferee.
- 7.2 Any direct debit mandate, standing order or other instruction or authority in force at the Transfer Date (or if relevant, Subsequent Transfer Date) (including, without limitation, any instructions given to a bank by its customer in the form of direct debit or standing order) that provides for the payment by a bank or other intermediary of premiums or other amounts payable to the Transferor under any Transferring Policy or Transferring Asset shall thereafter take effect as if it had provided for and authorised such payment to the Transferee.
- 7.3 Any mandate or other instruction in force on the Transfer Date (or if relevant, Subsequent Transfer Date) as to the manner of payment of any sum payable by the Transferor under any of the Transferring Policies shall, on and from the Transfer Date, continue in force as an effective authority to the Transferee.

8. DECLARATION OF TRUST BY THE TRANSFEROR

- 8.1 The Transferor shall, in relation to any and all Residual Assets which are the property of the Transferor, from the Transfer Date (but save to the extent that giving effect to such a trust would require a consent or waiver which has not been obtained or that such a trust would not be recognised by any Applicable Law or that the Transferor and the Transferee agree not to give effect to such a trust for any reason), hold any such Residual Asset, together with any proceeds of sale or income or other right accrued or return arising in respect thereof, as trustee for the Transferee.
- 8.2 The Transferor shall be subject to the Transferee's directions in respect of any property referred to in paragraph 8.1 above from the Transfer Date until the relevant property is transferred to or otherwise vested in the Transferee or is disposed of (whereupon the Transferor shall account to the Transferee for the proceeds of sale thereof), and the Transferee shall have authority to act as the attorney of the Transferor in respect of such property for all such purposes.
- 8.3 In the event of any payment being made to, property being received by, or right being conferred upon the Transferor after the Transfer Date in respect of the Transferring Business, any Transferring Asset, any Residual Asset or any asset referred to in paragraph 8.1 above, the Transferor shall, as soon as is reasonably practicable after its receipt, pay over the full amount of such payment or (to the extent to which it is able to do so) transfer such property or right to, or in accordance with the directions of, the Transferee and the Transferee shall reimburse the Transferor's costs reasonably incurred in making any such payment or transfer upon receipt of reasonable supporting evidence thereof.

9. INDEMNITIES IN FAVOUR OF THE TRANSFEROR AND THE TRANSFEE

- 9.1 On and from the Transfer Date, the Transferee shall in respect of the Transferring Liabilities and all Residual Liabilities, indemnify the Transferor against any and all Losses incurred by the Transferor which arise in respect of:
- (a) the Residual Liabilities (excluding liabilities in respect of the Excluded Policies that are otherwise subject to reinsurance from the Transferee pursuant to clause 6.1) until the relevant liability is transferred to or becomes a liability of the Transferee, save to the extent that such Residual Liability has arisen or increased as a result of a failure by the Transferor to comply with any directions given by the Transferee under paragraph 8.2; and

- (b) the Transferring Liabilities, provided that the Transferor shall consult with the Transferee prior to taking any action in respect of any Transferring Liabilities and shall not agree or settle or indicate an intention to agree or settle any Transferring Liabilities without the written consent of the Transferee.

9.2 If the Transferor becomes aware of a matter which constitutes or which would be reasonably likely to give rise to a claim under this indemnity (a **Claim**), the Transferor shall:

- (a) as soon as practicable, give notice to the Transferee of the matter;
- (b) provide to the Transferee such information and documents as are within the reasonable power or control of the Transferor and as the Transferee may reasonably request for the purposes of investigating the matter subject to the preservation of any form of privilege or Applicable Law;
- (c) act reasonably and consult with the Transferee prior to taking any action in respect of the Claim, taking account of any reasonable representations it receives from the Transferee, in deciding whether and how to take any action to avoid, dispute, resist, appeal, compromise, defend, remedy or mitigate the Claim; and
- (d) not agree or settle or indicate an intention to agree or settle any potential Claim without the written consent of the Transferee.

