

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. THIS DOCUMENT SHOULD BE READ IN CONJUNCTION WITH THE ORIGINAL SCHEME DOCUMENT DATED 20 NOVEMBER 1996 AND THE AMENDING SCHEME DOCUMENT DATED 8 OCTOBER 2014 AND THE EXPLANATORY STATEMENTS PRODUCED IN CONNECTION WITH THE ORIGINAL SCHEME AND THE AMENDING SCHEME.

If you are in any doubt as to any aspect of this proposal or as to the action you should take, you should consult your insurance broker, lawyer, accountant or other professional adviser without delay.

Further copies of this document and the relevant Final Scheme Voting Forms can be obtained from the Run-off Manager at the address listed overleaf or by visiting the Website at www.oicrun-offltd.com.

**PROPOSAL IN RELATION TO
A SCHEME OF ARRANGEMENT**

(pursuant to Part 26 of the Companies Act 2006)

between

OIC RUN-OFF LIMITED

(formerly named Ralli Brothers Insurance Company Limited and The Orion Insurance Company plc)

THE LONDON AND OVERSEAS INSURANCE COMPANY LIMITED

(formerly named Hull Underwriters' Association Limited and The London and Overseas Insurance Company plc)

(both subject to a scheme of arrangement)

and their respective

FINAL SCHEME CREDITORS

(as defined in the Final Scheme)

The meetings of Final Scheme Creditors to consider the Final Scheme will be held at 3:00pm (London time) on 24 April 2025 by way of video conference. Notice of the meetings is set out at Appendix 2 (*Notice of Final Scheme Meetings*) of this document.

Whether or not Final Scheme Creditors intend to be present at the meetings, they are requested to complete and return the relevant Final Scheme Voting Form(s) as soon as possible and no later than noon (London time) on 24 April 2025.

www.oicrun-offltd.com

17 December 2024

RESPONSIBILITY STATEMENT

To the best of the Scheme Administrators' knowledge and belief, the statements, opinions and information contained in this document are correct.

The statements, opinions and information contained in this document are made, held or given respectively as at the date of this document unless another time is specified and such statements, opinions and information are made, held or given solely by or on behalf of the Companies unless expressly attributed to another party.

None of NNOFIC, Nat-Ned, the ILU or the Delegate or any of their respective directors, officers, employees, agents or advisers is responsible for any of the statements, opinions and information contained in this document.

Nothing contained in this document constitutes an admission of any liability on the part of the Companies, any liability to which they are or may be subject, or any claim against them.

The summary of the principal provisions of the Final Scheme and related matters contained in this explanatory statement (the "**Final Scheme Explanatory Statement**") is qualified in its entirety by reference to the Final Scheme. The full text of the Final Scheme is set out at Appendix 1.

The Scheme Administrators have not authorised any person to make any representation or to give any undertaking or commitment, whether oral, written, express or implied, concerning the proposed Final Scheme, which is inconsistent with the statements made in this document. Consequently, if such representations, undertakings or commitments are made or given, they should not be relied upon.

The contents of this document should not be construed as legal, tax, financial, actuarial or other professional advice. Each Final Scheme Creditor should consult its own professional advisers as to the legal, tax, financial, actuarial or other matters relevant to the action they should take in connection with the Final Scheme.

Save in the event of fraud, dishonesty or gross negligence, neither the Scheme Administrators, nor any partner, employee, agent, adviser, representative, affiliate, delegate, director, officer, member, beneficiary, investor, shareholder, trustee, attorney, or other person acting on behalf of, or otherwise related to or affiliated with the Scheme Administrators or the Companies, nor any of their respective successors, shall have any personal liability directly or indirectly, under or in connection with: (a) this Final Scheme Explanatory Statement, the Final Scheme and any notices convening the Final Scheme Meetings; (b) any agreement made or entered into under or pursuant to the Final Scheme Explanatory Statement, the Final Scheme and any such notices; or (c) any amendment or amendments to any of the foregoing made at any time or times, heretofore or hereafter. This exclusion of personal liability shall survive any termination of the Scheme.

Scheme Administrators	Legal advisers (UK)	Legal advisers (USA)
Dan Schwarzmann and Nigel Rackham PricewaterhouseCoopers LLP 7 More London Riverside London SE1 2RT United Kingdom Telephone: +44 (0) 20 7583 5000 Email: uk_oic_run_off_limited@pwc.com	Hogan Lovells International LLP Atlantic House Holborn Viaduct London EC1A 2FG United Kingdom	Norton Rose Fulbright US LLP 1301 Avenue of the Americas New York NY 10019-6022 USA

Run-off Manager	Vote Assessor	Delegate
Hampden Plc 40 Gracechurch Street London EC3V 0BT United Kingdom Telephone: +44 (0) 207 863 6560 Email: OICClosureHelpdesk@hampden.co.uk	James G Evans Actuarial Risk Management Ltd. 5914 W. Courtyard Drive, Suite 190 Austin, Texas 78730 Email: JEvans@ActRisk.com	Christopher Laughton Mercer & Hole 21 Lombard Street London EC3V 9AH United Kingdom

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PART I

FINAL SCHEME EXPLANATORY STATEMENT

A: KEY DEFINITIONS

This Final Scheme Explanatory Statement is intended to explain the main provisions of the Final Scheme.

Unless the context otherwise requires or it is otherwise stated, references in this Final Scheme Explanatory Statement to paragraphs are to the paragraphs of the Final Scheme Explanatory Statement.

Capitalised terms that are not otherwise defined in this Final Scheme Explanatory Statement have the meaning given to those terms in the Scheme prior to its amendment by the Final Scheme.

The following terms correspond to defined words and phrases in the Final Scheme and are in some instances summaries of longer definitions. They are not intended to be comprehensive and where no definition is provided or where they are inconsistent with the terms used in the Final Scheme, the definitions contained in the Final Scheme prevail over them.

"Actuarial Confirmation"	Has the meaning given to that term in paragraph 12.1.2
"Amending Scheme"	The scheme of arrangement (pursuant to Part 26 of the Companies Act 2006) between OIC and L&O and their respective Scheme Creditors (as defined in the Amending Scheme), which became effective on 14 January 2016 and amended the Original Scheme
"Blocked Monies"	Any monies payable to a Final Scheme Creditor under the Final Scheme, the payment of which is prohibited by applicable law or regulation, including sanctions law and regulation, or prohibitions promulgated in the United Kingdom, or any other jurisdiction to which the Companies or Scheme Administrators are subject
"CPLA"	The agreement dated 20 November 1996 between NNOFIC, the Companies and the ILU, as more fully described in paragraph 2.15 as amended or amended and restated from time to time
"Companies"	L&O and OIC, L&O or OIC individually being referred to as "the", or "a", "Company" or "the relevant Company"
"Delegate"	Mr Christopher Laughton of Mercer & Hole Corporate Finance Limited, a qualified insolvency practitioner with the Institute of Chartered Accountants England and Wales (licence no.749), in his capacity as delegate pursuant to his appointment in accordance with clause 33.4 of the Original Scheme, and any replacement of such person
"Early Final Dividend Offer"	An offer to be made by the Companies to Scheme Creditors other than Qualifying ILU Policyholders in accordance with the terms of the Scheme,

	<p>contingent upon the Final Scheme becoming effective in accordance with its terms, pursuant to which:</p> <ul style="list-style-type: none"> a) those Scheme Creditors, other than NNOFIC, will be eligible to receive final payment in settlement of their Scheme Liabilities earlier than otherwise available under the Scheme; and b) a compromise offer will be made on similar terms to NNOFIC in its capacity as a Scheme Creditor pursuant to the terms of the CPLA and the Amending Scheme in respect of the NNOFIC Top Up
“Eligible Final Scheme Creditors”	Final Scheme Creditors that are entitled to receive the Final Scheme Payment having submitted their Final Scheme Claim Documentation on or prior to the Final Scheme Bar Date and in accordance with the terms of the Final Scheme
“FCA”	The Financial Conduct Authority and any successor regulatory authority or authorities with the role and responsibilities of the Financial Conduct Authority in respect of regulation of the Companies from time to time
“Final Scheme”	The scheme of arrangement proposed in accordance with Part 26 of the Companies Act to amend and supplement the Scheme in respect of Final Scheme Creditors, being the scheme of arrangement set out at Appendix 1 of this document in its present form or as modified
“Final Scheme Assets”	<p>The amount of US\$2,000,000, to be funded:</p> <ul style="list-style-type: none"> a) first, from the Opt Out Scheme Assets <ul style="list-style-type: none"> <i>less</i> the amount actually paid and otherwise reserved by the Companies to meet the Payment Percentage of Opt Out Scheme Liabilities in respect of claims notified to the Companies on or before 31 December 2035, <i>less</i> the whole of Opt Out Expenses actually paid and otherwise reserved in respect of claims notified to the Companies on or before 31 December 2035, <i>plus</i> the investment income on these funds, <p>(in each case evidenced by the Companies to NNOFIC’s satisfaction (acting reasonably)) (the net amount in (a) being the “Relevant Reserved Amount”); and</p> b) if the Relevant Reserved Amount is less than US\$2,000,000, by NNOFIC in an amount equal to the difference between US\$2,000,000 and the Relevant Reserved Amount, noting that the amount contributed by NNOFIC shall not exceed at any time US\$2,000,000
“Final Scheme Bar Date”	The deadline for Final Scheme Creditors to submit their Final Scheme Claim Documentation, being

	11:59pm (London time) on 31 December 2035
“Final Scheme Bar Date Period”	The period from the 1 July 2035 to the Final Scheme Bar Date (inclusive) during which Final Scheme Creditors must submit their Final Scheme Claim Documentation
“Final Scheme Claim Documentation”	The Final Scheme Claim Form and the Final Scheme Supporting Evidence of Final Scheme Creditors
“Final Scheme Claim Form”	The claim form made available on the Website, or otherwise made available in accordance with the terms of the Final Scheme, which shall be in the form set out in draft in Appendix 4 of this Final Scheme Explanatory Statement
“Final Scheme Creditor”	An Opt Out Qualifying ILU Policyholder in respect of all Opt Out Forms submitted, and corresponding Qualifying ILU Policies held, by that Opt Out Qualifying ILU Policyholder, and “ Final Scheme Creditors ” shall have the corresponding meaning
“Final Scheme Effective Date”	The date on which the Final Scheme becomes effective in accordance with its terms, and all conditions precedent thereto have been satisfied or waived (as the case may be), including by virtue of being approved by a vote of the Final Scheme Creditors and sanctioned by order of the Court
“Final Scheme Meetings”	Has the meaning given to that term in paragraph 16.2 of this Final Scheme Explanatory Statement
“Final Scheme Payment”	An equal share of the Final Scheme Assets payable to each Eligible Final Scheme Creditor
“Final Scheme Prospective Liability”	A claim arising for a Final Scheme Creditor under a Qualifying ILU Policy that that Final Scheme Creditor would, but for the Final Scheme, expect to notify to the Companies after 31 December 2035. The same term is also used, as the context dictates, for the collective claims of all Final Scheme Creditors that Final Scheme Creditors would, but for the Final Scheme, expect to notify to the Companies after that date
“Final Scheme Record Date”	Noon (London time) on 24 April 2025
“Final Scheme Supporting Evidence”	Has the meaning given to that term in paragraph 12.1 of this Final Scheme Explanatory Statement
“Final Scheme Voting Form”	The voting and proxy form to be used by Final Scheme Creditors for the purpose of voting on the Final Scheme in the form set out in Appendix 3 of this Final Scheme Explanatory Statement
“L&O”	The London and Overseas Insurance Company Limited (formerly named Hull Underwriters’ Association Limited and The London and Overseas Insurance Company plc), a company incorporated in England and Wales under the Companies Acts 1862 to 1890 with registered number 38706
“Marco Re”	Marco Re Limited, an insurer registered in Guernsey with registration number 60597 whose registered office is Bordeaux Court, Les Echelons, St Peter Port, Guernsey, GY1 1AR
“Marco Re Insurance”	The insurance policy proposed to be entered into between the Companies and Marco Re in connection with the Early Final Dividend Offer as more fully described in paragraph 4.14
“Milliman”	Milliman, Inc, an international actuarial and

	consulting firm
“NNOFIC Top Up”	The top up payment made available by NNOFIC, pursuant to and subject to the terms of the CPLA and subject to the Facility Limit, for the benefit of Opt Out Qualifying ILU Policyholders with claims notified on or before 31 December 2035 that become Qualifying Established Liabilities
“OIC”	OIC Run-Off Limited (formerly named Ralli Brothers Insurance Company Limited and The Orion Insurance Company plc), a company incorporated in England and Wales under the Companies Act 1929 with registered number 256100
“Opt Out Form”	The opt out form entitled “Opting Out” previously available on the Website in accordance with the Amending Scheme
“Original Scheme”	The scheme of arrangement (pursuant to section 425 of the Companies Act 1985) between OIC (then named The Orion Insurance Company plc) and L&O (then named The London and Overseas Insurance Company plc) and the Scheme Creditors, which became effective on 7 March 1997
“PRA”	The Prudential Regulation Authority and any successor regulatory authority or authorities with the role and responsibilities of the Prudential Regulation Authority in respect of the regulation of the Companies from time to time
“PwC”	PricewaterhouseCoopers LLP, a limited liability partnership registered in England with registered number OC303525
“PwC Guarantee”	The on demand guarantee proposed to be provided by PwC in favour of the Companies in connection with the Marco Re Insurance as more fully described in paragraph 4.14
“Scheme”	The Original Scheme, as amended by the Amending Scheme and as amended by the Final Scheme (once effective)
“Scheme Administrators”	Dan Schwarzmann, a partner of PwC, and Nigel Rackham, a director at PwC, or such other persons appointed as the Scheme Administrators under and pursuant to the Scheme from time to time
“Vote Assessor”	Mr James G Evans of Actuarial Risk Management Ltd., or such other person as may be appointed as successor Vote Assessor for the Final Scheme Meetings

B: INDICATIVE TIMELINE

The following indicative timeline sets out the anticipated key dates in relation to the proposed Final Scheme.

Court hearing in England to convene the Final Scheme Meetings	16 December 2024
Final Scheme Record Date	Noon (London time) on 24 April 2025
Final Scheme Meetings	3:00pm (London time) on 24 April 2025
Court hearing in England to sanction the Final Scheme	30 April 2025
Final Scheme Effective Date	1 May 2025
Final Scheme Bar Date Period	1 July 2035 to the Final Scheme Bar Date
Final Scheme Bar Date	11:59pm (London time), 31 December 2035
Latest date by which validation of Final Scheme Claim Documentation is expected to be completed by the Scheme Administrators	45 days after the Final Scheme Bar Date
Conservative estimate of the expected date of distribution of the Final Scheme Payment	90 days after the Final Scheme Bar Date

The Final Scheme allows the Scheme Administrators to extend, in their absolute discretion, any date or deadline, other than the Final Scheme Bar Date and the Final Scheme Bar Date Period. Hence this timeline and all corresponding dates should be considered as indicative only, other than the Final Scheme Bar Date.

The original date for the Court hearing to convene the Final Scheme Meetings was postponed from 11 July 2024 (being the date previously disclosed to Final Scheme Creditors pursuant to a letter dated 28 May 2024) to 16 December 2024 to allow for terms to be agreed in relation to the Early Final Dividend Offer (defined below). Those matters were resolved such that the Companies proceeded with the Final Scheme convening hearing on 16 December 2024.

C: FINAL SCHEME

1. Summary

- 1.1. The Final Scheme provides a mechanism to crystallise the claims of Final Scheme Creditors against the Companies that would not otherwise be notified until after 31 December 2035. In consideration for such crystallisation, Final Scheme Creditors will instead have the opportunity to share equally in an amount of US\$2,000,000. This is a significant improvement on the cash equivalent that is expected to be available to pay any claims of Final Scheme Creditors notified after 31 December 2035 if the Final Scheme is not implemented, which the Scheme Administrators have estimated at US\$265,000. In accordance with the terms of the CPLA and its related arrangements, Opt Out Qualifying ILU Policyholders with Qualifying Established Liabilities in respect of claims notified after 31 December 2035 would not benefit from the NNOFIC Top Up.
- 1.2. If the Final Scheme is implemented:
 - 1.2.1. Final Scheme Creditors will be able to notify claims arising under their Qualifying ILU Policies until the Final Scheme Bar Date, and such claims will continue to be settled in the ordinary course, subject to the Scheme;
 - 1.2.2. any claim notified prior to the Final Scheme Bar Date that is accepted as a Qualifying Established Liability will benefit from the NNOFIC Top Up, and the relevant Final Scheme Creditors will therefore receive payment in full from the Companies in respect of those claims, subject in each case to the terms of the CPLA and the Facility Limit; and
 - 1.2.3. Final Scheme Creditors will not be able to notify claims arising under their Qualifying ILU Policies after the Final Scheme Bar Date. Final Scheme Creditors will, however, have the opportunity to receive the Final Scheme Payment, being an equal share of an amount of US\$2,000,000, expected to be paid in the first half of 2036.
- 1.3. Absent the Final Scheme:
 - 1.3.1. Final Scheme Creditors would remain entitled to continue to notify claims arising under their Qualifying ILU Policies after 31 December 2035, which would be processed by the Companies in the ordinary course, subject to the Scheme and without the benefit of the NNOFIC Top Up; and
 - 1.3.2. claims received on or after 1 January 2036 that are accepted as Qualifying Established Liabilities would receive payment from an aggregate sum expected to be approximately US\$265,000, being the cash equivalent expected to be available to pay such claims.
- 1.4. The Final Scheme will not affect a Final Scheme Creditor's right to notify claims arising under their Qualifying ILU Policies on or before 31 December 2035, nor their associated right (subject to the CPLA and the Facility Limit) to benefit from the NNOFIC Top Up where such claims are accepted as Qualifying Established Liabilities. The Scheme Administrators encourage Final Scheme Creditors to notify any such claims on or before 31 December 2035 so that they will, subject to the terms of the CPLA and the Facility Limit, have the opportunity to benefit from the NNOFIC Top Up on their Qualifying Established Liabilities. The Scheme Administrators will write to Final Scheme Creditors in July of each year, from July 2030 to July 2035 inclusive, reminding them to notify such claims.

- 1.5. For the reasons set out in this Final Scheme Explanatory Statement, the Scheme Administrators have formed the view that the Final Scheme is in the best interests of Final Scheme Creditors, and they recommend that all Final Scheme Creditors vote in favour of the Final Scheme at the Final Scheme Meetings.
- 1.6. The Creditors' Committee, made up of creditors of the Companies and acting on behalf of Scheme Creditors as a whole, and the Delegate (as described in paragraph 4.20 below), have been consulted on and support the Final Scheme and the Early Final Dividend Offer, which is described in more detail at paragraphs 4.7 to 4.12 and paragraph 3.30 below.
- 1.7. The Final Scheme is proposed by the Scheme Administrators, acting on behalf of the Companies, to amend and supplement the Scheme, and should be read in conjunction with the Amending Scheme and the Original Scheme, both which are available on the Website at www.oicrun-offltd.com.
- 1.8. Final Scheme Creditors should review and consider carefully the terms of this Final Scheme Explanatory Statement and the terms of the Final Scheme itself. Each Final Scheme Creditor should consult its own professional advisers as to the legal, tax, financial, actuarial or other matters relevant to the action they should take in connection with the Final Scheme.

2. Background

- 2.1. The Companies are insurance companies incorporated in England, both of which ceased writing new business and went into run-off in 1992.
- 2.2. Richard Boys-Stones and Paul Evans, both partners at that time in the UK firm of Price Waterhouse, were appointed joint provisional liquidators of the Companies on 21 October 1994.
- 2.3. On 7 March 1997, the Original Scheme became effective in accordance with its terms and the Companies exited provisional liquidation. The Original Scheme was a reserving scheme of arrangement (also known as a run-off scheme of arrangement) under which the Companies continued to agree Scheme Creditors' claims in the ordinary course of business. Scheme Creditors (as defined in the Original Scheme) were paid a Payment Percentage (as defined in the Original Scheme) in respect of Established Liabilities (as defined in the Original Scheme) under the terms of the Original Scheme.
- 2.4. Cross guarantees were entered into by the Companies, the effect of which is that every Scheme Creditor has the same net claims against both Companies. Accordingly, under the Original Scheme all Scheme Creditors received the same Payment Percentage (as defined in the Original Scheme) on their Established Liabilities (as defined in the Original Scheme).
- 2.5. On 14 January 2016, the Amending Scheme became effective in accordance with its terms, and the Companies and (among others) the Final Scheme Creditors are currently subject to the terms of the Original Scheme as amended by the Amending Scheme. The current Scheme Administrators are Dan Schwarzmann, a partner of PwC, and Nigel Rackham, a director at PwC.
- 2.6. The Amending Scheme is a crystallisation scheme, which was designed to finalise the affairs of the Companies as soon as possible. The purpose of the Amending Scheme was to allow for the agreement of the majority of the Scheme Liabilities and to facilitate the distribution of the Companies' assets earlier than would have been the case under the Original Scheme. It was also expected that the final Payment Percentage would be higher than under the Original Scheme, resulting primarily from the savings in run-off costs that were expected to be achieved following the Amending Scheme becoming effective. Under the Amending Scheme, the Companies put in place a methodology to estimate the value of contingent claims and other claims of uncertain value. Once such claims had been valued, the Amending Scheme provided

a mechanism to crystallise those claims with the intention that they could be paid out in final settlement.

- 2.7. With the exception of a small number of Scheme Creditors, including Opt Out Qualifying ILU Policyholders, pursuant to the Amending Scheme, Scheme Creditors were required to submit their claims by 12 September 2016, being the Bar Date. Subject to the terms of the Amending Scheme the claims agreement process for Scheme Creditors other than Opt Out Qualifying ILU Policyholders commenced following that Bar Date. This process was managed by the Scheme Administrators with assistance from the Scheme Actuarial Adviser, and was completed by 30 June 2021.
- 2.8. Pursuant to the terms of the Scheme, Scheme Creditors were entitled to receive the Payment Percentage in respect of their Net Liabilities once they had been established through the process provided for by the Amending Scheme. Scheme Creditors are also entitled to receive additional payments following any increase in the Payment Percentage (subject to certain caps and restrictions).
- 2.9. The current Payment Percentage is 76.0%.

Rights of Opt Out Qualifying ILU Policyholders pursuant to the Amending Scheme

- 2.10. Certain of the Companies' policies were underwritten through the ILU, being the ILU Policies. A Qualifying ILU Policy in relation to OIC is an ILU Policy with an inception date on or after 28 August 1970, and a Qualifying ILU Policy in relation to L&O is an ILU Policy with an inception date on or after 20 March 1969.
- 2.11. The Amending Scheme allowed Qualifying ILU Policyholders to opt out of the crystallisation and payment provisions of the Amending Scheme in respect of future claims, and thereby, subject to the Scheme, to leave in place their insurance coverage under their Qualifying ILU Policies.
- 2.12. The Opt Out Qualifying ILU Policyholders are those that both:
 - 2.12.1. were Scheme Creditors under a Qualifying ILU Policy (being Qualifying ILU Policyholders); and
 - 2.12.2. opted out of the crystallisation and payment provisions of the Amending Scheme by returning an Opt Out Form to the Companies before the Bar Date in accordance with paragraph 37 of the Amending Scheme.
- 2.13. A total of 214 Opt Out Forms were received by the Companies prior to the Bar Date (12 September 2016). Of these, the Scheme Administrators have estimated that only 143 were submitted by Qualifying ILU Policyholders (the balance being erroneous and/or otherwise unsupported by evidence of an underlying Qualifying ILU Policy). Those Scheme Creditors which submitted Opt Out Forms without holding a Qualifying ILU Policy are not Opt Out Qualifying ILU Policyholders, and will therefore not be Final Scheme Creditors. For completeness, a copy of this Final Scheme Explanatory Statement will be provided to all Scheme Creditors that submitted Opt Out Forms prior to the Bar Date, irrespective of whether or not those Scheme Creditors have previously provided evidence that they hold a Qualifying ILU Policy.
- 2.14. Under the Amending Scheme and in accordance with an arrangement with the ILU agreed in the 1990s, an Opt Out Qualifying ILU Policyholder with Qualifying Established Liabilities in respect of claims notified on or prior to 31 December 2035 receives, subject to the terms of the CPLA and the Facility Limit, a top up payment made available by NNOFIC (being the NNOFIC Top Up) in addition to the Opt Out Payment Percentage payable on those liabilities. This results

in that Opt Out Qualifying ILU Policyholder receiving payment in full (i.e. 100 cents in the dollar) in respect of their Qualifying Established Liabilities, at which point those claims against the Companies under that Qualifying ILU Policy will be settled.

