Catalina Re

Private and confidential

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catalinare.com

CWIL/XXXX/XXXXX

Proposed transfer of pre-2007 Zurich Employers' Liability Insurance Policies to Catalina Worthing Insurance Limited

In December 2018, Zurich entered into an agreement to transfer a portfolio of pre-2007 United Kingdom (UK) legacy employers' liability insurance policies (the Business) to Catalina, a specialist acquirer of legacy insurance portfolios. The Business has been reinsured by a Catalina group company since 2019 and the claims handled by Catalina's UK service company since 2022.

The Business will be transferred from Zurich Insurance Company Ltd (Zurich) to Catalina Worthing Insurance Limited (Catalina), subject to regulatory and court approvals as described in further detail below. Zurich is an insurance company headquartered in Switzerland, operating in the UK through a branch registered in England and Wales. Catalina is a UK authorised insurance company.

The transfer will be carried out using an insurance business transfer scheme under Part VII of the Financial Services and Markets Act 2000, subject to the approval of the High Court of Justice of England and Wales. In addition, the transfer of any policies relating to the Business carried on in, or from within, Jersey (the Jersey Scheme) will be carried out under the Insurance Business (Jersey) Law 1996, subject to the approval of the Royal Court of Jersey (the Jersey Court). We expect each transfer to take place on 31 March 2026.

The transfer involves only specific employers' liability policies issued before 1 January 2007. The policies were issued by the companies or trading names set out in section 1.9 of the enclosed information booklet.

Why are we writing to you?

This letter is being sent to you because we believe that you represent, might represent or might have represented a party in respect of known current, pending or threatened claims, claims settled or closed in or other proceedings against Catalina or against a policyholder of Catalina in relation to an insurance policy, or associated arrangements, forming part of the business of Catalina.

Accordingly, this letter contains important information about the proposed transfer. In particular, you or claimants represented by you are entitled to make representations to the High Court of England and Wales (the Court) if you consider that you or your clients are adversely affected by the proposed transfer and this letter contains information on how to do so.

As part of the communications plan we are endeavouring to directly notify all policyholders with current open claims and those UK EL policyholders who have had a claim closed since 1 January 2019.

How does this affect existing policyholders?

For existing policyholders of Catalina the transfer of the Zurich business will have no direct impact. For Zurich policyholders, Catalina will replace Zurich as the insurer of the policy or policies included in the transfer. This means existing and future claims will be against Catalina instead of Zurich. It won't change the terms of the policy, the level of cover it provides or affect the status of any claim.

Catalina's UK service company already administers claims on behalf of Zurich for the transferring policies This means there will be no interruption of claims or change to you or your clients contacts for any ongoing or future claims.

How are your client's interests protected?

The interests of policyholders and claimants are protected by the legal process we are required to follow:

- Policyholders or claimants can object if they think they would be adversely affected.
- We've consulted with our regulators, the Financial Conduct Authority (FCA) and the Prudential Regulation Authority (PRA), who will assess the proposed transfer and each provide a report to the High Court.
- Jointly with Zurich, we have appointed an Independent Expert (who has been approved by the PRA in consultation with the FCA) to review the terms of the transfer and produce a report for the High Court.
- The High Court will only approve the transfer if, in all the circumstances of the case, it is satisfied that the proposed transfer is appropriate.
- For the Jersey Scheme (please see the "Jersey Scheme" section below), we are consulting with the Jersey Financial Services Commission. The Jersey Court will only approve the transfer if, in all the circumstances of the case, it is satisfied that the proposed transfer is appropriate.

The Independent Expert's report

The Independent Expert is Philip Tippin of KPMG, a Fellow of the Institute and Faculty of Actuaries with over 25 years of experience in the general insurance industry. The Independent Expert's report concludes the proposed transfer will not have a material adverse effect on Catalina's existing policyholders or claimants.

Jersey Scheme

Some policies to be transferred to Catalina form part of the insurance business carried on by Zurich in, or from within, Jersey, and a separate scheme is required to transfer this business. This means the Jersey Court must approve a separate transfer under Insurance Business (Jersey) Law 1996. If the High Court approves the transfer on 25 March 2026, the Jersey Court hearing is expected to take place at 10am on 27 March 2026 at the Royal Court of Jersey, Royal Court House, Royal Square, St Helier, Jersey JE1 1BA. The Independent Expert's report concludes that the Jersey Scheme has no direct impact on existing Catalina policyholders.

What should you do next?

We recommend you read this letter in full, together with the enclosed information booklet. The information booklet includes questions and answers about the transfer and the legal notices about the court hearings (which includes details on how to raise concerns with, or object to, the proposed transfer).

- If applicable, we request that you forward the formal notice of the Scheme to any of your clients who you believe may be affected by the proposed transfer and ask any such person to read this letter and the information booklet.
- If any policyholder communicates with you in respect of this letter, the Communication Pack or the proposed transfer, or raises any questions or concerns about them or informs you that they intend to make representations in respect of the proposed transfer, please contact us using the information provided below or direct the policyholders to do so.
- Save in respect of the above, you are not required to take any steps in relation to the proposed transfer. However, any person who alleges that they may be adversely affected by the proposed transfer, which may include certain of your clients, has the right to make representations and/or appear at the Court hearings. If you or any of your clients intend to make representations (either in writing or by telephone) and/or appear at the hearings (either in person or using legal representation), we would encourage you to please contact us using the details set out below prior to the date of the hearings.

Keeping you informed

We'll post important updates on our website at https://catalinaworthing.co.uk/zurich-transfer/.

Outcome of the High Court after the hearing due to take place on 25 March 2026,
Outcome of the Jersey Court after the hearing due to take place at 10am on 27 March 2026
Changes to the transfer process or dates set out in this letter

Further information

You'll find detailed information at https://catalinaworthing.co.uk/zurich-transfer/. This includes the summary and full copy of the scheme document, the Independent Expert's report and any supplemental reports prepared by the Independent Expert. The legal notice for the Jersey Scheme, Jersey Representation and Jersey scheme document will also be made available.

If you've got any questions about the transfer, want more information, or copies of the documents, you can call, email or write to us using the contact details below.

You will also be able to see or get copies of the Jersey transfer scheme document, the Jersey court application and the Independent Expert's report at Mourant Ozannes (Jersey) LLP, 22 Grenville Street, St Helier, Jersey JE4 8PX. Opening hours are Monday to Friday, 9:00 am to 5:15pm. These will be available up to the date of the final Jersey Court hearing, which expected to take place at 10am on 27 March 2026.

If you would prefer paper copies of the documents available on our website, or an alternative format (such as large print, audio or braille), please contact us using the details shown below.

Contact us

Please use the following details if you need to get in touch – we're here to help.

Call us on: 0800 652 0595 (freephone in the UK)
+44 3330 491 080 (international)
Monday to Friday 09:00 am to 05:00 pm (except bank holidays). We may record or monitor calls to improve our service.

Email us at: zurichtransfer@catalinare.com

Visit us at: https://catalinaworthing.co.uk/zurich-transfer/

Write to us at: Catalina Worthing Insurance Limited, c/o Davies Specialist Services, PO Box 81791, London. EC3P 3GB.

For and on behalf of

Catalina Worthing Insurance Limited

Enclosed: Information booklet