9.3 On and from the Transfer Date, the Transferor shall in respect of all Excluded Assets and Excluded Liabilities, indemnify the Transferee against any and all Losses arising in respect of all Excluded Assets and Excluded Liabilities. If the Transferee becomes aware of a matter which constitutes or which or might give rise to a claim under this indemnity (a **Claim**), the Transferee shall:

- (a) as soon as practicable, give notice to the Transferor of the matter;
- (b) provide to the Transferor such information and documents as are within the reasonable power or control of the Transferee and as the Transferor may reasonably request for the purposes of investigating the matter subject to the preservation of any form of privilege or Applicable Law;
- (c) act reasonably and consult with the Transferor prior to taking any action in respect of the Claim, taking account of any reasonable representations it receives from the Transferor, in deciding whether and how to take any action to avoid, dispute, resist, appeal, compromise, defend, remedy or mitigate the Claim; and
- (d) not agree or settle or indicate an intention to agree or settle any potential Claim without the written consent of the Transferor.

10. WITHHOLDINGS AND DEDUCTIONS

10.1 Any payment made by or due from the Transferee to the Transferor or vice versa pursuant to paragraph 9 shall be made free and clear of all deductions and withholdings whatsoever save only for any deductions or withholdings required by Applicable Law. If any deductions or withholdings are required by Applicable Law from a payment pursuant to paragraph 9, the payer shall be liable to pay to the recipient such further sums as shall be required to ensure that the net amount received by the recipient will equal the full amount which would have been received under the relevant provisions of paragraph 9 in the absence of any such deductions or withholdings and if the recipient obtains and utilises a tax credit, or obtains a tax repayment, which the recipient determines (acting in good faith) as being attributable to any increased payment made pursuant to this paragraph 10.1, the

recipient shall pay an amount to the payer which the recipient (acting in good faith) determines will leave it with such amount that the recipient would have received under the relevant provisions of paragraph 9 in the absence of any deductions or withholdings.

11. EXISTING POLICY REINSURANCE AGREEMENT

On and from the Transfer Date, certain parts of the Existing Policies shall be fully reinsured by the Transferor without limit in time or amount on the terms set out in an Existing Policies reinsurance agreement that will take effect from the Transfer Date.

PART D – MISCELLANEOUS

12. TRANSFER DATE

- 12.1 This Scheme shall become effective at 00.01 hrs (BST) on 1 April 2026 or such other time and date as may be agreed by the Parties and specified in the Order sanctioning the Scheme.
- 12.2 If the Transferor and the Transferee agree that the transfer to the Transferee of the Transferring Business should become effective after 00.01 BST on 1 July 2026, the Transferor and Transferee must apply to the Court for a further order, specifying any time and date after 00.01 BST on 1 July 2026 which, subject to the consent of the Court, shall then become the Transfer Date for the purposes of this Scheme and this Scheme shall then become operative on and from the time and date so specified, provided that:
- (a) the Transferor and the Transferee shall consider how the Policyholders of the Transferring Policies are informed of the new Transfer Date, including whether individual policyholder notifications are appropriate;
 - (b) the PRA and the FCA shall be notified in advance and as soon as reasonably practicable, and shall have the right to be heard at, any hearing of the Court at which such application is considered;
 - (c) such application shall be accompanied by a certificate from the Independent Expert to the effect that the proposed amendment will not materially adversely affect the holders of the Transferring Policies or existing policyholders of the Transferor or the Transferee, including as to their benefit expectations;
 - (d) the Independent Expert shall be provided with the most up-to-date financial information (audited and/or unaudited, as may be appropriate) available to the Transferor and the Transferee in respect of that party; and
 - (e) a notice of the making of such order is published on the website of the Transferor within 5 days of the making of such further order.