- 2.15. The CPLA is a claims payment loan agreement entered into between NNOFIC, the Companies and the ILU on 20 November 1996 as amended and restated from time to time, including by way of an amendment and restatement agreement dated 12 December 2014. Under the CPLA, NNOFIC has provided a facility in favour of the Companies, under which, subject to the terms of the CPLA and the Facility Limit, drawdowns are available in respect of claims notified to the Companies that are accepted as Qualifying Established Liabilities, from which the Companies draw down funds to make the NNOFIC Top Up to Qualifying ILU Policyholders in respect of their Qualifying Established Liabilities. Such drawdowns are conditional upon the Companies receiving notice in the prescribed form from the ILU. Under the arrangements with the ILU referred to in paragraph 2.14 above, no such notice will be given by the ILU in relation to claims notified to the Companies after 31 December 2035. Any such notification to the Companies on or prior to 31 December 2035 will need to include information of a type consistent with that which has customarily been required prior to the date of the Final Scheme for a claim to be accepted, notably including (i) confirmation that an event has occurred which gives rise to a valid and enforceable claim under the relevant policy, and (ii) the information required to determine whether (and the extent to which) the event gives rise to a liability under the policy, including all the facts and circumstances on which the claim is founded.
- 2.16. The Facility Limit, which is, subject to certain adjustments, the maximum aggregate amount that NNOFIC may be required to advance to the Companies under the CPLA, was set at US\$450 million (once exhausted, increasing by US\$3.5 million per year). As at 31 December 2023, the Companies had utilised US\$229 million of the Facility Limit. It is not expected that the Facility Limit under the CPLA will be fully utilised.
- 2.17. Therefore, absent the Final Scheme, Opt Out Qualifying ILU Policyholders with Qualifying Established Liabilities in respect of claims notified after 31 December 2035 will only be entitled to payment out of funds set aside from the Companies' assets for the purposes of meeting those claims, being part of the Opt Out Scheme Assets, and will not be entitled to the NNOFIC Top Up in respect of such claims.

Opt Out Scheme Assets

- 2.18. Pursuant to the terms of the Amending Scheme, the Scheme Administrators were required, with the assistance of the Scheme Actuarial Adviser, to estimate the value of the Opt Out Scheme Assets, being the aggregate of amounts to be set aside from the Companies' assets for the purposes of paying:
- 2.18.1. the Opt Out Scheme Liabilities, being the appropriate Payment Percentage of the Qualifying Established Liabilities of all Opt Out Qualifying ILU Policyholders; and
 - 2.18.2. the Opt Out Expenses, being all costs and expenses expected to be incurred by the Companies in relation to the administration and handling and payment of claims from Opt Out Qualifying ILU Policyholders.
- 2.19. Following an adjudication process carried out pursuant to paragraph 40.4 of the Amending Scheme and concluded in early 2022, the independent Scheme Adjudicator determined that the Opt Out Scheme Assets were US\$15,549,000, on a discounted basis and consisting of the following components:
- 2.19.1. US\$3,572,000 for Opt Out Scheme Liabilities;

- 2.19.2. US\$894,000 for Opt Out Expenses in relation to claims handling costs; and
- 2.19.3. US\$11,082,000 for Opt Out Expenses in relation to administrative expenses.
- 2.20. As part of the adjudication process, the Scheme Adjudicator, Raji Bhagavatula of Milliman, consulted with the Scheme Administrators, NNOFIC and the ILU who each provided various submissions and responses to questions which informed the Scheme Adjudicator's determination of the Opt Out Scheme Assets.
- 2.21. As required by the Scheme, the amount in paragraph 2.19.1 is stated after being discounted back to 31 December 2013, using a discount rate based on the rate achievable at that date on Government fixed interest securities of an appropriate currency and term to the liabilities being discounted. The amounts in paragraphs 2.19.2 and 2.19.3 are stated after being discounted back to 1 April 2022, using a discount rate based on the rate achievable at that date on UK Government fixed interest securities of an appropriate term to the amount being discounted.
- 2.22. The Scheme Administrators, in conjunction with the Scheme Actuarial Adviser, have analysed the composition of the US\$3,572,000 in paragraph 2.19.1 above, and have estimated that the cash equivalent available in the Companies at 31 December 2035 to pay Final Scheme Prospective Liabilities, consistent with the reserves assessed by the Scheme Adjudicator, is expected to be US\$265,000.
- 2.23. This has been achieved by considering which components of the Scheme Adjudicator's figure of US\$3,572,000 (relating to all notification years) are projected to relate to notification years from 2036 onwards. An adjustment has also been made for small amounts of future investment income to translate the underlying figures into a cash equivalent as at 31 December 2035. Absent the Final Scheme, the resulting figure of US\$265,000 is therefore expected to be the total amount remaining in the Companies available to pay the Qualifying Established Liabilities of Opt Out Qualifying ILU Policyholders that notify claims after 31 December 2035.
- 2.24. Milliman has been engaged on a consultancy basis by the Companies with the work being conducted by Raji Bhagavatula, who acted as the Scheme Adjudicator in the Amending Scheme, as noted above. Milliman was asked to review the Scheme Administrators' finding in paragraph 2.22 above. This review has not been part of the Scheme Adjudicator's role in the Amending Scheme, and has not therefore been conducted by Milliman or Raji Bhagavatula in the formal capacity as Scheme Adjudicator. The Companies nevertheless asked Raji Bhagavatula to use the knowledge gained in her capacity as Scheme Adjudicator, along with additional data and information provided by the Scheme Administrators, in conjunction with the Scheme Actuarial Adviser, in order to conduct this work. Milliman has concluded that the finding of the Scheme Administrators, as set out in paragraph 2.22 above, is reasonable. Milliman's consultancy work in this matter has been conducted on the instructions of, and with a duty of care and reliance owed exclusively to, the Companies alone and not for the benefit or reliance of any third party.
- 2.25. The Scheme Administrators have not yet set the Opt Out Payment Percentage. The Scheme Administrators anticipate that the initial Opt Out Payment Percentage will be set in accordance with paragraph 41.3 of the Amending Scheme at or about the time that an Opt Out Qualifying ILU Policyholder has a Qualifying Established Liability in respect of the Companies, and that initial Opt Out Payment Percentage will be set at a relatively cautious level. In the very unlikely event that a very large claim arose after 31 December 2035 that the Scheme Administrators considered had the potential to become a Qualifying Established Liability which would significantly diminish the available Opt Out Scheme Assets, the Scheme Administrators may need to reduce the Opt Out Payment Percentage in accordance with clause 23.4 of the Original Scheme so as to preserve the interests of all Opt Out Qualifying ILU Policyholders. Such a claim

and subsequently reduced Opt Out Payment Percentage would adversely affect all Opt Out Qualifying ILU Policyholders with claims to be notified post-31 December 2035.

Claims notified after 31 December 2035

- 2.26. In accordance with its terms, the Scheme cannot terminate until the Opt Out Scheme Assets reduce to zero or until all Scheme Creditor claims (including Opt Out Qualifying ILU Policyholder claims) have been settled.
- 2.27. During the adjudication process to determine the value of the Opt Out Scheme Assets it became apparent that certain Opt Out Qualifying ILU Policyholders might continue to notify claims to the Companies after 31 December 2035, notwithstanding the relatively small cash equivalent expected then to be available to the Companies to meet such claims, and that the claims might not be settled, and therefore the Scheme might not terminate, until approximately 2060. The current run-off of claims of Opt Out Qualifying ILU Policyholders is dependent on the delays between occurrence and notification and the delays between notification and settlement, of the underlying claims. It is the possibility of extreme delays in the notification of mesothelioma claims, with some claims being notified between 60 and 70 years after occurrence (when individuals were exposed to asbestos) that is mostly responsible for the last claims of Opt Out Qualifying ILU Policyholders not being expected to settle until approximately 2060 absent the Final Scheme.
- 2.28. Unless the Final Scheme becomes effective, under the Scheme, the Scheme Administrators are required to continue to assess and value the claims of Opt Out Qualifying ILU Policyholders that are notified after 31 December 2035. Payments in settlement of such claims that are subsequently accepted as Qualifying Established Liabilities would be made in accordance with the terms of the Amending Scheme but without the benefit of the NNOFIC Top Up. Absent the Final Scheme, all such claims would, therefore, be paid out of the expected US\$265,000 outlined in paragraph 2.22 above.
- 2.29. The Scheme Administrators, with the input of the Scheme Actuarial Adviser, have estimated that the fact that claims which would otherwise have been notified after 31 December 2035 would now be crystallised in 2036 under the Final Scheme means that the overall run-off of claims of Opt Out Qualifying ILU Policyholders would be finally settled by the end of 2050 and potentially as early as the end of 2040. NNOFIC stands to benefit from the resultant administrative cost savings in that it is entitled to receive any surplus in the Opt Out Scheme Assets pursuant to paragraph 41.5 of the Amending Scheme. NNOFIC has, accordingly, agreed that US\$2,000,000 of the Opt Out Scheme Assets may be utilised as the Final Scheme Assets. In the event that there is a shortfall in Opt Out Scheme Assets in the future, pursuant to paragraph 41.4 of the Amending Scheme NNOFIC has an obligation to make that shortfall good by advancing such monies to the Companies to enable the Opt Out Expenses to be paid in full.

Future increase to Opt Out Scheme Assets

- 2.30. Pursuant to paragraph 40.8 of the Amending Scheme, where the Payment Percentage for general Scheme Creditors is increased in accordance with paragraph 21.2 of the Amending Scheme following the date at which the Opt Out Scheme Liabilities has been determined, the Companies have a corresponding obligation to increase the Opt Out Scheme Assets in line with any increase in the Payment Percentage. This increase is paid into the Opt Out Scheme Assets from the general assets of the Companies.
- 2.31. Whilst the process for calculating the increase to Opt Out Scheme Assets in accordance with paragraph 40.8 of the Amending Scheme does not result in a directly comparable increase in the Opt Out Payment Percentage compared with an increase in the Payment Percentage, the

increase does provide for a form of balancing payment between the general body of Scheme Creditors and the Opt Out Qualifying ILU Policyholders. A further outcome of the increase to the Opt Out Scheme Assets is that it would simultaneously reduce the NNOFIC Top Up on Qualifying Established Liabilities in respect of claims notified on or prior to 31 December 2035, on the basis that additional funds are available for distribution to that Opt Out Qualifying ILU Policyholder from the Opt Out Scheme Assets.

3. Final Scheme

Summary

- 3.1. The Final Scheme provides for a simple mechanism to allocate an equal value for each Final Scheme Creditor that submits, on or before the Final Scheme Bar Date, appropriate supporting evidence in respect of its Final Scheme Prospective Liabilities. If the Final Scheme becomes effective in accordance with its terms, Eligible Final Scheme Creditors will receive the Final Scheme Payment, being an equal share of the Final Scheme Assets. The Scheme Administrators estimate that the Final Scheme Assets will be approximately seven times greater than the cash equivalent that is expected to be available in the Companies at 31 December 2035 to settle Final Scheme Prospective Liabilities absent the Final Scheme.
- 3.2. Should the Final Scheme become effective, Final Scheme Creditors will no longer be able to notify their claims in respect of their Qualifying ILU Policies after the Final Scheme Bar Date. The Final Scheme will not affect a Final Scheme Creditor's ability to notify claims on or prior to the Final Scheme Bar Date, and all such claims will still receive their Opt Out Payment Percentage, and (subject to the CPLA and the Facility Limit) the NNOFIC Top Up, if they become Qualified Established Liabilities.
- 3.3. In order to be eligible to receive the Final Scheme Payment, each Final Scheme Creditor will be required to provide valid supporting evidence that it can justifiably assert a Final Scheme Prospective Liability in accordance with paragraph 12.1. Submissions must be received by the Scheme Administrators by no later than the Final Scheme Bar Date, and will be reviewed and assessed by the Scheme Administrators following that date.
- 3.4. The Scheme Administrators, in conjunction with the Scheme Actuarial Adviser, have considered the likelihood of Final Scheme Creditors asserting a Final Scheme Prospective Liability as at the Final Scheme Bar Date, based on the risk exposure of each Final Scheme Creditor, the nature and level of cover written by the Companies for each Final Scheme Creditor and each Final Scheme Creditor's claims experience to date. The only claim types that the Scheme Administrators consider are likely to give rise to claim notifications after 31 December 2035 are pollution, mesothelioma and other asbestos related claims.
- 3.5. The claims experience to date of Opt Out Qualifying ILU Policyholders has been benign with only a single claim, related to pollution, having been notified to the Companies in the period of more than seven years since the Amending Scheme Bar Date. Taking into account two other Opt Out Qualifying ILU Policyholders who have provided evidence that they have received mesothelioma and asbestos related claims but have not submitted claims against the Companies (even though they would be entitled to do so) and other Opt Out Qualifying ILU Policyholders who have displayed pollution, mesothelioma and asbestos related claims activity prior to the Amending Scheme Bar Date, there are around 25 Opt Out Qualifying ILU Policyholders that have seen claims activity of this type before and/or after the Amending Scheme Bar Date.
- 3.6. The significant majority of Opt Out Qualifying ILU Policyholders that have provided evidence of a Qualifying ILU Policy have not therefore experienced claim activity of this type over the same

period. Even given the significant delay that often arises between exposure and the manifestation of pollution, mesothelioma and asbestos related claims, the Scheme Administrators consider that it is now very unlikely, given the passage of time that has already taken place, that this latter group of Opt Out Qualifying ILU Policyholders will receive any claims of this type in the future so that they might be in a position to notify claims to the Companies in the future (including after 31 December 2035).

- 3.7. Taking all of this information into account, the Scheme Administrators have formed the view that, absent the Final Scheme, fewer than 20 Opt Out Qualifying ILU Policyholders will notify claims against the Companies after 31 December 2035. This conclusion has been reached following detailed consideration by the Scheme Actuarial Advisor, who has:
 - 3.7.1. reviewed the available data related to each Opt Out Qualifying ILU Policyholder that provided evidence of a Qualifying ILU Policy, including information regarding the known operating locations of each entity and any available information regarding exposure to pollution, mesothelioma and asbestos related claims;
 - 3.7.2. taken into account the Companies' knowledge of the claims experience of each Opt Out Qualifying ILU Policyholder, both before and after the Amending Scheme Bar Date;
 - 3.7.3. concluded that those Opt Out Qualifying ILU Policyholders that notify claims against the Companies after 31 December 2035 are very likely to derive from the 25 Opt Out Qualifying ILU Policyholders noted in paragraph 3.5 above that have seen activity in the form of pollution, mesothelioma and asbestos related claims before and/or after the Amending Scheme Bar Date;
 - 3.7.4. considered the nature of the cover written by the Companies and whether the cover written was at layers that are likely or unlikely to be impacted by such claims;
 - 3.7.5. considered the timing of the cover written by the Companies and whether the cover was written in periods where even very long occurrence notification delays would be unlikely to lead to claim notifications after 31 December 2035; and
 - 3.7.6. further concluded that some of the 25 Opt Out Qualifying ILU Policyholders noted in paragraph 3.7.3 above will not, because of the issues identified in paragraphs 3.7.4 and 3.7.5 above, be in a position to notify claims after 31 December 2035, so that there will be fewer than 20 Opt Out Qualifying ILU Policyholders that will ultimately be in a position to notify claims to the Companies after 31 December 2035.
- 3.8. Raji Bhagavatula of Milliman (the Scheme Adjudicator in the Amending Scheme) has been then asked, on the same basis as set out in paragraph 2.22, to review the Scheme Administrators' finding in paragraph 3.7 above. Milliman has concluded that the finding of the Scheme Administrators, as set out in paragraph 3.7 above, is reasonable. Milliman's consultancy work in this matter has been conducted on the instructions of, and with a duty of care and reliance owed exclusively to, the Companies alone and not for the benefit or reliance of any third party.
- 3.9. The Scheme Administrators' conclusion as set out at paragraph 3.7 above implies that the amount received by each Final Scheme Creditor expected to assert a Final Scheme Prospective Liability in 2035 will be more than US\$100,000. Absent the Final Scheme, these creditors will

only be entitled to a share of US\$265,000 cash expected to be available at 31 December 2035. In this respect, the Scheme Actuarial Advisor has:

- 3.9.1. formed a view as to the value attributable to each of the fewer than 20 Opt Out Qualifying ILU Policyholders referenced in paragraph 3.7.6 above as a component of the US\$265,000 figure applying at 31 December 2035;
 - 3.9.2. taken into account that each Opt Out Qualifying ILU Policyholder justifiably asserting that they will notify valid claims after 31 December 2035 is likely to receive an amount that is, at least, slightly more than US\$100,000 (being the Final Scheme Assets divided by a figure that is fewer than 20) if the Final Scheme is implemented in accordance with its terms; and
 - 3.9.3. noted that the US\$100,000 amount set out in 3.9.2 above represents around 40% of the US\$265,000 figure that the Scheme Administrators expect to be available to pay the Qualifying Established Liabilities of Opt Out Qualifying ILU Policyholders that notify claims after 31 December 2035, and that this 40% proportion is materially higher than the highest different values referenced in paragraph 3.9.1 above.
- 3.10. On the above basis, the Scheme Administrators have concluded that Opt Out Qualifying ILU Policyholders who can justifiably assert that they will have claim notifications after 31 December 2035 will be materially better off if the Final Scheme becomes effective than they would be if there was no Final Scheme.
 - 3.11. The view of the Scheme Administrators is that a Final Scheme Creditor able to justifiably assert that they will make claim notifications after 31 December 2035 will have made claim notifications (or had the ability to have made notifications) in the period between 2016 and 2035. They note, in this respect, that they do not regard as valid any assumption that a currently unanticipated type of latent claim will be notified after 31 December 2035, where no claims from that source have been notified up until that date.
 - 3.12. Taking these views into account, the Scheme Administrators have formed the view that Final Scheme Creditors who, during the Final Scheme Bar Date Period, cannot justifiably assert that they will have claim notifications after 31 December 2035 will, given the long period that has elapsed since their policies were exposed (i.e. 1970 to 1992), have no practical possibility of making any claim notifications after 31 December 2035.
 - 3.13. The Scheme Administrators have therefore concluded that whilst Final Scheme Creditors who, during the Final Scheme Bar Date Period, cannot justifiably assert that they will make claim notifications after 31 December 2035 will, as a result of the Final Scheme, no longer have any cover in place after that date. On the basis of the views of the Scheme Administrators noted above, it appears extremely unlikely that these Final Scheme Creditors will be in a worse position than they would have been in if there had been no Final Scheme. This is because in the view of the Scheme Administrators, absent the Final Scheme, it is not a realistic prospect in practical terms that these creditors will ever have a claim.
 - 3.14. The Scheme Administrators are taking the cost-effective approach to claims assessment and distribution described in paragraphs 3.3 to 3.4 above given the anticipated low value of Final Scheme Prospective Liabilities, and the disproportionately high costs of alternative approaches.
 - 3.15. In addition to the compromise in respect of the Final Scheme Prospective Liabilities of Final Scheme Creditors, the Final Scheme will compromise the Companies' obligation to contribute further funds to the Opt Out Scheme Assets pursuant to paragraph 40.8 of the Amending Scheme. No additional increase will then be made to the Opt Out Scheme Assets following any

future change to the Payment Percentage – thereby crystallising the position of the Opt Out Scheme Assets as at the date on which the Final Scheme becomes effective in accordance with its terms. This compromise has been agreed with NNOFIC, which has and will, subject to the CPLA and the Facility Limit, remain liable to top up any claims of Opt Out Qualifying ILU Policyholders, in respect of claims notified up to 31 December 2035, pursuant to the NNOFIC Top Up. Accordingly only NNOFIC has the benefit or burden of the relative size of the Opt Out Scheme Assets.

Why the Final Scheme is being proposed now

- 3.16. The Final Scheme is being proposed now in order to:
- 3.16.1. take advantage of the fact that many individual representatives of stakeholders that have a key interest in the position of Opt Out Qualifying ILU Policyholders are in place and are available now, whereas they may no longer be available if the development of the Final Scheme is delayed until some later date or until 2035;
 - 3.16.2. provide clarity as to the treatment of future claims of Opt Out Qualifying ILU Policyholders beyond 31 December 2035, when they will no longer benefit from the NNOFIC Top Up;
 - 3.16.3. allow Eligible Final Scheme Creditors to share equally in the enhanced assets (i.e. US\$2,000,000) being made available, which may not be available if the solution is delayed;
 - 3.16.4. allow the Companies to achieve effective tax finality during the course of 2037 as opposed to approximately 2060, absent the Final Scheme, so that a final dividend can be paid to the general body of Scheme Creditors in 2037 / early 2038 rather than in approximately 2060; and
 - 3.16.5. allow the Companies to make the Early Final Dividend Offer, including the compromise offer to be made to NNOFIC, which will provide the general body of Scheme Creditors with the opportunity to receive final settlement of their Scheme Liabilities in 2025, as opposed to 2037 / early 2038 .
- 3.17. The implementation of the Amending Scheme has allowed the Companies to identify potential Opt Out Qualifying ILU Policyholders as well as the nature of their potential claim exposures, because Qualifying ILU Policyholders were required to submit details of their policies and, where possible, claims in order to opt out of the crystallisation and payment provisions of the Amending Scheme. This was not possible previously under the terms of the unamended Original Scheme, which only required Qualifying ILU Policyholders to submit details of policies and claims when they wished to make claims. As a result, the Scheme Administrators now have a good view as to the remaining Opt Out Scheme Liabilities, and the potential for further claims being brought by Opt Out Qualifying ILU Policyholders until approximately 2060. The Scheme Administrators are therefore now able to pursue options which would achieve finality for Final Scheme Creditors and allow earlier final payments for claims that would, absent the Final Scheme, only be notified to the Companies after 31 December 2035 under the Scheme.
- 3.18. In addition, the Amending Scheme adjudication process described above has allowed the Companies to identify that:
- 3.18.1. there are a limited number of Opt Out Qualifying ILU Policyholders that are expected in 2035 to assert a Final Scheme Prospective Liability. As noted in paragraph 3.7 above, the Scheme Administrators, in conjunction with the

Scheme Actuarial Adviser, expect that fewer than 20 Final Scheme Creditors will assert a Final Scheme Prospective Liability in 2035; and

- 3.18.2. in the absence of the Final Scheme, the Scheme Administrators, in conjunction with the Scheme Actuarial Adviser, estimate that the cash equivalent available in the Companies at 31 December 2035 to pay Qualifying Established Liabilities with notifications after 31 December 2035 is expected to be US\$265,000.
- 3.19. Taking the above into account, and having regard to their duty to consider the best interests of Final Scheme Creditors as well as the interests of Scheme Creditors as a whole, the Scheme Administrators are of the view that the Final Scheme as proposed will:
- 3.19.1. subject to the terms of the CPLA and the Facility Limit, maintain the rights of Final Scheme Creditors to receive the NNOFIC Top Up in respect of claims notified to the Companies on or before 31 December 2035 that are accepted as Qualifying Established Liabilities;
 - 3.19.2. provide for significantly improved returns to Eligible Final Scheme Creditors than would otherwise be available under the Original Scheme as amended by the Amending Scheme; and
 - 3.19.3. allow the Early Final Dividend Offer to proceed (which is described in more detail below), for the benefit of the general body of Scheme Creditors.
- 3.20. In order for these benefits to be realised in favour of Final Scheme Creditors and Scheme Creditors as a whole, the Scheme Administrators consider that the Final Scheme must be proposed now.

