



16/04/2020

Dear Sirs

IMPORTANT INFORMATION ABOUT DAS LEGAL EXPENSES INSURANCE COMPANY LIMITED INSURANCE POLICIES – PLEASE READ CAREFULLY

As you are aware, as part of a strategic reassessment of its business in Ireland, DAS Legal Expenses Insurance Company Limited (**DAS**) has agreed to sell all of the business and assets of its Irish branch (other than Northern Ireland) to ARAG Allgemeine Versicherungs-AG (**ARAG**). The final step of this transaction will be the transfer of all insurance policies written by or on behalf of the Irish branch of DAS (other than those written to policyholders in Northern Ireland) (the **Proposed Transfer**). This includes policies which you reinsured pursuant to the reinsurance agreement(s) entered into between yourselves and DAS dated [●] (the **Reinsurance Agreement(s)**).

As has been discussed, it is proposed that ARAG will replace DAS as the insured under such Reinsurance Agreement. This letter contains important information about the Proposed Transfer, to allow you reasonable time to consider whether you may be adversely affected by the Proposed Transfer.

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.

Information about the Proposed Transfer

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 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**. At the hearing, the Court will be asked to order the transfer of the Reinsurance Agreement to ARAG to the extent set out above as part of the Proposed Transfer.

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 that anyone intending to attend the hearing (whether in person or via their representative) so informs 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 their objection. This will enable DAS and ARAG 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.



An independent expert (the **Independent Expert**) has been appointed to prepare a report on the Proposed Transfer. The Independent Expert has assessed the impact of the Proposed Transfer and has concluded that it will not materially adversely affect the reinsurers of the DAS.

The Proposal

Under the Reinsurance Agreement between DAS and yourselves, you presently reinsure risks of DAS under certain policies that form part of the business to be transferred pursuant to the Proposed Transfer (the **Transferring Business**). After the Proposed Transfer, ARAG will become the cedant under the Reinsurance Agreement but only with respect to policies forming part of the Transferring Business.

The effect of the order is that all rights, benefits and powers conferred on or vested in DAS under the Reinsurance Agreement as well as all obligations imposed on the DAS, in respect of the Transferring Business, will, without further action and insofar as such rights, benefits, powers and obligations relate to the Transferring Business, be transferred to ARAG subject to the terms of the Proposed Transfer, as if ARAG had been the party to the relevant Reinsurance Agreement in respect of the Transferring Business from inception. All references in the Reinsurance Agreement to DAS and its directors, officers and employees or agents would then be read and construed, to the extent that such references relate to the Transferring Business, as being references to ARAG and its directors, officers and employees or agents.

The terms of the transfer mean that you will not be prejudiced by the Proposed Transfer as you will have no greater or lesser liability to ARAG under the Reinsurance Agreement than you would have had to DAS under the Reinsurance Agreement in the absence of the Proposed Transfer.

What you need to 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.

For your convenience, this information is also available on 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.

Yours faithfully,

Andrew Burke CEO

For and on behalf of

**DAS Legal Expenses
Insurance Company Limited**