



16/04/2020

Dear Sirs

IMPORTANT INFORMATION ABOUT YOUR INSURANCE POLICY WITH DAS LEGAL EXPENSES INSURANCE COMPANY LIMITED – PLEASE READ CAREFULLY

We are writing to inform you that it is proposed that on 31 July 2020 Das Legal Expenses Insurance Company Limited (**DAS**) will transfer all of the legacy business written out of its Irish branch (other than Northern Ireland) to ARAG Allgemeine Versicherungs-AG (**ARAG**) (the **Proposed Transfer**). This includes the direct insurance liabilities of the relevant insurer policyholders which DAS currently provides 100% reinsurance coverage for pursuant to the reinsurance contract entered into between you and DAS (the **Reinsurance Contract**).

It is proposed that ARAG will replace DAS as the reinsurer under such Reinsurance Contract. Following the Proposed Transfer ARAG will assume the role of claims administrator in respect of the underlying contracts of insurance and is responsible for making any payments due under the underlying insurance policies directly to the underlying policyholder of the insured.

This letter contains important information about the Proposed Transfer, to allow you reasonable time to consider whether you and/or your interested parties may be adversely affected by the Proposed Transfer.

As part of a strategic reassessment of its business in light of the UK's decision to exit the European Union (Brexit), DAS has decided to focus on its UK operations and entered into an agreement with ARAG on 26 February 2019 to transfer the transferring policies to ARAG's Irish branch. Accordingly, with effect from 1 December 2019 DAS ceased writing new insurance policies in Ireland.

ARAG carries out general insurance business in Germany including legal expenses business. ARAG is part of the ARAG Group which is a worldwide specialist in legal expense business. ARAG is authorised and regulated by the German insurance regulator, the Bundesanstalt für Finanzdienstleistungsaufsicht (**BaFin**). It has a branch in Ireland which is authorised and regulated by BaFin following a notification to BaFin and the Central Bank of Ireland, the Irish insurance regulator to carry on insurance business in Ireland.

The Proposed Transfer must be carried out in accordance with Part VII of the UK Financial Services and Markets Act 2000. This requires us to obtain approval from the High Court of England and Wales (the Court). If approved by the Court, it is expected that the Proposed Transfer will take effect on 31 July 2020. It is a legal requirement for us to contact you as part of this process. Should you consider that you are adversely affected by the Proposed Transfer or wish to make objections to the Proposed Transfer, you are entitled to make representations to the Court and this letter contains information on how to do so.



The Proposed Transfer will have no effect on:

- the terms and conditions of your cover pursuant to the Reinsurance Contract;
- the amount of your premium;
- the duration of your inwards reinsurance policy;
- the people who administer your policy; or
- any claim which you may have made or may make under your inwards reinsurance policy.

How are your interests being protected?

The legal approval process for the Proposed Transfer to ARAG is designed to help safeguard your interests.

The Court hearing is due to take place on 28 July 2020 at the **High Court of Justice, 7 Rolls Building, Fetter Lane, London, EC4A 1NL, United Kingdom.**

You have the right to attend the Court hearing that will consider the Proposed Transfer and to present any objections or concerns that you may have directly, or appoint legal counsel to attend on your behalf. If you want to telephone or write to us rather than appear in person, we will present in writing any objections received from you to the Court on 28 July 2020. If you decide to write to us you are kindly requested to do so as soon as possible and preferably no later than 21 July 2020.

In light of current government guidelines regarding Covid-19, please note that it is possible that the hearing may take place remotely via Skype or another teleconferencing service. It is requested if you intend on attending the hearing (whether in person or via their representative), you inform DAS and ARAG in writing (using the contact details set out above) as soon as possible and preferably before 21 July 2020 to set out the nature of your objection. This will enable us to provide notification of any changes to the hearing (including any details necessary to attend the hearing if it is to be held remotely) and, where possible, to address any concerns raised in advance of the hearing. Any change to the date of the Court hearing or the date of the Proposed Transfer will be announced on our website (www.das.co.uk/arag-transfer) and the ARAG website (www.arag.ie/DASIrelandSale).

Subject to Court approval, it is expected that policies will automatically transfer to ARAG on 31 July 2020.

An Independent Expert has been appointed to write a report for the Court. The Independent Expert has assessed the impact of the Proposed Transfer and has concluded that it will not materially adversely affect any group of inwards reinsurance policyholders.

DAS has consulted closely with its regulators, the Financial Conduct Authority and the Prudential Regulation Authority. The UK regulators are entitled to make their own representations to the Court.



What should you do?

Please carefully read the information we have included with this letter. We have enclosed a booklet containing:

- "Questions and Answers" about the Proposed Transfer;
- a summary of the legal document that sets out the terms of the Proposed Transfer (the **Scheme Document**);
- a summary of the Independent Expert's report; and
- a copy of a legal notice setting out details of the Court hearing for the Proposed Transfer, (the **Communication Pack**).

How to make your views known

If you are comfortable with the Proposed Transfer and the information contained in and included with this letter, you do not need to take any further action. However, should you need any further information or if you have any questions or concerns about the Proposed Transfer or consider that you may be adversely affected then please contact us as soon as possible and preferably no later than 21 July 2020.

You can:

- call the helpline at:
 - Ireland: +353(0)1 8818080; or
 - UK: +44(0)117 934 2000,available between 9am to 5pm Monday to Friday (excluding public holidays). Callers outside of these hours will be able to leave a message and request that their call is returned;
- write to us at:
 - Ireland: ARAG Legal Protection, Europa House, Harcourt Centre, Harcourt Street, Dublin D02 WR20, Ireland; or
 - UK: DAS Legal Expenses Insurance Company Limited, DAS House, Quay Side, Temple Back, Bristol BS1 6NH, United Kingdom; or
- e-mail us at: customerrelations@das.co.uk or DASIrelandSale@arag.ie.

Please note that the helpline is for enquires about the Proposed Transfer only. If you have any general questions about your inwards reinsurance policy, please call our website (www.das.co.uk/arag-transfer) and the ARAG website (www.arag.ie/DASIrelandSale), together with full copies of the documents that



comprise the Communication Pack, the Scheme Document and the Independent Expert's report. All updates and details about the progress of the Proposed Transfer, including any supplemental Independent Expert's report that may be prepared prior to the Court hearing, will also be posted on the websites listed above. The Independent Expert will produce at least one supplemental Independent Expert Report prior to the Sanction Hearing setting out her views on events which have occurred subsequent to the issue of her initial report.

If you are aware of anyone else who has an interest in and/or is entitled to claim under your policy, please inform them of the Proposed Transfer and pass on the information contained in this letter and booklet.

Yours sincerely,

Andrew Burke CEO

For and on behalf of

DAS Legal Expenses Insurance Company Limited