Rights of Final Scheme Creditors prior to the Final Scheme Bar Date

- 3.21. If the Final Scheme is implemented, Final Scheme Creditors can continue to notify claims under their Qualifying ILU Policies to the Companies on or before the Final Scheme Bar Date. Those claims will be assessed in the ordinary course and, notwithstanding that they are notified on or before the Final Scheme Bar Date, it is possible that they may not be settled until after 31 December 2035. For the avoidance of doubt, any claim notified by a Final Scheme Creditor on or before 31 December 2035 that becomes a Qualifying Established Liability will, subject to the terms of the CPLA and the Facility Limit, benefit from the NNOFIC Top Up such that those Final Scheme Creditors will receive the full amount of that Qualifying Established Liability.
- 3.22. Under the Final Scheme, the Scheme Administrators will write to all Final Scheme Creditors each July from July 2030 to July 2035 (inclusive), reminding them that they must notify claims to the Companies on or before the Final Scheme Bar Date in order potentially to be eligible for the NNOFIC Top Up in respect of Qualifying Established Liabilities. Reminders will also be placed on the Website.
- 3.23. The Scheme Administrators will write to all Final Scheme Creditors in July 2035, reminding them that (i) they must notify claims to the Companies on or before the Final Scheme Bar Date in order to be potentially eligible for the NNOFIC Top Up in respect of Qualifying Established Liabilities, and (ii) in order potentially to receive the Final Scheme Payment they must submit their Final Scheme Claim Documentation by the Final Scheme Bar Date, being 11:59pm (London time) on 31 December 2035.

Claims notified after the Final Scheme Bar Date

- 3.24. Following the implementation of the Final Scheme and payment of the Final Scheme Payment, no Final Scheme Creditor will have any further claim of any nature against the Companies, the Scheme Administrators, PwC, the Scheme Adjudicator, Milliman, NNOFIC, the ILU, the Trustee, Nat-Ned and the Delegate in respect of a Final Scheme Prospective Liability.
- 3.25. The Scheme Administrators will not consider any Final Scheme Prospective Liabilities notified by a Final Scheme Creditor after the Final Scheme Bar Date.
- 3.26. The Scheme Administrators will not review or assess any Final Scheme Claim Documentation, or any component part of the Final Scheme Documentation, received by the Scheme Administrators after the Final Scheme Bar Date, and the relevant Final Scheme Creditor will not be entitled to receive the Final Scheme Payment.

Amendments to contractual documents

- 3.27. Amendments to various contractual documents related to the Scheme, including the CPLA, will be entered into by the relevant parties, to have effect on or about the time that the Final Scheme becomes effective, to reflect the implementation, terminology and provisions of the Final Scheme.

Alternatives to the Final Scheme

- 3.28. The alternative to the Final Scheme is to continue to run-off the affairs of the Companies in accordance with the Original Scheme as amended by the Amending Scheme such that Opt Out Qualifying ILU Policyholders will continue to claim under their Qualifying ILU Policies after 31 December 2035. On the basis that their claims are accepted as Qualifying Established Liabilities, those Opt Out Qualifying ILU Policyholders will receive the Opt Out Payment Percentage from the Opt Out Scheme Assets expected to be US\$265,000.

Scheme Creditors (excluding Final Scheme Creditors)

- 3.29. The rights of Scheme Creditors other than Final Scheme Creditors will not, in any way, be varied or altered by the Final Scheme. Those Scheme Creditors are therefore not entitled to vote on or otherwise approve the Final Scheme, and they will continue to have their Scheme Liabilities dealt with in accordance with the Original Scheme as amended by the Amending Scheme whether or not the Final Scheme becomes effective.
- 3.30. As noted above, Scheme Creditors under the Amending Scheme with agreed Established Liabilities, some of whom may also be Final Scheme Creditors, will receive an Early Final Dividend Offer. This process is running in parallel with the proposal of the Final Scheme. The Early Final Dividend Offer is conditional on the Final Scheme taking effect in accordance with its terms. Irrespective of whether each of these creditors accepts the Early Final Dividend Offer or does not accept the Early Final Dividend Offer, they will not be adversely affected should the Final Scheme become effective.

Reinsurance collections

- 3.31. The vast majority of the Companies' reinsurance assets, in respect of reinsurers that are pure reinsurers or net debtors of the Companies, have been recovered or commuted. No future reinsurance recoveries are expected from any reinsurer. The Companies' reinsurance recoveries will therefore not increase or decrease, irrespective of whether or not the Final Scheme becomes effective.

Further information

- 3.32. The Final Scheme proposal should be read in conjunction with the Original Scheme and Amending Scheme, and their respective explanatory statements, which are available from the Website at www.oicrun-offltd.com.
- 3.33. The Final Scheme will amend certain provisions of the Scheme. The provisions of the Original Scheme will remain in effect, save as amended by the Amending Scheme and the Final Scheme. Section G: APPENDICES contains a table outlining which provisions of the Original Scheme and the Amending Scheme will continue to apply and which provisions will be amended by the Final Scheme (if it becomes effective). In the event of any inconsistency between the terms of the Original Scheme, the terms of the Amending Scheme, and the terms of the Final Scheme, the terms of the Final Scheme will prevail.

4. Further context to the Final Scheme

- 4.1. The Final Scheme is an integral part of a wider strategy of the Scheme Administrators to accelerate returns to Scheme Creditors under the Scheme generally. Specifically, it is a necessary step that allows the Scheme Administrators to make the Early Final Dividend Offer they wish to make.
- 4.2. The Scheme Administrators consider that the Final Scheme is beneficial for Final Scheme Creditors regardless of this wider strategy, and as a result the Final Scheme is not conditional on the Early Final Dividend Offer being taken up. If sanctioned, the Final Scheme will be implemented even if the Early Final Dividend Offer is not ultimately pursued. The wider objective, and the outcomes for other creditors is, however, explained in this section in order that Final Scheme Creditors can understand the Final Scheme in its full context.

Tax finality

- 4.3. The Companies have historically used brought forward losses to offset accounting profits (if any) when preparing annual tax computations. There has, however, been a change in tax legislation since the Amending Scheme became effective. Brought forward losses can now only be utilised to offset 50% of profits greater than £5 million in any given accounting period. However, this updated legislation does provide insolvent insurers an exemption from this restriction if they satisfy certain criteria. The Companies have relied on this exemption since the change in legislation and tax has, therefore, not so far been payable.
- 4.4. The Scheme provides that most of the Companies' unpaid liabilities are legally extinguished when the Scheme is terminated. In addition when a final dividend is paid such that there is certainty as to the obligations of the Companies to relevant Scheme Creditors, it is necessary to revalue the liabilities to reflect these obligations. This would potentially give rise to a large taxable profit at termination, driven by the difference between the value of total Net Liabilities of the Companies and the value of total payments made to Scheme Creditors. However, there is material uncertainty regarding any changes to tax legislation that may apply between now and when final dividends can be made, expected to be approximately 2060 in the absence of the Final Scheme, including:
- 4.4.1. whether any exemptions would continue to be available to the Companies;
 - 4.4.2. whether the Companies would continue to satisfy the criteria for exemptions to apply;
 - 4.4.3. if tax were to become payable, the extent to which brought forward losses could be utilised to offset profits; and

- 4.4.4. the corporation tax rate that would apply in the future.
- 4.5. If the Final Scheme is not implemented, it will not be possible to determine the final tax position until the last Qualifying Established Liability is settled, which, as noted above and explained in more detail below, is estimated to be in approximately 2060 whilst the claims of Opt Out Qualifying ILU Policyholders continue to run off. Tax provisions will need to be reserved accordingly. As a result, no interim or final dividends are anticipated to be paid to the general body of Scheme Creditors in respect of their Established Liabilities, until approximately 2060.
- 4.6. If the Final Scheme is implemented, the tax finality facilitated by the Final Scheme is expected to allow a final dividend to be paid to the general body of Scheme Creditors in 2037 / early 2038 rather than in approximately 2060. The implementation of the Final Scheme will enable the Scheme Administrators to pursue the Early Final Dividend Offer which will enable those creditors in the general body of Scheme Creditors that accept the Early Final Dividend Offer to receive a final payment in 2025.

Early Final Dividend Offer

- 4.7. The Final Scheme, together with the insurance arrangements set out below, will also facilitate an Early Final Dividend Offer to be made. The Early Final Dividend Offer, and the related issues of the Marco Re Insurance, the PwC Guarantee and the fee for the PwC Guarantee all have no bearing on the Final Scheme. The outcome for the Final Scheme Creditors is the same whether or not the Early Final Dividend Offer is implemented. They are explained here for completeness, to give full context to the wider strategy of the Scheme Administrators only.
- 4.8. The Early Final Dividend Offer will be made pursuant to clause 29.3(n) of the Original Scheme and paragraph 9 of the Amending Scheme. The Early Final Dividend Offer provides additional clarity in respect of tax finality and will enable:
- 4.8.1. those Scheme Creditors that choose to accept the Early Final Dividend Offer and NNOFIC, in the event that it accepts the Early Final Dividend Offer, to receive prompt payment of an early final dividend amount anticipated to be paid in 2025; and
 - 4.8.2. those Scheme Creditors that choose not to accept the Early Final Dividend Offer, to receive a final dividend in 2037 / early 2038 rather than in approximately 2060, with the amount payable being equivalent to the final dividend that would have been paid to each Scheme Creditor in 2037 / early 2038 if the Early Final Dividend Offer had not existed.
- 4.9. As disclosed in the letter to the general body of Scheme Creditors setting out the terms of the Early Final Dividend Offer, in its capacity as a Scheme Creditor NNOFIC will receive a marginally higher payment figure under the Early Final Dividend Offer than other general Scheme Creditors. The level of the NNOFIC compromise (at 81.76%) is marginally higher than that of general Scheme Creditors (at 80.0%) because, among other reasons:
- 4.9.1. due to NNOFIC's position under the CPLA and the Amending Scheme, its consent is expressly required to the terms of the Final Scheme. The Final Scheme is also proposed on the basis that NNOFIC will fund the Final Scheme Assets, and therefore it cannot proceed without NNOFIC's support. As part of this, NNOFIC has, at the request of the Scheme Administrators, engaged in discussions concerning the development of the proposed solution, both as part of the Creditors' Committee and in its capacity as an individual creditor. NNOFIC's engagement has been extensive (more so than any other creditor) and at its own expense, and has involved liaison with the Scheme

Administrators, the Delegate (defined below), the wider Creditors' Committee, legal advisers, and actuaries in order to seek to ensure that the arrangements forming the Final Scheme, the Early Final Dividend Offer and the NNOFIC Compromise are defensible and robust;

- 4.9.2. NNOFIC's position is different to those of general Scheme Creditors under the Early Final Dividend Offer in that, pursuant to clause 18.2 of the Original Scheme, it agreed to subordinate its claims against the Companies as at 20 November 1996 behind all other Liabilities of each of the Companies. This amounts to subordinated debt of approximately US\$147 million;
- 4.9.3. NNOFIC's position is also different to those of general Scheme Creditors under the Early Final Dividend Offer in that it has historically supported, at a cost to itself, the overall operation of the Scheme by making significant funds available to the Companies to, among other things, make payments to Qualifying ILU Policyholders and Opt Out Qualifying ILU Policyholders pursuant to the CPLA; and
- 4.9.4. NNOFIC will additionally (as part of the Final Scheme) agree to the removal of the right which it would otherwise have to the potential future adjustment of amounts available to Opt Out Qualifying ILU Policyholders pursuant to paragraph 40.8 of the Amending Scheme.:

- 4.10. The Scheme Administrators will, at their discretion, elect to enter into and complete the settlements contemplated by the Early Final Dividend Offer or not based upon the feedback received from Scheme Creditors and NNOFIC in relation to the Early Final Dividend Offer. The Scheme Administrators anticipate a positive response based upon consultation to date with the Creditors' Committee, but the final outcome is not yet known and the Scheme Administrators wish to act in the best interests of creditors in executing, or not, the Early Final Dividend Offer. Should the Scheme Administrators choose to implement the settlements contemplated by the Early Final Dividend Offer, they will do so with all Scheme Creditors that agree to accept the Early Final Dividend Offer.
- 4.11. If the Early Final Dividend Offer is not implemented for any reason but the Final Scheme is implemented as proposed, the Scheme Administrators estimate that tax finality would be achieved in 2037. Absent the Final Scheme, it is estimated that the last claims of Opt Out Qualifying ILU Policyholders will not be settled until 2060, and tax finality will therefore not occur until that time. As noted above, this is due to the possibility of extreme delays in the notification of mesothelioma claims, with some claims being notified 60 to 70 years after occurrence (when individuals were exposed to asbestos) that is mostly responsible for the last claims of Opt Out Qualifying ILU Policyholders not being expected to settle until approximately 2060 absent the Final Scheme.
- 4.12. Whilst the Scheme Administrators consider that the Early Final Dividend Offer is beneficial to all participating Scheme Creditors, they have determined that it is only feasible if the Final Scheme is implemented at or about the same time. This is because, absent the Final Scheme, there will be no tax finality until approximately 2060. As noted above at paragraph 4.7, the Early Final Dividend Offer has no bearing on the Final Scheme, and payments made to the general body of Scheme Creditors (including NNOFIC in its capacity as a Scheme Creditor) pursuant to the Early Final Dividend Offer are outside of and unrelated to the Final Scheme.

Early Final Dividend Offer risk mitigation, Marco Re Insurance and PwC Guarantee

- 4.13. In order to ensure that the Early Final Dividend Offer could be made without disadvantaging Scheme Creditors who do not accept it, and any taxes can be paid on completion of the Early Final Dividend Offer and on subsequent termination of the Final Scheme, the Scheme Administrators have arranged certain protections (by way of insurance and guarantee arrangements) for the Companies.
- 4.14. Insurance for tax risks relating to a period extending so many years into the future is not currently available in the open market. However, insurance and guarantee solutions have been found. This includes cover to ensure (1) any tax liability becoming payable by the Companies in relation to profits arising after 2025 is settled, and (2) Scheme Creditors otherwise eligible to participate in, but who do not accept, the Early Final Dividend Offer receive a final dividend around the end of 2037 / early 2038 that equates to what they would have received if the Early Final Dividend Offer had not been offered to or accepted by any Scheme Creditor. These risks are covered by the Marco Re Insurance. To provide both the insurer and Scheme Creditors otherwise eligible to participate in with further reassurance, PwC will provide the PwC Guarantee, being an on demand guarantee in respect of any claims made by the Companies under the Marco Re Insurance which will be triggered as soon as a claim arises under the Marco Re Insurance.
- 4.15. A fee arrangement in respect of the PwC Guarantee has been put in place following discussions between the Scheme Administrators, PwC, the Creditors' Committee and the Delegate. If the Scheme Administrators proceed to implement the settlements contemplated by the Early Final Dividend Offer, the PwC Guarantee fee will be equal to the remaining assets of the Companies after deducting:
- 4.15.1. the Opt Out Scheme Assets;
 - 4.15.2. appropriate reserves to cover the costs and expenses that will be properly incurred by the Companies and the Scheme Administrators in connection with any actual or potential tax liability;
 - 4.15.3. an appropriate reserve to allow payment to general Scheme Creditors that do not accept the Early Final Dividend Offer such that those Scheme Creditors that do not accept the Early Final Dividend Offer will receive what they would have received had there been no Early Final Dividend Offer; and
 - 4.15.4. an appropriate general reserve for the costs and expenses of the Scheme to its closure, not including Opt Out Expenses, and to wind up the Companies.
- 4.16. The Marco Re Insurance and the PwC Guarantee are features of the commercial arrangements supporting the Early Final Dividend Offer, and are separate from the Final Scheme. If the Early Final Dividend Offer is not implemented, there will be no need for the Marco Re Insurance or the PwC Guarantee, and in those circumstances those arrangements will not be entered into.
- 4.17. PwC will receive the PwC Guarantee fee, if any, when the Companies' assets and liabilities have been quantified with sufficient certainty to make its payment appropriate. The PwC Guarantee fee may be payable in instalments as reserves for the above matters are released. The Scheme Administrators will undertake that determination in consultation with the Creditors' Committee and with agreement from the Delegate. The fee will be zero in future scenarios where PwC will need to fund liabilities arising under the PwC Guarantee.

Returns to NNOFIC under the Amending Scheme

- 4.18. Pursuant to paragraph 41.5 of the Amending Scheme, in the event that there is any surplus from the Opt Out Scheme Assets (including any amount set aside to meet Opt Out Expenses) at the point in time that all Opt Out Qualifying ILU Policyholders Established Liabilities and all Opt Out Expenses have been paid or deemed to be satisfied in full, that surplus is payable to NNOFIC. As noted at paragraph 2.29 above, NNOFIC therefore stands to benefit from the early termination of the Scheme and the associated cost savings as a result of the Final Scheme.
- 4.19. The Scheme Administrators, with the assistance of the Scheme Actuarial Adviser, have estimated that the Final Scheme will result in administrative expenses savings of approximately US\$3,200,000 to US\$5,500,000 (all in 2035 money terms) otherwise set aside to meet Opt Out Expenses, on the basis that there will no longer be a need to keep the Companies in run-off until approximately 2060. This amount will therefore be payable to NNOFIC in accordance with paragraph 41.5 of the Amending Scheme following implementation of the Final Scheme and termination of the Scheme.

The Delegate

- 4.20. Pursuant to clause 33.4 of the Original Scheme and an engagement letter dated 2 February 2023 and amended by way of amendment letter dated 16 August 2023, the Scheme Administrators have appointed the Delegate, Chris Laughton of Mercer & Hole, to provide services to the Companies free from any real or perceived conflicts of interest in relation to the accelerated closure process currently being pursued by the Companies, and as contemplated by the Final Scheme and the Early Final Dividend Offer. When providing these services, the Delegate has all the powers of the Scheme Administrators under the Scheme, and is required to take into account the best interests and reasonable expectations of the Scheme Creditors as a whole.
- 4.21. The services provided by the Delegate have included:
- 4.21.1. reviewing the Final Scheme and considering issues of fairness to Scheme Creditors;
 - 4.21.2. evaluating the Early Final Dividend Offer to ensure it is in the best interests of Scheme Creditors taken as a whole. The Delegate has also provided input as appropriate to Scheme Creditor communications regarding the Early Final Dividend Offer to ensure these have been suitably transparent and comprehensive; and
 - 4.21.3. reviewing the terms of the Marco Re Insurance together with the PwC Guarantee and the PwC Guarantee fee and reporting to the Creditors' Committee on their adequacy, including assessing the reasonableness of the fees, costs, expenses and premium payable in respect of those arrangements.
- 4.22. The Delegate has received independent legal advice from Jon Yorke, a partner in the firm of McCarthy Denning.
- 4.23. The Delegate has provided his report to the Creditors' Committee and this has formed an important part of their decision to unanimously support the Early Final Dividend Offer approach. The Delegate is satisfied that there are no issues of fairness in relation to the Final Scheme and it is in Scheme Creditors' interests for the Scheme Administrators' overall proposals to be made in the form of the Final Scheme and the Early Final Dividend Offer.

Other matters

- 4.24. NNOFIC will be making a contribution towards the costs of developing, proposing and implementing the Final Scheme. The remaining costs will be borne by the Companies in light of the benefits to the general body of Scheme Creditors by way of the Early Final Dividend Offer that would not be made absent the Final Scheme. The Creditors' Committee and the Delegate support this approach.
- 4.25. It is re-iterated that the Early Final Dividend Offer (and therefore the Marco Re Insurance and the PwC Guarantee which relate to the Early Final Dividend Offer and not the Final Scheme), may or may not be implemented, and has no bearing on the Final Scheme. The outcome for the Final Scheme Creditors is the same whether or not that Early Final Dividend Offer is implemented, but they are explained here in any event for completeness.

5. Scheme Meetings

- 5.1. The notice convening the Final Scheme Meetings on 24 April 2025 is set out in Appendix 2 of this document, and will be delivered to every party which the Companies believe may be a Final Scheme Creditor using the contact details supplied under the Amending Scheme (unless Final Scheme Creditors have notified the Scheme Administrators of alternative contact details).
- 5.2. The Final Scheme Meetings will take place on 24 April 2025 at 3:00pm (London time) by way of video conference.
- 5.3. For the purposes of the Final Scheme, each Opt Out Qualifying ILU Policyholder is a Final Scheme Creditor.
- 5.4. If approved by the requisite majorities of the Final Scheme Creditors, being a majority in number representing not less than 75% in value of those Final Scheme Creditors present (in person or by proxy) and voting at each Final Scheme Meeting, and sanctioned by the Court, on the Final Scheme Effective Date the Final Scheme will become legally binding and effective on all Final Scheme Creditors. This applies whether or not each Final Scheme Creditor voted for or against the proposals or, indeed, voted at all. The Final Schemes will become effective on the delivery of an office copy of the Court's sanction order(s) to the Registrar of Companies.
- 5.5. Full details of the voting procedure are set out in section F (*Voting Procedure*).

6. Chapter 15 position

- 6.1. A permanent injunction was obtained on 6 March 1997 under section 304 of the US Bankruptcy Code, which, among other things, stayed proceedings against the Companies, and granted recognition of the Original Scheme, in the US. This injunction remains binding and is still in effect.
- 6.2. On 11 January 2016, the United States Bankruptcy Court for the Southern District of New York granted an order pursuant to Chapter 15 of the US Bankruptcy Code which, among other things, enforced the terms of the Amending Scheme within the United States.
- 6.3. The Companies have no known assets in the United States, so obtaining Chapter 15 recognition of the Final Scheme would be disproportionately costly compared to the benefits that it would provide. On this basis and given that the Final Scheme is an amendment to the Amending Scheme, and the broad terms of the order obtained and referenced in paragraph 6.2, the Scheme Administrators do not currently anticipate filing Chapter 15 petitions in respect of the Final Scheme. The Final Scheme is not therefore conditional on the granting of an order under Chapter 15. Notwithstanding the foregoing, the Scheme Administrators reserve the right to apply

for such order(s) as and when they see fit in connection with the Scheme, whether under Chapter 15 or otherwise, in any court in the United States.