13. MODIFICATION OR ADDITIONS

- 13.1 The Transferor and the Transferee may consent for and on behalf of all other persons concerned (other than the PRA and the FCA) to any modification of or addition to this Scheme or to any further condition or provision affecting the same which, prior to its sanction of this Scheme, the Court may approve or impose.
- 13.2 Subject to paragraph 13.4, at any time after the sanction of this Scheme, the Transferee and the Transferor shall be at liberty to apply jointly to the Court for consent to amend its terms, provided that in any such case:
- (a) the PRA and the FCA shall be given at least 30 Business Days' notice of, and have the right to be heard at, any hearing of the Court at which such application is considered;
 - (b) such application shall be accompanied by a certificate from an independent expert, approved for the purpose by the PRA (having consulted with the FCA), to the effect that in his opinion (having considered all of the possible impacts of the proposed amendments), the proposed amendments to the Scheme will not have a material adverse effect on the Policyholders of the Transferee.

- 13.3 If such consent is granted, the Transferee and the Transferor may amend the terms of this Scheme in accordance with such consent.
- 13.4 The consent of the Court or the PRA and the FCA shall not be required in relation to the amendment or termination of the Excluded Policies Reinsurance Arrangement.
- 13.5 Notwithstanding paragraph 13.2, any amendment to this Scheme will not require Court approval where such amendment is:
- (a) a minor and/or technical amendment to terms (including amendments to correct manifest errors) that may be agreed by the Transferee and the Transferor;
 - (b) required to reflect any change in Applicable Law which has or will have any implications for the Transferor or Transferee in relation to the terms or operation of this Scheme;
 - (c) necessary to reflect any changes in the actuarial practices relating to, or techniques for the management of, the Transferring Policies; or
 - (d) required to protect the rights and reasonable expectations of the Policyholders of the Transferring Policies,

provided that the PRA and the FCA have been given at least 28 days' notice (from the date that the PRA and the FCA acknowledged the notice) of the amendment and have indicated that they do not object thereto prior to that date.

14. EVIDENCE OF TRANSFER

The production of a copy of the Order with any modifications, amendments and/or additions made under paragraph [13] shall for all purposes be evidence of the transfer to, and vesting in, the Transferee:

- (a) on and with effect from the Transfer Date, of the Transferring Assets, the Transferring Liabilities and the Transferring Policies; and
- (b) with effect from each relevant Subsequent Transfer Date, of the Residual Assets and the Residual Liabilities.

15. COSTS AND EXPENSES

Except as otherwise agreed in writing (including under any existing agreement between the Transferee and the Transferor) or as set out in this Scheme, the Transferor and the Transferee shall bear their own costs and expenses in relation to the preparation and carrying into effect of this Scheme, whether before or after the Transfer Date.

16. SUCCESSORS AND ASSIGNS

This Scheme will bind, and ensure to the benefit of, the successors and assigns of each Transferor and the Transferee.

17. THIRD PARTY RIGHTS

No person who is not a party to this Scheme may enforce any of its terms, whether by virtue of the Contracts (Rights of Third Parties) Act 1999 or otherwise.

18. FURTHER ASSURANCE

The Transferor and the Transferee shall and shall procure that each member of the Transferor's Group and the Transferee's Group respectively shall upon request, at its own expense, at all times from the date of this Scheme, do or procure the doing of all things as may be required or reasonably desirable to implement and give full effect to this Scheme.

19. GOVERNING LAW

This Scheme and any non-contractual obligations arising out of or in connection with this Scheme shall be governed by, and interpreted in accordance with, English law.

**IN THE HIGH COURT OF
JUSTICE
BUSINESS AND
PROPERTY COURTS
OF ENGLAND AND WALES
COMPANIES COURT (ChD)**

CR-2025-003706

**IN THE MATTER OF U K INSURANCE
LIMITED**

-and-

**IN THE MATTER OF INTACT INSURANCE UK
LIMITED**

-and-

**IN THE MATTER OF PART VII OF
THE FINANCIAL SERVICES AND MARKETS
ACT 2000**

SCHEME

pursuant to Part VII of the Financial Services
and Markets Act 2000

ALLEN OVERY SHEARMAN STERLING
One Bishops Square
London E1 6AD

Tel: 020 3088 0000
Fax: 020 3088 0088
Ref: 0040489-0000061

Solicitors for U K Insurance Limited