7. Recommendation

- 7.1. The Scheme Administrators consider that the Final Scheme has a number of advantages over continuing the run-off of the affairs of the Companies under the Original Scheme as amended by the Amending Scheme. A detailed list of the advantages and disadvantages of the Final Scheme for Final Scheme Creditors is set out at paragraph 9.
- 7.2. In addition, it is the opinion of the Scheme Administrators that the Final Scheme will allow the Companies to pursue the Early Final Dividend Offer in order to achieve effective tax finality in 2037, as opposed to approximately 2060. This would result in the general body of Scheme Creditors receiving either an early final dividend payment in 2025 or a final dividend on their Scheme Liabilities in 2037 / early 2038.
- 7.3. Accordingly, the Scheme Administrators have formed the view that the advantages of the Final Scheme outweigh any potential disadvantages and the Final Scheme is in the best interests of Final Scheme Creditors, as well as the general body of Scheme Creditors. Hence they recommend that all Final Scheme Creditors who are entitled to do so vote in favour of the proposed Final Scheme at the Final Scheme Meetings. In addition, the Creditors' Committee, NNOFIC and the ILU all support the Final Scheme.

D: FACTORS TO CONSIDER WHEN VOTING ON THE FINAL SCHEME

8. Options facing Final Scheme Creditors

8.1. The Scheme Administrators consider that the Final Scheme Creditors have the following two options:

8.1.1. *Absent the Final Scheme*: claims will continue to be submitted as they arise and will be processed by the Companies. Claims notified after 31 December 2035 will receive payment from the Opt Out Scheme Assets without the benefit of the NNOFIC Top Up. It is expected that only US\$265,000 will be available to the Companies to pay such claims.

8.1.2. *Following the Final Scheme taking effect*: Final Scheme Creditors that submit Final Scheme Claim Documentation before the Final Scheme Bar Date that is acceptable to the Scheme Administrators, will receive the Final Scheme Payment.

Under both options: claims notified by Final Scheme Creditors on or before 31 December 2035 will continue to be processed by the Companies and will, subject to the CPLA, the Facility Limit and subsequently being accepted as Qualifying Established Liabilities, benefit from the NNOFIC Top Up.

9. Advantages and disadvantages of the Final Scheme

Advantages for Final Scheme Creditors

9.1. Eligible Final Scheme Creditors will share equally in a cash sum of US\$2,000,000, which is more than seven times greater than the US\$265,000 cash equivalent that is expected to be available in the Companies at 31 December 2035 to pay out Final Scheme Prospective Liabilities if the Final Scheme is not implemented.

9.2. Absent the Final Scheme, Final Scheme Creditors would be paid a dividend by way of the Opt Out Payment Percentage on any claims notified after 2035 assuming those claims were properly established. In the Final Scheme these creditors will:

9.2.1. complete a straightforward assessment in order to be eligible for payment;

9.2.2. receive payment earlier than would otherwise be the case;

9.2.3. receive an amount based on a transparent methodology; and

9.2.4. receive an amount that the Scheme Administrators consider is likely to be materially greater than in the ordinary course.

9.3. Final Scheme Creditors that are not eligible to receive the Final Scheme Payment, on the basis that they do not, on or before the Final Scheme Bar Date, justifiably assert that they reasonably expect to have a Final Scheme Prospective Liability, will be no worse off under the Final Scheme than if the affairs of the Companies continued to run-off in accordance with the terms of the Original Scheme as amended by the Amending Scheme, on the basis that there is no practical possibility that they will submit further claims against the Companies after that date.

Disadvantages for Final Scheme Creditors

9.4. The Scheme Administrators consider that there is only one material disadvantage to the Final Scheme becoming effective. Following the Final Scheme Bar Date, Final Scheme Creditors will no longer benefit from insurance coverage from the Companies in respect of claims notified after that date (although all claims notified on or before that date that are accepted as Qualifying

Established Liabilities will still be settled and will still benefit from the NNOFIC Top Up, subject to the CPLA and the Facility Limit).

9.5. This disadvantage is, however, not a real risk for Final Scheme Creditors since:

9.5.1. any Final Scheme Creditor that can justifiably assert that they reasonably expect to submit a Final Scheme Prospective Liability in 2035, will benefit from the advantages outlined in paragraphs 9.1 to 9.3 above, and will each be materially better off through doing so; and

9.5.2. any Final Scheme Creditor that cannot justifiably assert that they reasonably expect to submit a Final Scheme Prospective Liability in 2035, will not be disadvantaged on the basis that there is no practical possibility that they will be able to submit further claims against the Companies after 31 December 2035.

9.6. In order to receive the Final Scheme Payment, a Final Scheme Creditor will be required to obtain the Actuarial Confirmation. This will result in that Final Scheme Creditor incurring some cost although the Scheme Administrators consider that, for those Final Scheme Creditors that can justifiably assert that they reasonably expect to have a Final Scheme Prospective Liability in 2035, the cost of obtaining the Actuarial Confirmation will not be substantial on the basis that it will simply require a yes or no confirmation and, in any event, should be far outweighed by the anticipated value of the Final Scheme Payment.

10. Balance of advantages and disadvantages

10.1. In the opinion of the Scheme Administrators, the advantages of the Final Scheme for Final Scheme Creditors significantly outweigh its disadvantages.

10.2. For the reasons set out above, the Scheme Administrators consider that implementing the Final Scheme is preferable to continuing the run-off of the affairs of the Companies under the Original Scheme as amended by the Amending Scheme.

10.3. The decision whether or not to vote in favour of the Final Scheme does, however, depend on the individual circumstances of each Final Scheme Creditor. Each Final Scheme Creditor must therefore make its own assessment of, and if appropriate seek and obtain its own professional advice on how the Final Scheme could affect its own interests and vote accordingly.

E: THE PROPOSED CLOSURE PROCESS

11. Effectiveness, notifications and Final Scheme Bar Date

- 11.1. The Final Scheme will become effective if the requisite majorities of Final Scheme Creditors vote in favour of it at the Final Scheme Meetings, the Court makes an order sanctioning the Final Scheme, and an office copy of the Court's order sanctioning the Final Scheme is filed with the Registrar of Companies in respect of each of the Companies. The date of that filing will be the Final Scheme Effective Date.
- 11.2. The Scheme Administrators will, as soon as reasonably practicable after the Final Scheme Effective Date, contact every party which the Companies believe may be a Final Scheme Creditor using the contact details supplied under the Amending Scheme (unless Final Scheme Creditors have notified the Scheme Administrators of alternative contact details, e.g. via the Final Scheme Voting Form) giving notice that the Final Scheme has become effective. The letter will also explain that copies of the Final Scheme and this Final Scheme Explanatory Statement may be downloaded from the Website or obtained free of charge from the Scheme Administrators at the contact details set out at the beginning of this document.
- 11.3. The Final Scheme Bar Date is 11:59pm (London time) on 31 December 2035.
- 11.4. The Final Scheme Bar Date will also be published on the Website at www.oicrun-offltd.com.
- 11.5. Final Scheme Creditors will be required to notify the Scheme Administrators, as soon as reasonably practicable, of any change to their contact details. The Scheme Administrators will not be liable for a Final Scheme Creditor's failure to make the Scheme Administrators aware of a change to their contact details.

12. Submission of Final Scheme Claim Documentation and payment

- 12.1. Under the Final Scheme, if approved by Final Scheme Creditors and sanctioned by the Court, in order to receive the Final Scheme Payment each Final Scheme Creditor will be required to submit their Final Scheme Claim Documentation to the Companies during the Final Scheme Bar Date Period. The Final Scheme Claim Documentation will comprise their Final Scheme Claim Form, as well as:
 - 12.1.1. evidence satisfactory to the Scheme Administrators that the Final Scheme Creditor concerned had a Qualifying ILU Policy, except where the Scheme Administrators have previously provided written confirmation to that Final Scheme Creditor that:
 - 12.1.1.1. the Scheme Administrators have received such evidence; or
 - 12.1.1.2. the Companies have obtained such evidence from their own records (from any source);
 - 12.1.2. a statement in the form set out at Appendix 6, from a qualified actuary, that the Final Scheme Creditor can justifiably assert that they reasonably expect to submit valid claims against the Companies after 31 December 2035 (the "**Actuarial Confirmation**"). The actuary should have relevant experience for the purposes of completing the Actuarial Confirmation. The form of wording required of the qualified third party actuary has been based on the style of wording commonly used for the purposes of actuarial certification in the United Kingdom. The actuary may make additional comments within the Actuarial Confirmation at their discretion, but the Actuarial Confirmation will not be regarded as duly completed if it contains any qualification of the opinion required therein; and

- 12.1.3. copies of any data or information provided by the Final Scheme Creditor to the actuary providing the Actuarial Confirmation.

The material detailed at paragraphs 12.1.1, 12.1.2 and 12.1.3 together forms the “**Final Scheme Supporting Evidence**”.

- 12.2. Without appropriate Final Scheme Supporting Evidence provided by a Final Scheme Creditor to support its Final Scheme Prospective Liability, the Scheme Administrators will reject such claim(s) for the purposes of the Final Scheme and that Final Scheme Creditor will therefore not be eligible for the Final Scheme Payment.
- 12.3. The Actuarial Confirmation will not require Final Scheme Creditors to value the Final Scheme Prospective Liability, rather it will be a simple ‘yes’ or ‘no’ assessment as to whether or not the Final Scheme Creditor can justifiably assert that it reasonably expects, absent the Final Scheme, to submit valid claims notifications under a Qualifying ILU Policy after 31 December 2035.
- 12.4. Save in the event of fraud or manifest error, the Scheme Administrators shall accept at face value any duly completed Actuarial Confirmation received on or before the Final Scheme Bar Date.
- 12.5. Final Scheme Creditors should be aware that it is their sole responsibility to verify the accuracy and completeness of the Final Scheme Claim Documentation provided to the Companies.
- 12.6. The Scheme Administrators have determined that the approach described in paragraphs 12.1 to 12.5 above is the simplest and most cost effective way of distributing the Final Scheme Assets to Eligible Final Scheme Creditors. The alternative approach would be for Final Scheme Creditors to submit a detailed actuarial report, including an estimate of their claim, which the Scheme Administrators would then assess. The Scheme Administrators would then pay each such Final Scheme Creditor a pro rata distribution of the Final Scheme Assets in proportion to each Final Scheme Creditor’s agreed Final Scheme Prospective Liabilities. Based on their extensive experience of assessing and agreeing such claims on this and other insurance estates either in run-off or insolvency, the Scheme Administrators consider that this would be a costly and time consuming exercise both for Final Scheme Creditors and the Scheme Administrators.
- 12.7. Similarly, it could be argued that certain Final Scheme Creditors will have a greater value of Final Scheme Prospective Liabilities than other Final Scheme Creditors as a result of different expected claim profiles, and therefore should be entitled to receive a greater proportionate share of the Final Scheme Assets. This would, however, require all Final Scheme Creditors to incur the up-front cost of engaging an actuary, and the value of the Final Scheme Payment currently proposed under the Final Scheme would be materially offset or potentially eliminated completely by those up-front costs, together with the Scheme Administrators’ own costs.
- 12.8. On balance, the Scheme Administrators consider that the simple approach proposed for distributing the Final Scheme Assets will be beneficial to those Final Scheme Creditors that justifiably assert in 2035 that they reasonably expect, absent the Final Scheme, to submit claims after 31 December 2035 and will not be prejudicial to other Final Scheme Creditors.
- 12.9. It may, of course, be the case that a Final Scheme Creditor that does not currently expect to notify claims after 31 December 2035 may suffer from unexpected adverse claims experience in the period running up to 31 December 2035. If the Final Scheme becomes effective, then a Final Scheme Creditor in that situation will likely be able to justify the assertion that they reasonably expect, absent the Final Scheme and subject to the terms of the relevant insurance policy, to submit valid claims to the Companies after 31 December 2035 and will be eligible to receive the Final Scheme Payment (being an equal share of the Final Scheme Assets). In this

scenario, they will expect to be materially better off as a result of the Final Scheme, compared to the amount that they would expect to receive if there were no Final Scheme.

- 12.10. In some cases the Companies may be prevented by law or regulation (such as sanctions law and regulation) from making a Final Scheme Payment to a Final Scheme Creditor under the Final Scheme. In such a case, the Companies will deal with such Blocked Monies in accordance with applicable law or regulation, or as required or instructed by the relevant governmental or regulatory authority. In the absence of any requirement or instructions as to how to deal with the Blocked Monies, the Companies will hold them in an account with a United Kingdom clearing bank until the Companies receive instructions from the relevant governmental or regulatory authority, or the Scheme Administrators are satisfied that it is, or otherwise becomes, legal to pay the monies to the relevant Final Scheme Creditor. If neither of these matters has occurred upon the termination of the Scheme, the Blocked Monies will be paid by the Companies to one or more registered UK charities selected at the discretion of the Scheme Administrators. Any liabilities in respect of which such Blocked Monies would otherwise have been payable shall then be deemed to be cancelled and the relevant Final Scheme Creditor shall have no rights in respect of them.
- 12.11. Final Scheme Payments will be in full and final settlement of all Final Scheme Prospective Liabilities of the relevant Final Scheme Creditor against the Companies. In addition, by accepting payment, the relevant Final Scheme Creditor is deemed to represent and warrant as at the date of payment by the Scheme Administrators of the Final Scheme Payment that it has not received any other payment in respect of the same Final Scheme Prospective Liability as a result of which a third party may have a claim against the Companies and the relevant Final Scheme Creditor will be required to indemnify the Companies against all losses, damages, costs, claims, liabilities, proceedings, demands and expenses (including legal fees) incurred by the Companies as a result of any breach of such representation and warranty.
- 12.12. The quantum of the Final Scheme Payment that Eligible Final Scheme Creditors will each receive will be affected by the number of Final Scheme Creditors that submit Final Scheme Claim Documentation acceptable to the Scheme Administrators prior to the Final Scheme Bar Date. Each Final Scheme Creditor who submits acceptable Final Scheme Claim Documentation will receive the Final Scheme Payment, being an equal share of the Final Scheme Assets, regardless of the number of claims or Qualifying ILU Policies of, or Opt Out Forms submitted by, that Final Scheme Creditor.
- 12.13. Following payment by the Scheme Administrators of the Final Scheme Payment to Eligible Final Scheme Creditors, no Final Scheme Creditor will have any claim of any nature against the Companies, the Scheme Administrators, PwC, Milliman, NNOFIC, Nat-Ned, the ILU, the Creditors' Committee or the Delegate in respect of a Final Scheme Prospective Liability.
- 12.14. On and from the Termination Date, the Relevant Parties (which includes the Companies, the Creditors' Committee, the Scheme Administrators, and the Delegate) will be released from any and all claims by any Final Scheme Creditor which relate to any act or omission in the course of, or in connection with, the proper preparation, implementation, administration and operation of the Original Scheme, the Amending Scheme and the Final Scheme.
- 12.15. If required under current tax law at the time of the Final Scheme Payment, the Companies will withhold basic rate tax from any payments made to Final Scheme Creditors under the Final Scheme. However, US tax resident Scheme Creditors may be entitled to receive such amounts gross, or to receive a refund of any UK tax withheld at source, provided the relevant His Majesty's Revenue & Customs forms are duly completed and authorised by the Internal Revenue Service.

- 12.16. The Companies may, at the Scheme Administrators' discretion and at any time while the Final Scheme is in effect, enter into an agreement with a Final Scheme Creditor for which payment may be made to settle the value of that Final Scheme Creditor's Final Scheme Prospective Liability. The Scheme Administrators will endeavour to adopt and maintain a consistent approach in the unlikely event of negotiating and reaching any agreement with Final Scheme Creditors in this way. Furthermore, the Scheme Administrators will only enter into any such agreement where they consider that to do so would be in the best interests of the Companies' creditors as a whole.

13. Time periods, electronic communication and notices

- 13.1. The Scheme Administrators have the unilateral discretion to extend any time periods under the Final Scheme, other than the Final Scheme Bar Date. If any time periods are extended for all Final Scheme Creditors then a notification will be made on the Website.
- 13.2. The Scheme allows for communications to be sent electronically and it is anticipated that communications between the Scheme Administrators and Final Scheme Creditors will be conducted primarily through documentation being made available for download using the facilities available through the Website and/or by electronic mail.
- 13.3. Where a Final Scheme Creditor is required to submit or file any forms, information, material, or other documentation on or prior to a certain date, in order to comply with that requirement the Final Scheme Creditor must ensure that the Scheme Administrators receive that documentation prior to 11:59pm (London time) on that date (unless otherwise stated).
- 13.4. Where Final Scheme Creditors are sending communications to the Companies or the Scheme Administrators, the time of receipt will be the time of actual receipt by the Companies or the Scheme Administrators (as the case may be).
- 13.5. This Final Scheme Explanatory Statement, its Appendices, the Final Scheme, the Amending Scheme, the Original Scheme, the Final Scheme Voting Form, and the notice of the Final Scheme Meetings will all be made available electronically for download via the Website at www.oicrun-offltd.com.
- 13.6. If any Final Scheme Creditor wishes to communicate with the Scheme Administrators by alternative means, it must make a written request to the Scheme Administrators via email on uk_oic_run_off_limited@pwc.com or post to OIC / L&O, c/o PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT.

14. Payments via electronic transfer or cheque

- 14.1. Payments made to Final Scheme Creditors under the Final Scheme shall be made by way of electronic transfer (where full bank account details have been provided by the Final Scheme Creditor on their Final Scheme Claim Form).
- 14.2. Where full bank details have not been provided, or the Scheme Administrators consider such details to be illegible, then payment is to be made by cheque or equivalent payment method, sent in the name of the Final Scheme Creditor to the last known address for the Final Scheme Creditor in the Companies' records.
- 14.3. Payments shall be deemed made on the date in the location from which telegraphic transfer instructions are given or the date in the location that the cheque or equivalent payment method is sent.
- 14.4. Any cheque not presented within six months of the date of issue will be cancelled.

14.5. The funds represented by any cancelled cheques shall, subject to appropriate legal and tax advice on the consequences for the Companies, be returned to the Companies.

14.6. However, the Scheme Administrators will retain the discretion to reissue any cheque or equivalent payment method at the written request of the Final Scheme Creditor concerned at any time up until one year after the date of issue of the relevant cheque or equivalent payment method.

15. Payments in respect of Assignments

15.1. Assignees will be entitled to receive the Final Scheme Payment under the Final Scheme in respect of their assigned policies subject to the following conditions:

15.1.1. notice of the Assignment must have been provided to the Scheme Administrators;

15.1.2. the Scheme Administrators must be satisfied (having received such information and documentation as they may require in respect of the Assignment) that the Assignment was legally valid; and

15.1.3. the Scheme Administrators have determined that the assigned policies give rise to an entitlement to a Final Scheme Payment under the terms of the Final Scheme.

15.2. Where an Assignment has taken place:

15.2.1. any Liability of the Companies to the relevant Assignee in respect of a policy that was assigned pursuant to such Assignment shall be extinguished to the extent that either of the Companies has, in accordance with the terms of the Final Scheme, already made any payment in respect of the same policy to the relevant Assignor; and

15.2.2. any Liability of the Companies to the relevant Assignor in respect of a policy that was assigned pursuant to such Assignment shall be extinguished to the extent that either of the Companies has, in accordance with the terms of the Final Scheme, already made any payment in respect of the same policy to the relevant Assignee.

F: VOTING PROCEDURE

16. Approval of the Final Scheme

- 16.1. Before the Final Scheme can become effective and legally binding, it must be approved by the requisite majority of Final Scheme Creditors who vote at each Final Scheme Meeting. The Scheme Meetings are to be held concurrently via video conference. The requisite majority is a majority in number representing not less than 75% in value of those Final Scheme Creditors who, at the Final Scheme Meeting for each of the Companies, being so entitled, are present in person or by proxy and vote.
- 16.2. There will be a separate scheme meeting of Final Scheme Creditors in respect of each of OIC and L&O (together the “**Final Scheme Meetings**” and each a “**Final Scheme Meeting**”). There will be a single class of creditors in respect of each Final Scheme Meeting, being the Final Scheme Creditors.
- 16.3. As a result of the cross guarantees, where a Final Scheme Creditor has Qualifying ILU Policies in respect of either Company, they will be entitled to vote at each Final Scheme Meeting. Final Scheme Creditors are strongly encouraged to submit a Final Scheme Voting Form in respect of, and otherwise vote at, each Final Scheme Meeting.
- 16.4. If the Final Scheme is approved by the requisite majorities and sanctioned by the Court as referred to in paragraph 23, following delivery of the Court’s order to Companies House the Final Scheme will then become legally binding on all Final Scheme Creditors. In this case, the Final Scheme will bind a Final Scheme Creditor even if that Final Scheme Creditor voted against the Final Scheme or did not vote at all. The Final Scheme will be binding regardless of whether a Final Scheme Creditor’s supporting evidence is assessed by the Scheme Administrators as being valid or invalid under the Final Scheme, whether for voting or payment purposes.
- 16.5. A notice convening the Final Scheme Meetings on 24 April 2025 is at Appendix 2 (*Notice of Final Scheme Meetings*) of this document. That notice will, where possible, be advertised in accordance with paragraph 5.1. The notice will also be published on the Website at www.oicrun-offltd.com.

17. Eligibility to vote

- 17.1. In order to be eligible to vote at the Final Scheme Meetings, Final Scheme Creditors will be required to provide evidence satisfactory to the Scheme Administrators that they:
 - 17.1.1. have a valid Qualifying ILU Policy for OIC and/or L&O as appropriate; and
 - 17.1.2. validly submitted an Opt Out Form on or prior to the Bar Date in accordance with the terms of the Amending Scheme.
- 17.2. This evidence will be required to be provided by Final Scheme Creditors at the same time as submitting their Final Scheme Voting Form and, in any event, by no later than the Final Scheme Record Date, and, for the evidence referred to in paragraph 17.1.1, may take the form of a cover note, slip, or policy wording.
- 17.3. If the Scheme Administrators have previously either:
 - 17.3.1. received from a Final Scheme Creditor the evidence required by paragraph 17.1; or
 - 17.3.2. obtained satisfactory evidence from the Companies' own records that the Final Scheme Creditor is an Opt Out Qualifying ILU Policyholder,

then the Scheme Administrators will confirm in writing 14 days before the Final Scheme Record Date that such Final Scheme Creditor will not be required to produce any further evidence on or before the Final Scheme Record Date and will otherwise be entitled to vote at the Final Scheme Meetings.

18. Valuation of claims for voting purposes

- 18.1. The single class of Final Scheme Creditors will need to approve the Final Scheme by a majority in number representing at least 75% in value of those Final Scheme Creditors who, being so entitled, vote in person or by proxy at each Final Scheme Meeting.
- 18.2. In order to determine whether the requisite majorities for voting purposes have been reached, the Companies must attribute a value to the claim of each Final Scheme Creditor who votes in person or by proxy. Final Scheme Creditors should notify the Companies of their claim value for voting purposes by using the Final Scheme Voting Form.
- 18.3. The Final Scheme Voting Form must be returned by the Final Scheme Record Date and seeks an estimate of the value of a Final Scheme Creditor's Final Scheme Prospective Liabilities. The estimated Final Scheme Prospective Liabilities will then need to be adjusted to take account of any discount for the time value of money.
- 18.4. For the purposes of voting, the Companies have determined that Final Scheme Creditors will be required to estimate their Final Scheme Prospective Liabilities, being the expected claim payments that would, absent the Final Scheme, relate to claims notified by each Final Scheme Creditor to the Companies after 31 December 2035. This estimate is to be prepared pursuant to the Estimation Guidelines provided by Appendix 2 to the Amending Scheme, by identifying the component of a current reserve estimate that relates broadly to claims notifications expected after 31 December 2035, or by a simple benchmark designed to reduce a current reserve amount to a figure that reflects the likely amount of future claim notifications after 31 December 2035, or by any other reasonable estimation method.
- 18.5. Final Scheme Creditors may choose to place a nominal value on their vote as an estimate. The Scheme Administrators appreciate that some Final Scheme Creditors may have difficulty in estimating their Final Scheme Prospective Liabilities. However, the Scheme Administrators do not want to deter such creditors from voting where they consider they have Final Scheme Prospective Liabilities and it will be acceptable for a nominal value to be placed on the vote as an estimate. Final Scheme Creditors should be aware that by potentially undervaluing their vote they will have less impact on the voting outcome and so the Scheme Administrators encourage such creditors to provide an evaluated voting estimate where possible.
- 18.6. Whichever of the methods set out in 18.4 and 18.5 is chosen, the rationale for the estimate should be supported by a short explanation by reference to the nature of the creditor's policy exposures and claims experience to date.
- 18.7. Each estimation provided by a Final Scheme Creditor will be subject to the approval of the Scheme Administrators and, where the Scheme Administrators and a Final Scheme Creditor are unable to reach agreement as to the value of that Final Scheme Creditor's Final Scheme Prospective Liabilities, the matter will be referred to the Vote Assessor for inclusion in his report on the reasonableness of voting values for submission to the Court.
- 18.8. Particulars should be provided of any estimated Final Scheme Prospective Liabilities, and should include details of the basis upon which any figure has been estimated. Information should be provided to enable the Chair of the Final Scheme Meetings to judge whether, and to what extent, such estimates of Final Scheme Prospective Liabilities can be accepted for voting purposes. In

doing so, the Chair may refer to the Scheme Actuarial Adviser for advice in relation to the estimated Final Scheme Prospective Liabilities.

- 18.9. Final Scheme Creditors should be aware that it is their sole responsibility to ensure the accuracy and completeness of any and all information included in their Final Scheme Voting Form.
- 18.10. The Chair of the Final Scheme Meetings (who is to be one of the Scheme Administrators or such other independent person as the Scheme Administrators may nominate) will review the Final Scheme Prospective Liabilities against the Companies' records and will determine whether or not these estimates of claims are fair and reasonable before they are counted for voting purposes.
- 18.11. Scheme Creditors should notify the Companies of their votes by using the Final Scheme Voting Form. The Final Scheme Voting Form will be made available to Final Scheme Creditors at the Website at www.oicrun-offltd.com, and will be available from the Run-off Manager. Queries about Final Scheme Voting Forms may be directed, in the first instance, to the Run-off Manager at the contact details set out in the Responsibility Statement section of this Final Scheme Explanatory Statement.
- 18.12. Where a Final Scheme Creditor has assigned a policy since the Bar Date, notice of that Assignment has been provided to the Companies and the Scheme Administrators are satisfied that such Assignment is legally valid, the Assignee will be treated by the Companies as the Final Scheme Creditor in respect of that policy for voting purposes (but subject to any amounts that may be due to the Companies from the Assignor). Where both the Assignor and the Assignee submit a claim for voting purposes the matter will be addressed in the Final Scheme Meeting Chair's report to the Court on the outcome of the vote on the Final Scheme.
- 18.13. If the Scheme Administrators and a Final Scheme Creditor are unable to reach agreement upon (i) the amount of that Final Scheme Creditor's Final Scheme Prospective Liabilities as at the Final Scheme Bar Date for voting purposes, or (ii) whether a Final Scheme Creditor has a Qualifying ILU Policy and is therefore entitled to vote at the Final Scheme Meetings, the matter will be referred to the Vote Assessor for inclusion in his report on the reasonableness of voting values for submission to the Court. The Chair's decision on the value to be attributed to a Final Scheme Creditor's Final Scheme Prospective Liability for voting purposes will be final and binding on the Final Scheme Creditor, the Companies and the Scheme Administrators in the absence of manifest error.
- 18.14. Acceptance by the Chair of a Final Scheme Creditor's vote will not affect or prejudice the Scheme Administrators' rights to dispute that Final Scheme Creditor's claim for any other purpose, including following submission of Final Scheme Claim Documentation in advance of the Final Scheme Bar Date.

19. Vote Assessor

- 19.1. The Vote Assessor will be Mr James G Evans of Actuarial Risk Management Ltd., who is an experienced actuary with over 30 years of actuarial experience in the United States of America and Bermuda. Mr Evans will be providing his services as Vote Assessor through his employer, Actuarial Risk Management Ltd.
- 19.2. A summary of Mr Evans's qualifications and experience is set out in Section G: APPENDICES. If he is unable to act as Vote Assessor for any reason, it is proposed that his replacement be such other independent and sufficiently qualified person as the Scheme Administrators may nominate.

- 19.3. The Scheme Administrators consider that each of Mr Evans and Actuarial Risk Management Ltd are independent of the Companies as they have had no direct previous employment or engagement with them and will not be remunerated on any form of contingent fee basis.
- 19.4. The Vote Assessor will prepare a report for submission to the Court on the reasonableness of the voting values used. The Chair of the Final Scheme Meetings will provide the Vote Assessor with details of all votes submitted in relation to the Final Scheme. The direction of the vote (i.e. whether the Final Scheme Creditor has voted for or against the Final Scheme) will not, however, be disclosed to the Vote Assessor. The Chair of the Final Scheme Meetings will indicate to the Vote Assessor which votes, in his opinion, should be reviewed by the Vote Assessor including, without limitation, all votes referred to him as mentioned in paragraph 18.13.

20. Currency conversion for voting purposes

Final Scheme Prospective Liabilities of the Companies are expected to be denominated in various currencies. In order to determine whether or not the requisite majority (as to the value of the claims of Final Scheme Creditors voting in favour of the Final Scheme) has been achieved, the value of all Final Scheme Prospective Liabilities of Final Scheme Creditors in currencies other than US Dollars will be converted from the currency in which Final Scheme Creditors notify them into US Dollars at the applicable mid-market rate for US Dollars published by the Financial Times as at the Final Scheme Record Date.

21. Appointing a proxy

- 21.1. Final Scheme Creditors of the Companies are entitled to vote at the relevant Final Scheme Meeting either in person (or, in the case of corporations, by a duly authorised representative) or by proxy (i.e. a person nominated to attend the Final Scheme Meetings and vote on their behalf).
- 21.2. Final Scheme Creditors of the Companies who wish to appoint a proxy must complete the Final Scheme Voting Form in accordance with the instructions printed on the form. These instructions should be followed carefully, since the Final Scheme Voting Form may be rejected as invalid if it is completed incorrectly or is not clear. Completion and return of the Final Scheme Voting Form will not prevent the relevant Final Scheme Creditor from attending the Final Scheme Meetings in person (or, in the case of corporations, by a duly authorised representative).

22. Returning the Final Scheme Voting Form

- 22.1. In order for a Final Scheme Creditor to vote and have their vote counted, they must complete the Final Scheme Voting Form and ensure it is provided to the Chair of the Final Scheme Meetings before the vote is taken at the relevant Final Scheme Meeting. Final Scheme Creditors must do this whether they intend to vote in person at the Final Scheme Meetings or whether they intend to appoint a proxy.
- 22.2. The Final Scheme Voting Form may be returned by hand, post, or email to the Run-off Manager at the address set out in the Responsibility Statement section of this Final Scheme Explanatory Statement. Forms should be received before noon (London time) on 24 April 2025.
- 22.3. After the Final Scheme Meetings the votes must be checked and verified. The time required to complete this verification process will depend upon the number of votes involved.
- 22.4. Additional copies of the Final Scheme Voting Form can be downloaded from the Website at www.oicrun-offltd.com.

23. Court sanction

If the Final Scheme is passed by the requisite majorities of Final Scheme Creditors of each Company at the Final Scheme Meetings, the Court will be asked to sanction it. If the Court sanctions the Final Scheme, an office copy of the Court order will be delivered to the Registrar of Companies for registration for each Company. Once the office copy of the Court order is delivered to the Registrar of Companies for each Company, the Final Scheme will become effective. All Final Scheme Creditors will then be bound by the Final Scheme, including those who may have voted against it or who did not vote at all. The provisions of the Original Scheme as amended by the Amending Scheme will continue in all respects except where varied by the terms of the Final Scheme. As soon as practicable following delivery of the office copy of the Court order to the Registrar of Companies, the fact that the Final Scheme has become effective will, where possible, be notified in accordance with paragraph 11.2.

24. Positions of key stakeholders

- 24.1. The Scheme Administrators have kept each of the PRA, the FCA, the ILU, NNOFIC and the Creditors' Committee regularly informed and apprised of developments in the Final Scheme process.

PRA and the FCA

- 24.2. The Companies are authorised and regulated by the PRA and regulated by the FCA. The PRA and the FCA have been kept fully informed of the Final Scheme as it has been developed and have been given copies of all relevant documents concerning the Final Scheme to review. The PRA's and the FCA's review has been directed at deciding whether there are any features of the Final Scheme which should lead them to exercise their respective powers to prevent the Final Scheme being put to Final Scheme Creditors. As at the date of this Final Scheme Explanatory Statement, and on the basis of the information available to them, neither the PRA nor the FCA has identified any such features (following amendments made to the Final Scheme documentation at the regulators' request), and therefore neither the PRA nor the FCA object to the Final Scheme proceeding to a vote of Final Scheme Creditors.
- 24.3. The Scheme Administrators expect the PRA and the FCA to continue to monitor the progress of the Final Scheme and to take account of any issues raised by Final Scheme Creditors, and they may give their final opinion on the Final Scheme to the Court if the votes of Final Scheme Creditors are successful and the Companies move to obtain sanction from the Court.

Other stakeholders

- 24.4. Each of the other key stakeholders in the Final Scheme process (NNOFIC and the ILU) have approved and agreed to be bound by the Final Scheme. In addition, the Creditors' Committee (on a unanimous basis) supports the Final Scheme.

25. Directors' interests

- 25.1. The current directors of the Companies, Dan Schwarzmann, who is a partner of PwC, and Nigel Rackham, who is a director at PwC, receive no remuneration from the Companies in their capacities as directors of the Companies.
- 25.2. None of the directors will receive any remuneration, compensation or incentives as a result of the successful implementation of the Final Scheme or under the terms of the Final Scheme itself.
- 25.3. None of the directors have any direct or indirect shareholdings in either of the Companies.

25.4. Dan Schwarzmann and Nigel Rackham are also the Scheme Administrators of the Companies. PwC are in receipt of fees for the provision of services to the Scheme Administrators under the Scheme and will continue to receive such fees if the Final Scheme takes effect. These fees are subject to review by the Creditors' Committee.

Dated 17 December 2024

G: APPENDICES

Appendix 1

Final Scheme document

PART II
THE FINAL SCHEME

**PROPOSAL IN RELATION TO
A SCHEME OF ARRANGEMENT**

(pursuant to Part 26 of the Companies Act 2006)

between

OIC RUN-OFF LIMITED

(formerly Ralli Brothers Insurance Company Limited and The Orion Insurance Company plc)

THE LONDON AND OVERSEAS INSURANCE COMPANY LIMITED

(formerly Hull Underwriters' Association Limited and The London and Overseas Insurance
Company plc)

(both subject to a scheme of arrangement)

and their respective

FINAL SCHEME CREDITORS

(as defined in the Final Scheme)

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Section 1: Definitions and interpretation

1. Definitions

- 1.1 In this Final Scheme, words and expressions shall have the meanings given to them in Appendix 1 (*Definitions*).
- 1.2 Words and expressions defined in the Original Scheme and the Amending Scheme shall have the same meanings in the Final Scheme, unless otherwise expressly defined or modified in the Final Scheme. In the event of inconsistency between words and expressions defined in the Original Scheme and words and definitions defined in the Amending Scheme, the words and expressions defined in the Amending Scheme shall prevail.

2. Interpretation

- 2.1 The Final Scheme includes the Appendices which accordingly form part of the Final Scheme for all purposes.
- 2.2 Subject to paragraph 2.3, the principles of interpretation set out at clause 2 of the Original Scheme shall have effect as if set out in full in the Final Scheme.
- 2.3 In the Final Scheme:
 - 2.3.1 any reference to a "paragraph" and/or "Appendix" is, unless the context otherwise requires, a reference to a paragraph and/or Appendix in the Final Scheme;
 - 2.3.2 any reference to a "section" is, unless the context otherwise requires, a reference to a section in the relevant Appendix in the Final Scheme;
 - 2.3.3 any reference to an "individual" shall mean a natural person only; and
 - 2.3.4 any reference to "clear days" in relation to a time period means that in calculating the number of days in that time period:
 - 2.3.4.1 the day on which the time period begins; and
 - 2.3.4.2 the day on which the time period ends,are not included for the purposes of such calculation.

Section 2: Preliminary

3. Participation in the Scheme

- 3.1 Each of NNOFIC, the ILU and the Companies have agreed to be bound by the Final Scheme and to execute or do, or procure to be executed or done, all documents, acts or things as may be necessary or as the Court may direct to be executed or done by it or on its behalf for the purpose of giving effect to the Final Scheme.
- 3.2 NNOFIC has agreed that it will procure that any successor to NNOFIC ("**Successor**") will also agree to be bound by the terms of the Final Scheme by executing a deed of adherence in the form of Appendix 3 (*Deed of Adherence*) or a form substantially similar thereto. NNOFIC has agreed to procure that any Successor shall be acceptable to the Companies and the ILU (both acting reasonably).

- 3.3 Dan Yoram Schwarzmann and Douglas Nigel Rackham, the current Scheme Administrators, have each given and have not withdrawn their consent to continue to act as Scheme Administrators from the Final Scheme Effective Date.

4. **Incorporation of the Final Scheme**

The provisions of the Original Scheme as amended by the Amending Scheme shall continue in full force and with effect from the Final Scheme Effective Date save as amended by the Final Scheme.

5. **Modification of the Final Scheme**

- 5.1 Subject to paragraph 5.2, each of the Companies may, at any hearing of the Court, consent on behalf of the Final Scheme Creditors, NNOFIC and the ILU to any modification of, or addition to, the Final Scheme or any terms or conditions which the Court may think fit to approve or impose and which would not directly or indirectly have a materially adverse effect on the interests of any Final Scheme Creditor under the Final Scheme.
- 5.2 Any modification of, or addition to, the Final Scheme or any of its terms and conditions which, in the reasonable opinion of either or both of NNOFIC and the ILU (as the case may be), would or might directly or indirectly adversely affect the interests of either or both of NNOFIC and the ILU (respectively, as the case may be), shall not take effect unless approved by either or both of NNOFIC and the ILU (as the case may be).

Section 3: General provisions

6. **Purpose of the Final Scheme**

- 6.1 The purpose of the Final Scheme is to achieve full and final settlement of the Final Scheme Prospective Liabilities, being any prospective claims of Final Scheme Creditors that, absent the Final Scheme, would be notified after the Final Scheme Bar Date.
- 6.2 The Final Scheme provides a mechanism by which the Final Scheme Payment is made to each Final Scheme Creditor who submits valid Final Scheme Claim Documentation within the Final Scheme Bar Date Period establishing a Final Scheme Prospective Liability, such Final Scheme Creditors being the Eligible Final Scheme Creditors.
- 6.3 The Final Scheme does not, for the avoidance of doubt, affect any right of any Final Scheme Creditor in relation to any claims it may have notified or come to notify prior to the Final Scheme Bar Date.

7. **Conditions precedent and the Final Scheme Effective Date**

- 7.1 The Final Scheme shall not be effective unless:
- 7.1.1 it is approved at the Final Scheme Meeting in relation to each Company by the majorities of Final Scheme Creditors prescribed by section 899(1) of the Companies Act; and
 - 7.1.2 it is sanctioned by the Court in relation to each Company under section 899 of the Companies Act.
- 7.2 Subject to satisfaction of the conditions in paragraph 7.1, the Final Scheme shall become effective as soon as a copy of the Final Scheme Court Orders sanctioning the Final Scheme in respect of each of the Companies has been delivered to the Registrar of Companies for registration in respect of each of the Companies, as required by section 899(4) of the Companies Act.

8. Time periods and deadlines

- 8.1 The Scheme Administrators may, in their absolute discretion, and subject to such conditions as the Scheme Administrators in their absolute discretion may determine, extend any time periods referred to in the Scheme other than the Final Scheme Bar Date and the Final Scheme Bar Date Period.
- 8.2 Subject to paragraphs 8.3 and 8.4, time periods laid down by the Final Scheme shall be calculated by reference to clear days and not Business Days.
- 8.3 In the event that a time period expires on a Business Day, such period shall be deemed to expire at 11:59 pm (London time) on that Business Day.
- 8.4 In the event that a time period expires on a day which is not a Business Day, such period shall be deemed to expire at 11:59 pm (London time) on the next following Business Day.

9. Claims agreement outside the Scheme

- 9.1 Either Company may enter into contractual arrangements in accordance with clause 29.3(n) of the Original Scheme, as amended by paragraph 9 of the Amending Scheme, but so that a reference to an Established Liability shall be read as a reference to a Final Scheme Prospective Liability.
- 9.2 When entering into such contractual arrangements with Final Scheme Creditors, the Scheme Administrators shall have regard to the best interests of the Final Scheme Creditors taken as a whole in accordance with their respective rights under the Scheme. Without prejudice to the generality of the foregoing, the Scheme Administrators shall have no regard to the existence of the Facility.
- 9.3 The Scheme Administrators shall endeavour to adopt and maintain a consistent approach when entering into any such contractual arrangements with Final Scheme Creditors.
- 9.4 In the event that the Companies enter into a contractual arrangement with a Final Scheme Creditor as set out in paragraph 9.1, that Final Scheme Creditor shall not be eligible to participate in, or otherwise receive, the Final Scheme Payment, and will not otherwise be able to submit its Final Scheme Claim Documentation to the extent that such contractual arrangement relates to the liability concerned.

Section 4: Determination of claims

10. Notice of Final Scheme Effective Date, Final Scheme Bar Date and distribution of Final Scheme Claim Forms

- 10.1 The Scheme Administrators shall, as soon as reasonably practicable after the Final Scheme Effective Date, send by email or post those documents listed in paragraph 10.3 to the last known email or postal address of each person they believe to be, or they know claims to be, a Final Scheme Creditor.
- 10.2 The Scheme Administrators shall, as soon as reasonably practicable after becoming aware between the Final Scheme Effective Date and the Final Scheme Bar Date of any other person who is or may be a Final Scheme Creditor, send by email those documents listed in paragraph 10.3 to each such person.
- 10.3 The documents referred to in paragraphs 10.1 and 10.2 are:
- 10.3.1 notices informing Final Scheme Creditors:
- 10.3.1.1 that the Final Scheme has become effective;

- 10.3.1.2 of the Final Scheme Effective Date;
 - 10.3.1.3 of the Final Scheme Bar Date;
 - 10.3.1.4 of the details of the Website and where and to whom Final Scheme Creditors may address queries relating to the Final Scheme;
 - 10.3.1.5 that the full text of the Final Scheme and the Final Scheme Explanatory Statement may be downloaded from the Website or obtained from the Scheme Administrators by sending a request to Hampden Plc, by email to OICClosureHelpdesk@hampden.co.uk or by post to 40 Gracechurch Street, London EC3V 0BT United Kingdom, or the OIC and L&O Scheme Administrators, c/o PricewaterhouseCoopers LLP, 7 More London Riverside, London SE1 2RT (or such other email or postal address as may be notified by the Scheme Administrators to the Final Scheme Creditors from time to time), in each case free of charge; and
 - 10.3.1.6 a pre-addressed form (as made available on the Website) for making a Postal Service Request that may be returned in accordance with paragraph 49.3 of the Amending Scheme.
- 10.4 In July of each year from July 2030 to July 2035 (inclusive), the Scheme Administrators shall write to each Final Scheme Creditor or each Final Scheme Creditor's authorised agent (where applicable), to remind Final Scheme Creditors that they must notify the Companies of claims under their Qualifying ILU Policies on or before the Final Scheme Bar Date in order to be potentially eligible to receive top up payments made available by NNOFIC pursuant to clause 17(b) of the Original Scheme and the terms of the CPLA. This reminder will also be added to the Website.
- 10.5 In respect of any such Final Scheme Creditor or person referred to in paragraph 10.2, neither the Companies nor the Scheme Administrators shall incur any Liability in the event that any of the documentation referred to in paragraphs 10.3 does not reach that Final Scheme Creditor or person.
11. **Notification of claims under the Final Scheme**
- 11.1 Subject to paragraph 8.1, in the event that a Final Scheme Creditor does not submit its Final Scheme Claim Documentation within the Final Scheme Bar Date Period, the provisions of paragraph 14 shall apply in respect of that Final Scheme Creditor's Final Scheme Prospective Liability.
- 11.2 Subject to paragraphs 9, 12 and 13, any notification of a Final Scheme Prospective Liability received by the Companies must be made using a Final Scheme Claim Form. Subject to paragraph 9, any such notification of a Final Scheme Prospective Liability made otherwise than by using a Final Scheme Claim Form submitted by email and received by the Companies within the Final Scheme Bar Date Period will not be valid, accepted or processed by the Companies.
12. **Provision of Final Scheme Claim Forms**
- 12.1 The Scheme Administrators shall make available on the Website prior to and during the Final Scheme Bar Date Period a Final Scheme Claim Form. The Scheme Administrators shall, in accordance with paragraph 10.4, send to each person they believe to be a Final Scheme Creditor an electronic copy of its Final Scheme Claim Form. The Website will include instructions for each Final Scheme Creditor to access, complete and amend its Final Scheme Claim Form and to submit its Final Scheme Claim Documentation by email at any time within the Final Scheme Bar Date Period.

12.2 The Scheme Administrators shall send a Final Scheme Claim Form by Post prior to and during the Final Scheme Bar Date Period to each Final Scheme Creditor who makes a Postal Service Request.

12.3 Final Scheme Claim Forms made available to Final Scheme Creditors on the Website, by Post or by email under this paragraph 12 shall be substantially in the form set out in the drafts in Appendix 4 of the Final Scheme Explanatory Statement, or such other form as the Scheme Administrators may determine.

13. **Submitting the Final Scheme Claim Documentation before the Final Scheme Bar Date**

13.1 In order to qualify as an Eligible Final Scheme Creditor, a Final Scheme Creditor must submit its Final Scheme Claim Documentation in accordance with the provisions of this paragraph 13.

13.2 A Final Scheme Creditor who wishes to submit its Final Scheme Claim Documentation must do so to the Companies by email so as to be received by the Companies within the Final Scheme Bar Date Period.

13.3 Each such Final Scheme Creditor will need to submit its Final Scheme Claim Documentation, being the Final Scheme Claim Form as well as:

13.3.1 subject to paragraph 13.4, evidence satisfactory to the Scheme Administrators that that Final Scheme Creditor had a Qualifying ILU Policy;

13.3.2 a statement in the form set out at Appendix 2 (*Pro Forma Actuarial Confirmation*), from a qualified actuary, that that Final Scheme Creditor can justifiably assert that they reasonably expect to have a Final Scheme Prospective Liability, including the basis of their claim (the “**Actuarial Confirmation**”). The actuary should have relevant experience for the purposes of completing the Actuarial Confirmation. The actuary may make additional comments within the Actuarial Confirmation at their discretion, but the Actuarial Confirmation will not be regarded as duly completed if it contains any qualification of the opinion required therein; and

13.3.3 copies of any data or information provided by the Final Scheme Creditor to the actuary providing the Actuarial Confirmation.

The material detailed at paragraphs 13.3.1, 13.3.2 and 13.3.3 shall together form the “**Final Scheme Supporting Evidence**”. Final Scheme Creditors will not be required to estimate the quantum of any Final Scheme Prospective Liability due to that Final Scheme Creditor.

13.4 A Final Scheme Creditor will not be required to provide the evidence required by paragraph 13.3.1 if the Scheme Administrators have previously confirmed in writing that the Scheme Administrators have received or otherwise obtained satisfactory evidence to confirm that the relevant Final Scheme Creditor had a Qualifying ILU Policy for the purposes of the Final Scheme. As part of the annual reminders mentioned in paragraph 10.4, the Scheme Administrators will confirm in each communication whether satisfactory evidence to confirm that the relevant Final Scheme Creditor had a Qualifying ILU Policy for the purposes of the Final Scheme has been received from the respective Final Scheme Creditor, or whether it still needs to be provided.

13.5 Save in the event of fraud or manifest error, the Scheme Administrators shall accept at face value any duly completed Actuarial Confirmation received prior to the end of the Final Scheme Bar Date Period.

- 13.6 Any Final Scheme Creditor which does not comply in all respects with paragraphs 13.2 and 13.3 shall nevertheless be subject to and shall be bound by the provisions contained in the Final Scheme.
- 13.7 Without prejudice to paragraph 18, where a Final Scheme Creditor has entered into an Assignment, irrespective of whether or not the Companies have received notice of that Assignment, the relevant Final Scheme Claim Form will be that of the Assignor.
14. **Consequences of failure to submit Final Scheme Claim Documentation**
- 14.1 In the event that a Final Scheme Creditor:
- 14.1.1 does not validly submit its duly completed Final Scheme Claim Documentation within the Final Scheme Bar Date Period, including relevant particulars of the identity and contact details of the Final Scheme Creditor concerned, to the reasonable satisfaction of the Scheme Administrators; or
 - 14.1.2 is determined by the Scheme Administrators, having considered the relevant Final Scheme Claim Documentation, to have failed to evidence a Final Scheme Prospective Liability,
- then:
- 14.1.3 such Final Scheme Creditor, subject to paragraph 14.2, shall not be entitled to receive the Final Scheme Payment in respect of any Final Scheme Prospective Liabilities;
 - 14.1.4 any Final Scheme Prospective Liability of that Final Scheme Creditor will be deemed fully and finally settled, deemed discharged and otherwise be released on and from the Final Scheme Bar Date; and
 - 14.1.5 from the Final Scheme Bar Date, that Final Scheme Creditor (A) will be otherwise precluded from notifying any new claims under its Qualifying ILU Policy (without prejudice, for the avoidance of doubt, to any claims it had validly notified before that time), and (B) will have no further claim of any nature against the Companies, the Scheme Administrators, PwC, Milliman Inc., NNOFIC, Nat-Ned, the ILU or the Delegate in respect of a Final Scheme Prospective Liability.
- 14.2 Nothing in the Final Scheme shall affect the Companies' rights to pursue and recover (whether by Proceedings or otherwise) any Liability owed to them by a Final Scheme Creditor.

Section 5: Payments under the Final Scheme

15. Payments to Final Scheme Creditors

- 15.1 As soon as practicable after the Final Scheme Bar Date, each Eligible Final Scheme Creditor shall be paid by the Companies its Final Scheme Payment. The Final Scheme Payment to be made to each Eligible Final Scheme Creditor shall be an amount equal to the Final Scheme Assets divided by the total number of Eligible Final Scheme Creditors, with the intent and effect that the entire Final Scheme Assets are distributed to Eligible Final Scheme Creditors, and that each Eligible Final Scheme Creditor receives an equal share of the Final Scheme Assets (subject to paragraph 17).
- 15.2 The Company will fund the Final Scheme Assets from the Opt Out Scheme Assets that would otherwise have been expended by the Companies in processing claims of Final Scheme Creditors in respect of their Qualifying ILU Policies notified after the Final Scheme

Bar Date absent the Final Scheme. In the event that there is a shortfall in Opt Out Scheme Assets in the future, NNOFIC has an obligation to make that shortfall good by increasing the Opt Out Scheme Assets pursuant to paragraph 41.4 of the Amending Scheme.

- 15.3 From the Final Scheme Effective Date, the Companies shall have no further obligation to make any additional payments to the Opt Out Scheme Assets pursuant to clause 40.8 of the Amending Scheme.
- 15.4 The Final Scheme Payment shall be made by way of telegraphic transfer to each Eligible Final Scheme Creditor (where full bank account details have been provided by the Final Scheme Creditor on their Final Scheme Claim Form and the payment is compliant with the relevant laws and regulations set out in paragraph 17). Such payments shall be deemed made on the date telegraphic transfer instructions are given.
- 15.5 Where full bank details have not been provided by the Eligible Final Scheme Creditor in order to permit payment of the Final Scheme Payment in accordance with paragraph 15.4, then payment is to be made by cheque or equivalent payment method (where such payment is compliant with the relevant laws and regulations set out in paragraph 17), sent in the name of the Eligible Final Scheme Creditor to the Companies' last known address for the Eligible Final Scheme Creditor. Such payment shall be deemed made on the date that the cheque is sent or the equivalent payment method has been made.
- 15.6 The payment of the Final Scheme Payment to an Eligible Final Scheme Creditor in accordance with paragraph 15.4 or paragraph 15.5 (as the case may be) shall be full and final settlement, discharge and release of any obligation of either Company to that Eligible Final Scheme Creditor in respect of that Eligible Final Scheme Creditor's Final Scheme Prospective Liabilities.
- 15.7 For the avoidance of doubt, , from the Final Scheme Bar Date each Eligible Final Scheme Creditor will have no further claim of any nature against the Companies, the Scheme Administrators, PwC, Milliman Inc., NNOFIC, Nat-Ned, the ILU or the Delegate in respect of a Final Scheme Prospective Liability other than that Final Scheme Creditor's right to receive the Final Scheme Payment.
- 15.8 By receiving the Final Scheme Payment, the Eligible Final Scheme Creditor represents and warrants as at the date of the relevant Final Scheme Payment that it has not received any other payment in respect of the same Final Scheme Prospective Liability as a result of which a third party may have a claim against the Companies. Each Eligible Final Scheme Creditor shall indemnify and keep indemnified the Scheme Administrators and the Companies against all losses, damages, costs, claims, liabilities, proceedings, demands and expenses (including legal fees) incurred by the Companies and/or the Scheme Administrators (as the case may be) as a result of any breach of such representation and warranty provided in this paragraph 15.7.
- 15.9 With effect from the Termination Date, insofar as the law allows and subject to the terms of the Scheme, the Relevant Parties shall be released absolutely and unconditionally from any claims by any Final Scheme Creditor howsoever relating to the Relevant Parties in respect of any loss or Liability (whether present, future, prospective or contingent) relating to, or arising out of, any act done or omitted to be done in the course of, or in connection with, the proper preparation, implementation, administration and operation of the Original Scheme, the Amending Scheme and the Final Scheme, and the liquidation of the Companies, or the exercise by any such person of any power, discretion, right, duty or obligation conferred upon it or him thereunder howsoever or wheresoever caused and whether or not any such claims are attributable to their default, other than for fraud or dishonesty. Relevant Parties shall include any third party (including its fellow members, partners and employees) retained to assist or advise in relation to the matters referred to in this paragraph 15.9 to the extent of such advice or assistance.

15.10 Paragraph 15.7 and 15.9 shall survive any termination of the Scheme.

Section 6: Miscellaneous provisions

16. The Delegate

- 16.1 In accordance with clause 33.4 of the Original Scheme, the Scheme Administrators have appointed the Original Delegate to perform certain services to the Companies free from any real or perceived conflicts of interest and having regard to the interests of Scheme Creditors as a whole.
- 16.2 In the event that the appointment of the Original Delegate is terminated, or the Original Delegate otherwise retires or is removed, the Scheme Administrators undertake to appoint a Replacement Delegate as soon as reasonably practicable, and in consultation with the Creditors' Committee. Any Replacement Delegate shall where feasible be a member or employee of Mercer & Hole LLP (or its successor firm) and have the qualifications required by clause 33.4 of the Original Scheme.
- 16.3 The services to be provided by any Replacement Delegate shall be substantially the same as those provided by the Original Delegate at the time that the Original Delegate's appointment ceases, save where otherwise agreed between the Replacement Delegate, the Scheme Administrators and the Creditors' Committee.
- 16.4 Prior to appointing a Replacement Delegate, a prospective Replacement Delegate shall confirm in writing to the Scheme Administrators that they:
- 16.4.1 have no conflicts of interest in performing all of the services, work and advice to be provided pursuant to the terms of their appointment; and
 - 16.4.2 are able to undertake their work pursuant to their appointment and to provide advice, in each case free of (a) any conflict of interest, or (b) any other interest or obligation that may reasonably be expected to prevent them from acting in the best interests of the Scheme Creditors as a whole.

17. Blocked Monies

- 17.1 Where the Companies are prevented by any law or regulation, including sanctions law and regulation, or prohibitions promulgated by the United Kingdom, or any other jurisdiction to which the Companies or Scheme Administrators are subject, from making a Final Scheme Payment to a Final Scheme Creditor under the Final Scheme or otherwise complying with any term of the Final Scheme, the requirements of such law or regulation shall override the terms of the Final Scheme and compliance with such law or regulation will constitute full discharge of such Final Scheme Creditor's Final Scheme Prospective Liabilities under the Scheme.
- 17.2 Any Blocked Monies shall be applied by the Companies in accordance with the requirements of such law or regulation or the instructions of the relevant authority. The Companies shall be under no obligation to make any application to the relevant authority for a waiver of such law or regulation in any particular case.
- 17.3 In the event that the applicable law or regulation does not contain provisions as to how to deal with Blocked Monies, the Companies shall, subject to sanctions and applicable law and regulation, hold them in an account with a United Kingdom clearing bank until the earlier of:
- 17.3.1 such time as the Companies are instructed by the relevant governmental or regulatory authority as to how to deal with the Blocked Monies or it becomes lawful or not contrary to applicable law or regulation (on the basis set out in

paragraph 17.2) to pay the Blocked Monies to the relevant Final Scheme Creditor;

- 17.3.2 such time as the Scheme Administrators are satisfied that it is, or otherwise becomes, legal to pay the monies to the relevant Final Scheme Creditor; or
 - 17.3.3 a period of six months from the date that the payment would have been made in accordance with paragraph 15.4 or 15.5.
- 17.4 Any interest earned on such account established for the purposes of paragraph 17.3 shall follow the principal.
- 17.5 In the event that no such instruction is received and the period of six months has expired since the date that the payment would have been made in accordance with paragraph 15.4 or paragraph 15.5, and the Scheme Administrators are not otherwise satisfied that it is legal to pay the monies to the relevant Final Scheme Creditor, the Blocked Monies shall be paid by the Companies to one or more registered UK charities (selected at the discretion of the Scheme Administrators) as soon as reasonably practicable and the relevant Final Scheme Creditor shall cease to have any entitlement to them or to make any other claim.
- 17.6 In the circumstances described in paragraph 17.5, the Final Scheme Prospective Liabilities in respect of which such Blocked Monies would otherwise have been payable shall be deemed to be fully and finally settled, discharged and otherwise cancelled and the relevant Final Scheme Creditor shall have no rights in respect of it or them.

18. **Payment in respect of Assignments**

Where an Assignment has taken place:

- 18.1.1 any Liability of the Companies to the relevant Assignee in respect of a policy that was assigned pursuant to such Assignment shall be extinguished to the extent that either of the Companies has, in accordance with the terms of the Final Scheme, already made any payment in respect of the same policy to the relevant Assignor; and
- 18.1.2 any Liability of the Companies to the relevant Assignor in respect of a policy that was assigned pursuant to such Assignment shall be extinguished to the extent that either of the Companies has, in accordance with the terms of the Final Scheme, already made any payment in respect of the same policy to the relevant Assignee.

19. **Costs of the Final Scheme**

All costs, charges, expenses and disbursements incurred by the Companies and the Scheme Administrators in connection with the negotiation, preparation and implementation of the Final Scheme, including the costs of holding the Final Scheme Meetings and the costs of obtaining the sanction of the Court, shall be discharged by the Companies as costs of the Scheme and shall accordingly constitute Priority Liabilities.

20. **Rights of third parties**

The Contracts (Rights of Third Parties) Act 1999 shall not apply in respect of the Final Scheme.

21. **Indemnity**

- 21.1 No Final Scheme Creditor shall be entitled to challenge the validity of any act done or any failure to share in good faith and with reasonable care by the Scheme Administrators, the

Directors, the Delegate, or by any of their respective employees or agents or any Committee Member (or any Nominated Representative or Alternate) in accordance with and to implement the provisions of the Final Scheme or the exercise, carrying out or performance or the purported exercise, carrying out or performance by any such person in good faith and with reasonable care of any function, power, right, duty, authority or discretion (as the case may be) conferred on him for the purpose of the Final Scheme, if exercised, carried out or performed or purported to be exercised, carried out or performed in accordance with and to implement the Final Scheme.

21.2 Subject to the Companies Act and save as provided for in paragraph 21.1, no person mentioned in paragraph 21.1 shall be liable for any loss unless such loss is attributable to his own negligence, wilful default, breach of duty, breach of trust, fraud or dishonesty.

21.3 Subject to the Companies Act, the Companies shall indemnify the persons mentioned in paragraph 21.1 against any Liability incurred by them in defending any proceedings, whether civil or criminal, in which judgment is given in their favour or which are discontinued before judgement is given or in which they are acquitted. The Companies shall also indemnify such persons in connection with any application in which relief is granted to them by the Court from any Liability for negligence, wilful default, breach of duty or breach of trust including, without prejudice to the generality of the foregoing, the matters referred to in paragraph 21.2.

22. **Severability**

If at any time any provision of the Final Scheme is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of that provision under the law of any other jurisdiction nor the legality, validity or enforceability of any other provision of the Scheme under the law of that jurisdiction will in any way be affected or impaired thereby.

23. **Governing law and jurisdiction**

23.1 The Scheme shall be governed by and construed in accordance with English law and all the parties to it agree that the Court shall have exclusive jurisdiction to hear and determine any suit, action or proceeding and to settle any dispute which may arise out of the Final Scheme Explanatory Statement (dated 17 December 2024 and its appendices explaining the effect of the Final Scheme pursuant to section 897 of the Companies Act) or any provision of the Final Scheme (including without limitation this paragraph), or out of any action taken or omitted to be taken under the Scheme or in connection with the administration of the Final Scheme, and for such purposes all the parties to the Final Scheme irrevocably submit to the exclusive jurisdiction of the Court. In relation to an Insurance Contract, nothing in this paragraph 23.1 shall affect or alter or be taken to have affected or altered the proper law of the Insurance Contract or the jurisdiction of any court of competent jurisdiction selected by the parties to settle any dispute or hear and determine any suit, action or proceeding arising out of such Insurance Contract.

23.2 Any dispute in relation to the construction or interpretation of this paragraph 22 shall be referred to the Court which shall also have exclusive jurisdiction in relation to these matters.

Dated []

Appendices

Appendix 1 – Definitions

Appendix 2 – Pro Forma Actuarial Confirmation

Appendix 3 – Deed of Adherence

Appendix 1 – Definitions

Capitalised terms that are not otherwise defined in this Final Scheme have the meaning given to those terms in the Original Scheme or the Amending Scheme.

In the Final Scheme, unless the context otherwise requires, the following expressions shall have the following meanings:

“Actuarial Confirmation”	has the meaning given to that term in paragraph 13.3.2;
“Amending Scheme”	the scheme of arrangement (pursuant to Part 26 of the Companies Act 2006) between OIC and L&O and their respective Scheme Creditors (as defined in the Amending Scheme), which became effective on 14 January 2016 and amended the Original Scheme, in the form unamended by the Final Scheme;
“Blocked Monies”	any monies payable to a Final Scheme Creditor under the Final Scheme, the payment of which is prohibited by an applicable law or regulation referred to in paragraph 17.1;
“Delegate”	the Original Delegate or any Replacement Delegate, as the case may be;
“Eligible Final Scheme Creditors”	each Final Scheme Creditor that is considered by the Scheme Administrators to have duly submitted valid Final Scheme Claim Documentation establishing a Final Scheme Prospective Liability;
“Final Scheme”	this scheme of arrangement proposed in accordance with Part 26 of the Companies Act to amend certain aspects of the Scheme in respect of Final Scheme Creditors;

<p>“Final Scheme Assets”</p>	<p>the amount of US\$2,000,000, to be funded:</p> <p>(a) first, from the Opt Out Scheme Assets</p> <p><i>less</i> the amount actually paid and otherwise reserved by the Companies to meet the Payment Percentage of Opt Out Scheme Liabilities in respect of claims notified to the Companies on or before 31 December 2035,</p> <p><i>less</i> the whole of Opt Out Expenses actually paid and otherwise reserved in respect of claims notified to the Companies on or before 31 December 2035,</p> <p><i>plus</i> the investment income on these funds,</p> <p>(in each case evidenced by the Companies to NNOFIC’s satisfaction (acting reasonably)) (the net amount in (a) being the “Relevant Reserved Amount”); and</p> <p>(b) if the Relevant Reserved Amount is less than US\$2,000,000, by NNOFIC in an amount equal to the difference between US\$2,000,000 and the Relevant Reserved Amount, noting that the amount contributed by NNOFIC shall not exceed at any time US\$2,000,000;</p>
<p>“Final Scheme Bar Date”</p>	<p>the deadline for Final Scheme Creditors to submit their Final Scheme Claim Documentation, being 11:59pm (London time) on 31 December 2035;</p>
<p>“Final Scheme Bar Date Period”</p>	<p>the period from the 1 July 2035 to the Final Scheme Bar Date during which the Final Scheme Creditors must submit their Final Scheme Claim Documentation;</p>
<p>“Final Scheme Claim Documentation”</p>	<p>the Final Scheme Claim Form and the Final Scheme Supporting Evidence of Final Scheme Creditors;</p>
<p>“Final Scheme Claim Form”</p>	<p>the claim form made available on the Website by the Scheme Administrators, or otherwise made available in accordance with the terms of the Final Scheme, which shall be in the form set out in draft in Appendix 4 of the Final Scheme;</p>

<p>“Final Scheme Creditors”</p>	<p>Opt Out Qualifying ILU Policyholders in respect of all Opt Out Forms submitted, and corresponding Qualifying ILU Policies held, by that Opt Out Qualifying ILU Policyholder, and “Final Scheme Creditors” shall have the corresponding meaning;</p>
<p>“Final Scheme Court Orders”</p>	<p>the orders of the Court under section 899 of the Companies Act sanctioning the Final Scheme in respect of each of the Companies;</p>
<p>“Final Scheme Effective Date”</p>	<p>the date on which the Final Scheme becomes effective in accordance with its terms and all conditions precedent have been satisfied or waived (as the case may be), including by virtue of being approved by a vote of the Final Scheme Creditors and sanctioned by order of the Court;</p>
<p>“Final Scheme Explanatory Statement”</p>	<p>the explanatory statement relating to and circulated with this Final Scheme;</p>
<p>“Final Scheme Payment”</p>	<p>an equal share of the Final Scheme Assets, allocated to each Eligible Final Scheme Creditor pursuant to paragraph 15 of the Final Scheme;</p>
<p>“Final Scheme Prospective Liability”</p>	<p>a claim arising for a Final Scheme Creditor under a Qualifying ILU Policy that is expected to be notified to the Companies after 31 December 2035. The same term is also used, as the context dictates, for the collective claims of all Final Scheme Creditors that Final Scheme Creditors would, but for the Final Scheme, expect to notify to the Companies after that date;</p>
<p>“Final Scheme Supporting Evidence”</p>	<p>Has the meaning given to that term in paragraph 13.3;</p>
<p>“Original Delegate”</p>	<p>Mr Christopher Laughton, of Mercer & Hole Corporate Finance Limited, a qualified insolvency practitioner with the Institute of Chartered Accountants England and Wales (licence no.749), in his capacity as delegate pursuant to his appointment in accordance with clause 33.4 of the Original Scheme;</p>
<p>“Original Scheme”</p>	<p>the scheme of arrangement (pursuant to section 425 of the Companies Act 1985) between OIC (then named The Orion Insurance Company Limited) and L&O (then named The London and Overseas Insurance Company PLC) and their respective Scheme Creditors (as defined in the Original Scheme), which became effective on 7 March 1997;</p>

<p>“Priority Liabilities”</p>	<p>any Liability of either or both of the Companies if and to the extent that it is a Liability of either or both of the Companies referred to in:</p> <ul style="list-style-type: none"> (a) clause 58 of the Original Scheme; or (b) paragraph 51 of the Amending Scheme; or (c) paragraph 20 of the Final Scheme.
<p>“Relevant Parties”</p>	<p>the Companies, the Creditors’ Committee, the Scheme Administrators, any existing or former liquidators or provisional liquidators of the Companies, the Delegate, any members of the Creditors’ Committee, NNOFIC, Nat-Ned, 1845 and the ILU and (as applicable) any of their firms, fellow members, agents, representatives, delegates, partners, officers or employees and any person who may be held liable in law for the actions or omissions of any such persons, in each case in their capacity as such;</p>
<p>“Replacement Delegate”</p>	<p>any delegate appointed by the Scheme Administrators in accordance with clause 33.4 of the Original Scheme following the retirement, removal, or otherwise the termination of the appointment of the Original Delegate;</p>
<p>“Scheme”</p>	<p>the Original Scheme, as amended by the Amending Scheme and as amended by the Final Scheme; and</p>
<p>“Scheme Administrators”</p>	<p>those persons whose names are set out in paragraph 3.3 or such other person or persons as may be appointed as Scheme Administrators in accordance with the provisions of the Scheme.</p>

Appendix 2 – Pro Forma Actuarial Confirmation

Appendix 2 - ACTUARIAL CONFIRMATION

OIC Run-Off Limited (formerly The Orion Insurance Company PLC) and The London and Overseas Insurance Company Limited (formerly The London and Overseas Insurance Company PLC) (both subject to a scheme of arrangement (the “Scheme”)) (collectively “OIC”)

PLEASE ENSURE ALL FIELDS HIGHLIGHTED IN YELLOW ARE COMPLETED

Actuarial confirmation that valid claims are reasonably expected to be submitted by [Full name of policyholder] (the “Policyholder”) to OIC in relation to the Policyholder’s qualifying ILU policies subsequent to 31 December 2035

Identification and Qualification

Please insert your name, any firm with whom you are associated, and confirm that you have been retained by the Policyholder. Please provide details of your actuarial qualification and confirm that you have relevant experience for the purposes of completing this confirmation **[insert details as appropriate]**.

Background

In 2016, OIC implemented its Amending Scheme. Creditors who purchased qualifying ILU policies from OIC were permitted to opt out of the crystallisation and payment provisions of the Amending Scheme, so that claims on each Opt Out Scheme Creditor’s qualifying ILU policies that are notified to OIC prior to 31 December 2035 are agreed and paid in full in the normal course. Those payments derive from a part payment from OIC and a top up to 100% of the agreed amount from Nationale-Nederlanden Overseas Finance and Investment Company (“**NNOFIC**”).

The NNOFIC top up does not, however, apply to claims from Opt Out Scheme Creditors notified to OIC after 31 December 2035. Such claims will only be part paid by OIC at a level to be determined by the Scheme Administrators of OIC at the time payment is made.

A Final Scheme was sanctioned by the UK Court in 2024 with the effect that claims on each Opt Out Scheme Creditor’s qualifying ILU policies that would be notified after 31 December 2035 will be crystallised. A fixed sum of US\$2m has been set aside for this purpose. Any Opt Out Scheme Creditor that can justifiably assert that, but for the Final Scheme, it would reasonably expect to submit valid claims to OIC in relation to its qualifying ILU policies subsequent to 31 December 2035, with this assertion being confirmed by a qualified actuary, will (along with all other Opt Out Scheme Creditors satisfying these conditions) receive an equal share of the US\$2m funds available.

Position of Policyholder

The Policyholder purchased qualifying ILU policies from OIC in the period **[Start Year]** to **[End Year]**. The Policyholder opted out of the crystallisation and payment provisions of the Amending Scheme in the manner set out above. The Policyholder has now asserted in 2035 that, but for the Final Scheme, it would reasonably expect to submit valid claims to OIC in relation to its qualifying ILU policies subsequent to 31 December 2035.

Opinion

I have reviewed the rationale and basis of the Policyholder’s assertion. In conducting my review, I have relied upon data prepared by the responsible employees of the Policyholder. These data have not been checked by me, although the Policyholder has confirmed that the data supplied are accurate and I have reviewed all key data for reasonableness. In other respects, my examination has included the use of such actuarial assumptions and methods and such tests of the calculations as I have considered necessary. In particular:

- I have taken account of the timing and type of cover provided by the qualifying ILU policies purchased from OIC and the characteristics of the claim types that have already proved to be recoverable via those policies.
- I have considered the historical numbers and amounts of valid claims notified by the Policyholder and paid by OIC (and topped up by NNOFIC) in relation to the Policyholder’s qualifying ILU policies in the period since the Bar Date of the Amending Scheme (2016) through to the current time (2035). The total claims payments by OIC (and topped up by NNOFIC) to the Policyholder over this period amount to US\$[].

On the above basis, I can confirm that, in my professional opinion, the Policyholder’s assertion that, but for the Final Scheme, it would reasonably expect to submit valid claims to OIC in relation to its qualifying ILU policies subsequent to 31 December 2035 is both reasonable and justifiable.

I would expect such claims to include claims of the following type(s) [insert list as appropriate].

Further Relevant Comments

[Insert any other comments at the discretion of the Actuary. If any other comments are inserted then it must be stated clearly that these other comments do not constitute a qualification of the professional opinion given above].

This statement of my opinion is provided for the use of the Policyholder. It is also for the use of OIC in terms of OIC’s implementation of the provisions of the Final Scheme and not for any other purpose. It is not to be relied upon by any other party for any purpose without my express consent.

Signed: Date:
 (name of actuary) (to be between 1 July 2035 and 31 December 2035)

Name: Address:

Appendix 3 – Deed of Adherence

DEED OF ADHERENCE

From: *[Insert name of Successor]* (incorporated in [•] with registered number [•] and with its registered office at [•])

To: OIC Run-Off Limited (a limited company acting by its Scheme Administrators and incorporated in England and Wales with registered number 256100 and with its registered office at 8th Floor, Central Square, 29 Wellington Street, Leeds, West Yorkshire, United Kingdom, LS1 4DL)

The London and Overseas Insurance Company Limited (acting by its Scheme Administrators with registered number 38706 and with its registered office at 8th Floor, Central Square, 29 Wellington Street, Leeds, West Yorkshire, United Kingdom, LS1 4DL)

Serjeants' Inn Nominees Limited (incorporated in England and Wales with registered number 00724683 and with its registered office at 21 Holborn Viaduct, London, EC1A 2DY)

CC: *[Insert name of Predecessor]* (incorporated in [•] with registered number [•] and with its registered office at [•])

[Insert date]

Scheme and Orion Trust Deed: Deed of Adherence

We refer to (i) the scheme of arrangement dated 20 November 1996 between *inter alia* Orion, L&O and their Scheme Creditors (as amended by an amending scheme of arrangement between the same parties dated 14 January 2016 (the "**Amending Scheme**") and the final scheme of arrangement (the "**Final Scheme**") between Orion, L&O and their respective Final Scheme Creditors (as defined in the Final Scheme) dated *[insert date]*) (the "**Scheme**"), and (ii) the trust deed dated 20 November 1996 between NNUK, Orion and the Trustee (which was acceded to by NNOFIC in place of NNUK pursuant to a deed of adherence dated 25 July 2011) (the "**Orion Trust Deed**"). Terms defined in the Scheme shall have the same meanings when used in this letter, unless given a different meaning in this letter.

[Set out background to proposed succession]. Under Clause 3.2 of the Final Scheme, NNOFIC is required to procure that any successor to NNOFIC agrees to be bound by the terms of the Scheme and the Orion Trust Deed.

We confirm that, as from the date of execution of this letter, we shall adhere to, and be bound by, the terms of the Scheme and the Orion Trust Deed and shall observe, perform and comply with all obligations which such documents may impose on NNOFIC, in each case as if we had become party to the Scheme and the Orion Trust Deed from the Effective Date in place of NNOFIC.

This letter shall be governed by and construed in accordance with English law.

This letter has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

Executed as a deed by)
[Insert name of Successor]) Director
)
)
) Director

Appendix 2
Notice of Final Scheme Meetings

NOTICES OF FINAL SCHEME MEETINGS

CR-2024-007568

CR-2024-007569

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
INSOLVENCY AND COMPANIES LIST (CHD)

IN THE MATTERS OF

OIC RUN-OFF LIMITED

(formerly named Ralli Brothers Insurance Company Limited and The Orion Insurance Company plc)

- and -

THE LONDON AND OVERSEAS INSURANCE COMPANY LIMITED

(formerly named Hull Underwriters' Association Limited and The London and Overseas Insurance Company plc)

(both subject to a scheme of arrangement, each a “**Scheme Company**” and together the “**Scheme Companies**”)

- and -

IN THE MATTER OF THE COMPANIES ACT 2006

PROPOSED FINAL SCHEME OF ARRANGEMENT

Terms used in this Notice have the same meaning as in the explanatory statement dated 17 December 2024 (the “**Explanatory Statement**”) relating to the proposed scheme of arrangement under Part 26 of the Companies Act 2006 between the Scheme Companies and their respective Final Scheme Creditors (the “**Final Scheme**”).

NOTICE IS HEREBY GIVEN that, by orders dated 16 December 2024 (the “**Convening Orders**”) made in the above matters, the High Court of Justice of England and Wales (the “**Court**”) has directed that meetings (the “**Final Scheme Meetings**”) be convened of the Final Scheme Creditors of the Scheme Companies for the purpose of considering and, if thought fit, approving (with or without modification) the Final Scheme, amending certain terms and provisions of the scheme of arrangement dated 20 November 1996 which became effective on 7 March 1997 between the Companies and their Scheme Creditors (the “**Original Scheme**”), as amended by an amending scheme of arrangement pursuant to Part 26 of the Companies Act which became effective in accordance with its terms on 14 January 2016 (the “**Amending Scheme**” and together with the Original Scheme, the “**Scheme**”).

The Final Scheme Meetings will be held by way of video conference via Zoom, using dial-in details which may be obtained on request from the Run-off Manager (whose contact details are below), at 3:00pm (London time) on 24 April 2025 with any adjournment as may be appropriate.

The Court has ordered that each Scheme Company should convene a meeting of Final Scheme Creditors to vote on the Final Scheme. Given the nature of their claim(s), Final Scheme Creditors will be entitled to attend and vote at each of the Final Scheme Meetings.

Final Scheme Creditors may attend the meeting via video conference and vote in person (or, if a corporation, by a duly authorised representative) at the relevant Final Scheme Meeting(s) by joining the video conference. Alternatively they may appoint another person, whether a Final Scheme Creditor or not, as their proxy to attend the meeting via video conference and vote in their place.

Final Scheme Creditors may also dial in by telephone in listening mode by using dial-in details which may be obtained on request from the Run-off Manager, but it will not be possible to vote at the Final Scheme Meetings by telephone.

All Final Scheme Creditors are requested to attend the relevant Final Scheme Meetings via video conference at such time and place either in person (virtually) or by proxy. It is requested that instructions to appoint either the Chair or someone else as proxy are submitted by the Final Scheme Creditors as soon as possible and in any event so as to be received by the Run-off Manager by no later than 12:00pm (London time) on 24 April 2025.

Each Final Scheme Creditor that wishes to attend the Final Scheme Meeting will be required to register its attendance at the Final Scheme Meetings at least one hour prior to commencement of the Final Scheme Meetings. Registration at the Final Scheme Meetings will commence at 2:00pm (London time) on 24 April 2025, and each Final Scheme Creditor or, if a corporation, its authorised representative or proxy must be registered prior to the commencement of the Final Scheme Meetings.

Copies of the Explanatory Statement, which appends, among other documents, the Final Scheme document and the voting and proxy forms for use at the Final Scheme Meetings (each a "**Final Scheme Voting Form**" and together, the "**Final Scheme Voting Forms**"), can be downloaded from www.oicrun-offltd.com. Alternatively, hard copies can be obtained, free of charge, by sending a request to the run-off manager of the Companies, Hampden Plc ("**Run-off Manager**").

The Run-off Manager's contact details are as follows:

By post: Hampden Plc, 40 Gracechurch Street, London, EC3V 0BT United Kingdom

By email: OICClosureHelpdesk@hampden.co.uk

By phone: +44 (0) 207 863 6560

Final Scheme Creditors are requested to return their completed and signed Final Scheme Voting Forms to the Run-off Manager by hand, post or email at the above contact details by 12:00pm (London time) on 24 April 2025.

By the Convening Orders, the Court has appointed Dan Schwarzmann or, failing him, Nigel Rackham or such other independent person as the Scheme Administrators of the Companies may nominate, to act as Chair of the Final Scheme Meetings and has directed the Chair to report the results of the Final Scheme Meetings to the Court.

Any Final Scheme Creditor who is unclear about or has any question concerning the action it is required to take in order to vote on the Final Scheme or who would like to discuss the way in which its claims data is likely to be evaluated under the Final Scheme process, should contact the Run-off Manager using the contact details set out above.

If approved by the requisite majorities of Final Scheme Creditors, the Final Scheme will be subject to the subsequent approval of the Court. The application seeking sanction of the Final Schemes shall be heard on 30 April 2025 (London time) (the “**Sanction Hearing**”). All Final Scheme Creditors are entitled to attend the Sanction Hearing in person or through counsel to support or oppose the sanctioning of the Final Schemes.

Dated: 17 December 2024

Dan Yoram Schwarzmann and Douglas Nigel Rackham for and on behalf of the Scheme Companies

Legal Advisors to the Scheme Companies

Hogan Lovells International LLP
Atlantic House
50 Holborn Viaduct
London
EC1A 2FG
United Kingdom

Tel: +44 (0) 20 7296 2000
Fax: +44 (0) 20 7296 2001
www.hoganlovells.com

Ref: Tom Astle/Alex Snell
Solicitors to the Scheme Administrators

Appendix 3
Final Scheme Voting Forms

IN THE HIGH COURT OF JUSTICE OF ENGLAND AND WALES
CHANCERY DIVISION
COMPANIES COURT

IN THE MATTERS OF
OIC RUN-OFF LIMITED ("OIC")

AND

THE LONDON AND OVERSEAS INSURANCE COMPANY LIMITED ("L&O") (BOTH
SUBJECT TO A SCHEME OF ARRANGEMENT)

(EACH A "COMPANY" AND TOGETHER THE "COMPANIES") AND

THEIR FINAL SCHEME CREDITORS

AND IN THE MATTER OF THE COMPANIES ACT 2006

FINAL SCHEME VOTING FORM

The capitalised words and expressions contained within this Final Scheme Voting Form and the guidance notes shall, unless the context requires otherwise, bear the same meaning given to them in the proposed final scheme of arrangement between the Companies and their respective Final Scheme Creditors (the "**Final Scheme**").

All Final Scheme Creditors who wish to vote on the Final Scheme must complete this Final Scheme Voting Form, including page 3 for claims against OIC and page 4 for claims against L&O. As a result of cross guarantees entered into by the Companies, the effect of which is that every Final Scheme Creditor has the same net claims against both Companies, each Final Scheme Creditor will be entitled to vote at each Final Scheme Meeting. Final Scheme Creditors are strongly encouraged to submit a Final Scheme Voting Form in respect of, and otherwise vote at, each Final Scheme Meeting.

You should read this Final Scheme Voting Form, including the guidance notes, carefully. Failure to follow the guidance notes may result in a claim being rejected in whole or in part for voting purposes if the chair of the Final Scheme Meetings has insufficient information to decide whether a claim is fair and reasonable. You should also read carefully the explanatory statement relating to the Final Scheme dated 17 December 2024 (the "**Final Scheme Explanatory Statement**") and the draft Final Scheme document appended to the Final Scheme Explanatory Statement.

This Final Scheme Voting Form is to be used by Final Scheme Creditors of the Companies at the Final Scheme Meetings of the Companies to be held 3:00pm (London time) on 24 April 2025 by way of video conference. Your completed and signed original Final Scheme Voting Form must be received by the Companies at the address below by noon (London time) on 24 April 2025, along with evidence of your Qualifying ILU Policy (note 14).

OIC Run-Off Limited and The London and Overseas Insurance Company Limited
c/o Hampden Plc
40 Gracechurch Street
London, EC3V 0BT
Telephone: +44 (0) 207 863 6560
Email: OICClosureHelpdesk@hampden.co.uk

Further blank copies of the Final Scheme Voting Form can be obtained from the Companies at the address above or by visiting the Website at www.oicrun-offltd.com. If you require any further assistance on voting, please contact the Scheme

Administrators using the contact details below:

PricewaterhouseCoopers LLP 7 More London Riverside London
SE1 2RT
United Kingdom

Telephone: +44 (0) 20 7583 5000

Email: uk_oic_run_off_limited@pwc.com

Final Scheme Creditors should not construe any of the contents of this Final Scheme Voting Form or any assistance provided by the Run- off Company helpdesk to be legal, tax, financial or other professional advice. Each Final Scheme Creditor should consult its own professional advisers as to the legal, tax, financial or other matters relevant to the action it should take in connection with this Final Scheme Voting Form.

SECTION A: VOTING REGISTRATION AND PROXY
(See Appendix 1 for guidance notes)

For the purposes of voting, Final Scheme Creditors should estimate their Final Scheme Prospective Liabilities, being the expected claim payments that would, absent the Final Scheme, arise in relation to claims notified by each Final Scheme Creditor to the Companies after 31 December 2035. Final Scheme Creditors do not need to discount their votes for the time value of money.

To be used at the meetings of Final Scheme Creditors of OIC and L&O (both subject to a Scheme of Arrangement) to be held virtually as described in the accompanying notice summoning the Final Scheme Meetings.

I/We (note 5)
(Enter the name of the Final Scheme Creditor including all former names)

of (note 5)
(Enter the address of the Final Scheme Creditor)

with Creditor Reference ID (if known):

being a Final Scheme Creditor of OIC Run-Off Limited and The London and Overseas Insurance Company Limited.

Claim for voting purposes (please complete 1 and 2)

1) Claim in currency of in the sum of: (note 7 and 8)

2) Please describe the rationale and basis of your claim (note 9)

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Attendee

I will attend and vote (virtually) at the Final Scheme Meetings; OR
hereby appoint:

(i) the chair of the Final Scheme Meetings; OR

(ii) Enter name, email and telephone number for proxyholder other than the chair) who will be attending and voting at the virtual Final Scheme Meeting on behalf of the Final Scheme Creditor

(iii) Name:..... Telephone

Email:

SECTION A: VOTING REGISTRATION AND PROXY
(See Appendix 1 for guidance notes)

As my/our proxyholder to act for me/us at such of the Final Scheme Meetings as I am/we are entitled to attend for the purpose of considering and, if thought fit, approving (with or without modification) the Final Scheme referred to in the notice summoning the Final Scheme Meetings, and at such Final Scheme Meetings, or any adjournment thereof, to vote on my/our behalf and in my/our name for the Final Scheme or against the Final Scheme (either with or without modification) as my/our proxy may approve.

If you want your proxyholder to vote for the Final Scheme (either with or without modification), sign in the box marked "FOR". If you want your proxyholder to vote against the Final Scheme (either with or without modification), sign in the box marked "AGAINST". If you want to abstain from voting on the Final Scheme, sign in the box marked "ABSTENTION". If you want your proxyholder to have discretion to vote for or against the Final Scheme, sign in the box marked "AT DISCRETION". You may not sign in the "AT DISCRETION" box if the chair of the Final Scheme Meetings is your appointed proxyholder.

Vote in the Final Scheme in respect of (note 12):

Claims against OIC

<p>FOR the Final Scheme</p> <p>..... Signature</p>	<p>AGAINST the Final Scheme</p> <p>..... Signature</p>	<p>ABSTENTION</p> <p>..... Signature</p>	<p>AT DISCRETION (only use where the proxy is not the chair) (note 12)</p> <p>..... Signature</p>
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Claims against L&O

<p>FOR the Final Scheme</p> <p>..... Signature</p>	<p>AGAINST the Final Scheme</p> <p>..... Signature</p>	<p>ABSTENTION</p> <p>..... Signature</p>	<p>AT DISCRETION (only use where the proxy is not the chair) (note 12)</p> <p>..... Signature</p>
--	--	--	---

If you are the duly authorised representative of the Final Scheme Creditor or the duly authorised agent and/or legal adviser of the Final Scheme Creditor, enter the capacity in which you have signed this Final Scheme Voting Form (for example director, partner or agent and/or legal adviser) below. A signature on this form shall constitute the giving of a warranty that the signatory has been duly authorised by the relevant Final Scheme Creditor to sign the form on its behalf (note 5).

Authorised signatory:

Name (note 5):

Position/Capacity:

Telephone Number:

Email:

Person to contact in the event of a query in respect of this form of proxy (if different from above):

Name (note 5):

Position/Capacity:

Telephone Number:

Email:

Appendix 1: GUIDANCE NOTES

1. The value to be attributed to each Final Scheme Creditor's claim for voting purposes will be determined by the chair of the Final Scheme Meetings on the basis of the information provided by the Final Scheme Creditor on the Final Scheme Voting Form and the information available from the Companies' existing records. The chair will convert any claim submitted to him in a currency other than US Dollars into US Dollars, converted at the mid-market rate for US Dollars published by the Financial Times as at the Final Scheme Record Date.
2. If the Scheme Administrators and a Final Scheme Creditor are unable to reach agreement upon (i) the amount of that Final Scheme Creditor's Final Scheme Prospective Liabilities as at the Final Scheme Bar Date for voting purposes, or (ii) whether a Final Scheme Creditor has a Qualifying ILU Policy and is therefore entitled to vote at the Final Scheme Meetings, the matter will be referred to the Vote Assessor for adjudication. The Vote Assessor's decision on this matter will be final and binding on the Final Scheme Creditor, the Companies and the Scheme Administrators in the absence of manifest error.
3. The admission of a claim for voting purposes does not constitute an admission of the existence or amount of any liability of the Companies and will not bind the Scheme Administrators, the Companies or Final Scheme Creditors.
4. Any alteration to the form of proxy must be initialed by the person who signs it. If you are a Final Scheme Creditor and wish to vote or wish to instruct your proxy to vote in respect of the Final Scheme, you should complete a Final Scheme Voting Form and return it with the form of proxy.
5. Please enter the name and address of the Final Scheme Creditor (including all former names) in block capitals. The name and address of the Final Scheme Creditor must be legible. If you are the duly authorised agent and/or legal adviser of a number of Final Scheme Creditors, complete a separate form of proxy in respect of each Final Scheme Creditor (photocopying the form as many times as necessary) and provide evidence (which must be satisfactory to the chair of the Final Scheme Meetings) of your authority to execute the form of proxy on their behalf (for example a deed of assignment or a letter of authority). Failure to provide such evidence of authority on behalf of one or more Final Scheme Creditors will invalidate the Final Scheme Voting Forms in respect of those Final Scheme Creditors. Please note that where there are a number of companies within a group who are each Final Scheme Creditors, each company must complete a separate form of proxy because a group submission is not permissible.
6. Subject to implementation of the Final Scheme in accordance with its terms, Final Scheme Creditors that do not submit a Final Scheme Voting Form for whatever reason, or whose Final Scheme Prospective Liabilities are not accepted by the Vote Assessor in accordance with note 2 above will still be eligible to receive an equal share of the Final Scheme Assets so long as they submit valid Final Scheme Claim Documentation acceptable to the Scheme Administrators in accordance with the Final Scheme.
7. For the purposes of voting, Final Scheme Creditors should estimate their Final Scheme Prospective Liabilities, being the expected claim payments that would, absent the Final Scheme, arise in relation to claims notified by each Final Scheme Creditor to the Companies after 31 December 2035 in respect of their Qualifying ILU Policy. Final Scheme Creditors may estimate the value of their Final Scheme Prospective Liabilities for this Final Scheme Voting Form by applying the Estimation Guidelines, that accompanied the Amending Scheme, to their position as at the date of their Final Scheme Voting Form. The value to be included on this Final Scheme Voting Form may then be assessed as either:
 - a. The component of that figure that relates to claims notifications expected after 31 December 2035 that will then be identifiable directly from the underlying projection; or
 - b. A calculated figure that considers the expected pattern of expected future payments after the Final Scheme Bar Date that is consistent with the underlying projection and then adjusts that figure based on an assumed average delay between claim notification and claim payment.

Final Scheme Creditors do not need to discount their votes for the time value of money.

8. Final Scheme Creditors may choose to place a nominal value on their vote as an estimate. The Scheme Administrators appreciate that some Final Scheme Creditors may have difficulty in estimating their Final Scheme Prospective Liabilities. However, the Scheme Administrators do not want to deter such creditors from voting where they consider they have Final Scheme Prospective Liabilities and it will be acceptable for a nominal value to be placed on the vote as an estimate. Final Scheme Creditors should be aware that by potentially undervaluing their vote they will have less impact on the voting outcome and so the Scheme Administrators encourage such creditors to provide an evaluated voting estimate where possible.
9. Whichever of the methods in guidance note 7 or 8 is chosen, the rationale for the estimate should be supported by a short explanation by reference to the nature of the creditor's policy exposures and claims experience to date.

10. Particulars should be provided of any estimated Final Scheme Prospective Liabilities, and should include details of the basis upon which any figure has been estimated. Information should be provided to enable the Chair of the Final Scheme Meetings to judge whether, and to what extent, such estimates of Final Scheme Prospective Liabilities can be accepted for voting purposes. In doing so, the chair may refer to the Scheme Actuarial Adviser for advice in relation to the estimated Final Scheme Prospective Liabilities.
11. Final Scheme Creditors should be aware that it is their sole responsibility to ensure the accuracy and completeness of any and all information included in their Final Scheme Voting Form.
12. If you have appointed the chair of the Final Scheme Meetings as your proxy and you wish your vote to be counted, you must sign either the box marked "FOR" or the box marked "AGAINST". If you sign in either the box marked "ABSTENTION" or the box marked "AT DISCRETION", the chair will abstain from voting on your behalf. If you do not sign in any of the boxes, this form of proxy will not operate as a valid appointment of your proxy and consequently no vote will be cast on your behalf. Note that if you sign the box marked "FOR", the chair may vote for the Final Scheme either with or without modification.
13. If you are the duly authorised representative of a corporation or a partnership or other unincorporated body or person, or the duly authorised agent and/or legal adviser of a Final Scheme Creditor or a number of Final Scheme Creditors, enter your name, the capacity in which you have signed the form of proxy (for example, director, partner, agent and/or legal adviser) and contact details. Please note that if you are the duly authorised representative of a number of companies, a separate form of proxy (photocopying the form as many times as necessary) should be completed. As mentioned in note 5 above, you must also provide evidence (which must be satisfactory to the chair of the Final Scheme Meetings) of your authority to execute the form of proxy on behalf of the Final Scheme Creditor.
14. When submitting your Final Scheme Voting Form, you must submit evidence satisfactory to the Scheme Administrators (i) that you have a valid Qualifying ILU Policy for OIC and/or L&O, and (ii) that you validly submitted an "Opt Out Form" in accordance with the terms of the Amending Scheme. This evidence must be submitted before noon (London time) on 24 April 2025, and should include, but not be limited to:
 - a. details of each Qualifying ILU Policy held by that Qualifying ILU Policyholder (e.g. policy schedules and/or slips);
 - b. to the extent possible, details of any liabilities owed to that Qualifying ILU Policyholder by either or both of the Companies under those Qualifying ILU Policies; and
 - c. to the extent possible, documents and other information in support of those liabilities referred to above.
15. If the Scheme Administrators have previously either (i) received from you the evidence required by guidance note 14, or (ii) obtained satisfactory evidence from the Companies' own records that you are an Opt Out Qualifying ILU Policyholder, then the Scheme Administrators will confirm in writing at least 14 days before the Final Scheme Record Date that you will not be required to produce any further evidence on or before the Final Scheme Record Date and will otherwise be entitled to vote at the Final Scheme Meeting.
16. If you submit more than one valid Final Scheme Voting Form, but the instructions in the Final Scheme Voting Forms are not compatible with each other, the chair shall have regard only to the Final Scheme Voting Form which was received last before noon (London time) on 24 April 2025.
17. This Final Scheme Voting Form and any non-contractual obligations arising out of, or in connection with it, shall be governed by, and interpreted in accordance with, the laws of England and Wales. The English courts shall have exclusive jurisdiction in relation to all disputes arising out of or in connection with this Final Scheme Voting Form, including disputes in relation to any non-contractual obligations arising out of or in connection with this Final Scheme Voting Form. For such purposes each party irrevocably submits to the jurisdiction of the English courts and waives any objection to the exercise of such jurisdiction.
18. A person appointed as a proxyholder under this Final Scheme Voting Form must attend the Final Scheme Meetings to represent the relevant Final Scheme Creditor, and will be required to produce at the Final Scheme Meeting:
 - a. proof of personal identity which is acceptable to the chair, acting in the chairman's discretion; and
 - b. proof of authorisation to act as proxy on behalf of a Final Scheme Creditor which is acceptable to the chair, acting in the chair's discretion.
19. Each Final Scheme Creditor which submits, delivers or procures the delivery of a Final Scheme Voting Form represents, warrants and undertakes to OIC, L&O, and the Scheme Administrators that:

- a. it has received, and has reviewed, Final Scheme Explanatory Statement and the Final Scheme document;
- b. it has complied with all laws and regulations applicable to it with respect to the Final Scheme and this Final Scheme Voting Form;
- c. it is assuming all of the risks inherent in that Final Scheme Creditor participating in the Final Scheme and has undertaken appropriate analysis of the implications of participating in the Final Scheme for that Final Scheme Creditor without relying on OIC, L&O or the Scheme Administrators
- d. it agrees to be bound by the terms of the Final Scheme from (and including) the date on which the Final Scheme becomes effective in accordance with its terms, regardless of whether it voted for or against the Final Scheme or abstained from voting, and agrees not to take any step, action or proceeding to challenge the Final Scheme; and
- e. it empowers, authorises, requests and instructs OIC, L&O and the Scheme Administrators and any of their officers, employees or agents to do all such things as may be necessary or expedient to carry out or give effect to the Final Scheme.

Appendix 4
Final Scheme Claim Form

**IN THE HIGH COURT OF JUSTICE OF ENGLAND AND WALES
CHANCERY DIVISION
COMPANIES COURT**

IN THE MATTERS OF

OIC RUN-OFF LIMITED

("OIC") AND

THE LONDON AND OVERSEAS INSURANCE COMPANY LIMITED

("L&O") (BOTH SUBJECT TO A SCHEME OF ARRANGEMENT)

(EACH A "COMPANY" AND TOGETHER THE

"COMPANIES") AND THEIR FINAL SCHEME

CREDITORS

AND IN THE MATTER OF THE COMPANIES ACT 2006

FINAL SCHEME CLAIM FORM

The capitalised words and expressions contained within this Final Scheme Claim Form and the guidance notes shall, unless the context requires otherwise, bear the same meaning given to them in the Final Scheme.

You should read this Final Scheme Claim Form including the instructions carefully. You should also read carefully the explanatory statement relating to the Final Scheme dated 18 December 2024 (the "**Explanatory Statement**") and the draft Final Scheme document appended to the Explanatory Statement.

Further blank copies of this form can be downloaded by visiting the website, <https://www.oicrun-offltd.com>. If you require further assistance, please contact the Company's run-off manager on +44 (0) 207 863 6560, OICClosureHelpdesk@hampden.co.uk.

Final Scheme Creditors should not construe any of the contents of this Final Scheme Claim Form or any assistance provided by the Companies, the Companies' run-off manager, the Scheme Administrators or any of their respective advisers as legal, tax, financial or other professional advice. Each Final Scheme Creditor should consult its own professional advisers as to the legal, tax, financial or other matters relevant to the action it should take in connection with this Final Scheme Claim Form.

CONTENTS:

1. **Section A** - Claim Registration
2. **Section B** - Payment Details and UBO confirmation
3. **Appendix 1** - Guidance Notes
4. **Appendix 2** - Actuarial Confirmation

SECTION A: CLAIM REGISTRATION

GUIDANCE NOTES FOR COMPLETION OF THIS SECTION OF THE FINAL SCHEME CLAIM FORM ARE IN APPENDIX 1

Final Scheme Creditor name (note 1):

.....

Final Scheme Creditor reference (note 2):

.....

Final Scheme Creditor address:

.....

Contact name (note 1):

.....

Contact telephone number:

.....

Email address (note 1):

.....

Have you received confirmation from the Scheme Administrator that you have provided the requisite evidence that you hold a Qualifying ILU Policy (note 3)?

Yes

No

If 'No' above, please attach the relevant evidence to this claim form.

This form is to be signed by a duly authorised individual on behalf of the Final Scheme Creditor. If you are the duly authorised representative, agent or attorney of the Final Scheme Creditor enter the capacity in which you have signed the form (for example director, partner, agent and/or attorney/other: please specify (note 4)) below.

You should read the Final Scheme Claim Form and instructions on completing the form carefully. Failure to follow the instructions and guidance set out in those documents may result in a claim being rejected in

whole or in part. A signature on this form shall constitute the giving of a warranty that the signatory has been duly authorised by the relevant Final Scheme Creditor to sign the form on its behalf.

I hereby assert in 2035 that, but for the Final Scheme, I would reasonably expect to submit valid claims to OIC and/or L&O in relation to my Qualifying ILU Policies subsequent to 31 December 2035.

If you are the duly authorised representative of the Final Scheme Creditor or the duly authorised agent and/or attorney of the Final Scheme Creditor, enter the capacity in which you have signed this Final Scheme Claim Form (for example director, partner or agent and/or attorney) below. A signature on this form shall constitute the giving of a warranty that the signatory has been duly authorised by the relevant Final Scheme Creditor to sign the form on its behalf.

Authorised signatory:

Name:

Position/Capacity:

Telephone Number:

Email:

Date:

Signature:

SECTION B - Payment Details and UBO information

Please complete all sections marked as mandatory, along with any relevant sections where applicable.

Payment details* (mandatory) (Note – all payments will be made in USD)

Account holder name	
Bank	
Account number	
Beneficiary Fedwire/ABA	
Beneficiary SWIFT BIC Code	
Beneficiary IBAN/Account number	
Billing address	

Company Information (mandatory)

Company Name	
Legal Status	<ol style="list-style-type: none"> 1. Listed Company 2. Unlisted Company 3. Partnership Firm 4. Limited Liability Partnership 5. Unincorporated Association / Body of Individuals 6. Religious Trust 7. Public Charitable Trust 8. Private Trust / Trust created by will 9. Other (please specify):
Country of Incorporation	
Full registered address	

Trading address (if different)	
Website (which references above address)	
Immediate Parent	
Ultimate Parent	
Payee	

Corporate Ownership Structure (mandatory)

Where entities are majority owned / controlled by other entities, provide details (including percentage ownership) of each entity in the ownership / control structure up to the top entity. Please consider providing an organisation chart for clarity.

--

Ultimate Beneficial Owners (UBOs) (mandatory)

A UBO is any individual who (i) ultimately owns or controls (whether through direct or indirect ownership or control) more than 10% of the issued share capital or voting rights of that body corporate or (ii) otherwise exercises control over the management of the body corporate.

Full Names of UBOs (including, where related owners / controllers e.g. family members collectively own, directly or indirectly, more than 25%, details of all relevant individuals):	
--	--

Additional Information for Trusts (if applicable)

Full names of Settlor(s)	
Full names of Trustee(s)	

Full names of Beneficiary(ies)	
Full names of natural person(s) exercising ultimate control of Trust through a chain of ownership	

Additional Information for Organisations with no equity owners (if applicable)

Full names and positions of those who govern and ultimately control the organisation	
Describe the purpose and activities of beneficiaries	

Additional information for insolvent companies (if applicable)

Name of Administrator, Liquidator or equivalent, and name of their legal advisors	
Names of any significant creditors (if known)	

Details of creditor or person authorised to act on behalf of the creditor

Name in block capitals	
Position with or relation to the creditor (e.g. director, secretary, solicitor)	
Contact number	
Contact email	

Declaration

I hereby declare to the best of my knowledge and belief, that the information provided is true, complete and accurate.

Authorised signatory:

Name:
Position/Capacity:
Telephone Number:
Email:
Date:

Signature:

If you are the duly authorised representative of the Final Scheme Creditor or the duly authorised agent and/or attorney of the Final Scheme Creditor, enter the capacity in which you have signed this Final Scheme Claim Form (for example director, partner or agent and/or attorney) below. A signature on this form shall constitute the giving of a warranty that the signatory has been duly authorised by the relevant Final Scheme Creditor to sign the form on its behalf.

* This account will be used for any payments. Whilst we will make every effort to validate the account details supplied, it is the responsibility of the account holder(s) to ensure details are correct. This form will be made available on the website at <https://www.oicrun-offltd.com>.

Appendix 1 : GUIDANCE NOTES

FOR THE COMPLETION OF SECTION A: FINAL SCHEME CLAIM REGISTRATION

NOTES:

1. Enter the name and address of the Final Scheme Creditor and provide details of a contact name and email address in block capitals.
2. The Scheme Creditor reference number should have been provided to you either included on correspondence (see the front page of the Amending Scheme notification letter) or by the OIC Help Desk. If you do not have a reference number, please contact the OIC Help Desk on +44 (0) 207 863 6560, OICClosureHelpdesk@hampden.co.uk.
3. Certain of the Companies' policies were underwritten through the ILU, being the ILU Policies. A Qualifying ILU Policy is a contract of insurance, reinsurance or retrocession between either or both of the Companies and a Final Scheme Creditor evidenced by a policy signed and issued by the ILU. In relation to OIC, this is an ILU Policy with an inception date on or after 28 August 1970, and in relation to L&O is an ILU Policy with an inception date on or after 20 March 1969.

The Amending Scheme allowed Qualifying ILU Policyholders to opt out of the crystallisation and payment provisions of the Amending Scheme in respect of future Qualifying ILU Policy claims.

The Opt Out Qualifying ILU Policyholders are those that both:

- a. held a Qualifying ILU Policy (being a Qualifying ILU Policyholder); and
- b. opted out of the crystallisation and payment provisions of the Amending Scheme in respect of such policies by returning an Opt Out Form to the Companies before the Bar Date in accordance with paragraph 37 of the Amending Scheme.

Requisite evidence relating to the Qualifying ILU Policies should include, but not be limited to:

- (a) details of each Qualifying ILU Policy held by that Qualifying ILU Policyholder (e.g. policy schedules and/or slips);
- (b) to the extent possible, details of any liabilities owed to that Qualifying ILU Policyholder by either or both of the Companies under those Qualifying ILU Policies; and
- (c) to the extent possible, documents and other information in support of those liabilities referred to above.

4. Please sign and date the form when you have fully completed the Final Scheme Claim Form. This should be signed by an authorised person from within your organisation. Please confirm your exact capacity by deleting the descriptions which do not apply (Authorised Employee / Agent / Attorney / Other (please specify)). The form should be completed for each such corporation, partnership or other unincorporated body or person.

Appendix 2 - ACTUARIAL CONFIRMATION

OIC Run-Off Limited (formerly The Orion Insurance Company PLC) and The London and Overseas Insurance Company Limited (formerly The London and Overseas Insurance Company PLC) (both subject to a scheme of arrangement (the “Scheme”)) (collectively “OIC”)

PLEASE ENSURE ALL FIELDS HIGHLIGHTED IN YELLOW ARE COMPLETED

Actuarial confirmation that valid claims are reasonably expected to be submitted by [Full name of policyholder] (the “Policyholder”) to OIC in relation to the Policyholder’s qualifying ILU policies subsequent to 31 December 2035

Identification and Qualification

Please insert your name, any firm with whom you are associated, and confirm that you have been retained by the Policyholder. Please provide details of your actuarial qualification and confirm that you have relevant experience for the purposes of completing this confirmation **[insert details as appropriate]**.

Background

In 2016, OIC implemented its Amending Scheme. Creditors who purchased qualifying ILU policies from OIC were permitted to opt out of the crystallisation and payment provisions of the Amending Scheme, so that claims on each Opt Out Scheme Creditor’s qualifying ILU policies that are notified to OIC prior to 31 December 2035 are agreed and paid in full in the normal course. Those payments derive from a part payment from OIC and a top up to 100% of the agreed amount from Nationale-Nederlanden Overseas Finance and Investment Company (“**NNOFIC**”).

The NNOFIC top up does not, however, apply to claims from Opt Out Scheme Creditors notified to OIC after 31 December 2035. Such claims will only be part paid by OIC at a level to be determined by the Scheme Administrators of OIC at the time payment is made.

A Final Scheme was sanctioned by the UK Court in 2024 with the effect that claims on each Opt Out Scheme Creditor’s qualifying ILU policies that would be notified after 31 December 2035 will be crystallised. A fixed sum of US\$2m has been set aside for this purpose. Any Opt Out Scheme Creditor that can justifiably assert that, but for the Final Scheme, it would reasonably expect to submit valid claims to OIC in relation to its qualifying ILU policies subsequent to 31 December 2035, with this assertion being confirmed by a qualified actuary, will (along with all other Opt Out Scheme Creditors satisfying these conditions) receive an equal share of the US\$2m funds available.

Position of Policyholder

The Policyholder purchased qualifying ILU policies from OIC in the period **[Start Year]** to **[End Year]**. The Policyholder opted out of the crystallisation and payment provisions of the Amending Scheme in the manner set out above. The Policyholder has now asserted in 2035 that, but for the Final Scheme, it would reasonably expect to submit valid claims to OIC in relation to its qualifying ILU policies subsequent to 31 December 2035.

Opinion

I have reviewed the rationale and basis of the Policyholder’s assertion. In conducting my review, I have relied upon data prepared by the responsible employees of the Policyholder. These data have not been checked by me, although the Policyholder has confirmed that the data supplied are accurate and I have reviewed all key data for reasonableness. In other respects, my examination has included the use of such actuarial assumptions and methods and such tests of the calculations as I have considered necessary. In particular:

- I have taken account of the timing and type of cover provided by the qualifying ILU policies purchased from OIC and the characteristics of the claim types that have already proved to be recoverable via those policies.
- I have considered the historical numbers and amounts of valid claims notified by the Policyholder and paid by OIC (and topped up by NNOFIC) in relation to the Policyholder’s qualifying ILU policies in the period since the Bar Date of the Amending Scheme (2016) through to the current time (2035). The total claims payments by OIC (and topped up by NNOFIC) to the Policyholder over this period amount to US\$[].

On the above basis, I can confirm that, in my professional opinion, the Policyholder’s assertion that, but for the Final Scheme, it would reasonably expect to submit valid claims to OIC in relation to its qualifying ILU policies subsequent to 31 December 2035 is both reasonable and justifiable.

I would expect such claims to include claims of the following type(s) [insert list as appropriate].

Further Relevant Comments

[Insert any other comments at the discretion of the Actuary. If any other comments are inserted then it must be stated clearly that these other comments do not constitute a qualification of the professional opinion given above].

This statement of my opinion is provided for the use of the Policyholder. It is also for the use of OIC in terms of OIC’s implementation of the provisions of the Final Scheme and not for any other purpose. It is not to be relied upon by any other party for any purpose without my express consent.

Signed: Date:
 (name of actuary) (to be between 1 July 2035 and 31 December 2035)

Name: Address:

Appendix 5

Curriculum Vitae of Vote Assessor

James G Evans

Education:

- Bachelor of Science, Mathematics, Georgia State University 1990

Qualifications/Licenses:

- CFA Institute 1999
- Casualty Actuarial Society 1996

With over three decades of US and Bermuda actuarial experience, James has performed and reviewed many portfolios including asbestos, pollution and health hazard (“**APH**”) claims, encompassing both insurance and insured entities. James’s twelve years dedicated to audit support involved detailed reviews of individual insured entity estimates of liability, particularly related to asbestos and pollution exposure. This work frequently included evaluating components related to the insurance recovery related to active and run-off insurance entities. As an actuarial consultant, James has executed multiple engagements, projecting comprehensive loss liabilities and anticipated insurance recoveries, with a focus on US APH work. James has both reviewed and used most accepted projection methods including survival ratio, loss development, and market share methods. James’s expertise is grounded in a deep understanding of the complexities and nuances of APH risks and the corresponding financial implications.

Appendix 6

Pro Forma Actuarial Confirmation

ACTUARIAL CONFIRMATION

OIC Run-Off Limited (formerly The Orion Insurance Company PLC) and The London and Overseas Insurance Company Limited (formerly The London and Overseas Insurance Company PLC) (both subject to a scheme of arrangement (the “Scheme”)) (collectively “OIC”)

PLEASE ENSURE ALL FIELDS HIGHLIGHTED IN YELLOW ARE COMPLETED

Actuarial confirmation that valid claims are reasonably expected to be submitted by [Full name of policyholder] (the “Policyholder”) to OIC in relation to the Policyholder’s qualifying ILU policies subsequent to 31 December 2035

Identification and Qualification

Please insert your name, any firm with whom you are associated, and confirm that you have been retained by the Policyholder. Please provide details of your actuarial qualification and confirm that you have relevant experience for the purposes of completing this confirmation **[insert details as appropriate]**.

Background

In 2016, OIC implemented its Amending Scheme. Creditors who purchased qualifying ILU policies from OIC were permitted to opt out of the crystallisation and payment provisions of the Amending Scheme, so that claims on each Opt Out Scheme Creditor’s qualifying ILU policies that are notified to OIC prior to 31 December 2035 are agreed and paid in full in the normal course. Those payments derive from a part payment from OIC and a top up to 100% of the agreed amount from Nationale-Nederlanden Overseas Finance and Investment Company (“**NNOFIC**”).

The NNOFIC top up does not, however, apply to claims from Opt Out Scheme Creditors notified to OIC after 31 December 2035. Such claims will only be part paid by OIC at a level to be determined by the Scheme Administrators of OIC at the time payment is made.

A Final Scheme was sanctioned by the UK Court in 2024 with the effect that claims on each Opt Out Scheme Creditor’s qualifying ILU policies that would be notified after 31 December 2035 will be crystallised. A fixed sum of US\$2m has been set aside for this purpose. Any Opt Out Scheme Creditor that can justifiably assert that, but for the Final Scheme, it would reasonably expect to submit valid claims to OIC in relation to its qualifying ILU policies subsequent to 31 December 2035, with this assertion being confirmed by a qualified actuary, will (along with all other Opt Out Scheme Creditors satisfying these conditions) receive an equal share of the US\$2m funds available.

Position of Policyholder

The Policyholder purchased qualifying ILU policies from OIC in the period **[Start Year]** to **[End Year]**. The Policyholder opted out of the crystallisation and payment provisions of the Amending Scheme in the manner set out above. The Policyholder has now asserted in 2035 that, but for the Final Scheme, it would reasonably expect to submit valid claims to OIC in relation to its qualifying ILU policies subsequent to 31 December 2035.

Opinion

I have reviewed the rationale and basis of the Policyholder’s assertion. In conducting my review, I have relied upon data prepared by the responsible employees of the Policyholder. These data have not been checked by me, although the Policyholder has confirmed that the data supplied are accurate and I have reviewed all key data for reasonableness. In other respects, my examination has included the use of such actuarial assumptions and methods and such tests of the calculations as I have considered necessary. In particular:

- I have taken account of the timing and type of cover provided by the qualifying ILU policies purchased from OIC and the characteristics of the claim types that have already proved to be recoverable via those policies.
- I have considered the historical numbers and amounts of valid claims notified by the Policyholder and paid by OIC (and topped up by NNOFIC) in relation to the Policyholder’s qualifying ILU policies in the period since the Bar Date of the Amending Scheme (2016) through to the current time (2035). The total claims payments by OIC (and topped up by NNOFIC) to the Policyholder over this period amount to US\$[].

On the above basis, I can confirm that, in my professional opinion, the Policyholder’s assertion that, but for the Final Scheme, it would reasonably expect to submit valid claims to OIC in relation to its qualifying ILU policies subsequent to 31 December 2035 is both reasonable and justifiable.

I would expect such claims to include claims of the following type(s) [insert list as appropriate].

Further Relevant Comments

[Insert any other comments at the discretion of the Actuary. If any other comments are inserted then it must be stated clearly that these other comments do not constitute a qualification of the professional opinion given above].

This statement of my opinion is provided for the use of the Policyholder. It is also for the use of OIC in terms of OIC’s implementation of the provisions of the Final Scheme and not for any other purpose. It is not to be relied upon by any other party for any purpose without my express consent.

Signed: Date:
 (name of actuary) (to be between 1 July 2035 and 31 December 2035)

Name: Address:

Appendix 7

Summary table of Final Scheme changes

Summary table of impact of Final Scheme

SECTION 1

Provisions of Original Scheme and Amending Scheme

1. The following table sets out how each clause of the Original Scheme and Amending Scheme is affected by the Final Scheme (if it comes into effect). The Final Scheme does not necessarily amend the terms of the Original Scheme or the Amending Scheme, rather it is designed to overlay an additional set of rights and obligations for Opt Out Qualifying ILU Policyholders.
2. The table identifies for each clause of the Original Scheme and Amending Scheme:
 - a. whether that clause is affected by the Final Scheme;
 - b. if so, which paragraphs of the Final Scheme affect that clause; and
 - c. where applicable, a summary of the manner in which that clause is affected by the Final Scheme.

Provision in Original Scheme	Provision in Amending Scheme	Are those provisions affected by the Final Scheme? If yes, which paragraphs affect that clause?	Summary of impact
1 (<i>Definitions</i>)	1 (<i>Definitions</i>) and Appendix 1	Yes: 1 (<i>Definitions</i>) and Appendix 1	Appendix 1 of the Final Scheme contains a list of all defined terms used in the Final Scheme. Terms and expressions defined in the Original Scheme and the Amending Scheme retain their same meaning, unless expressly defined or modified by the Final Scheme.
2 (<i>Interpretation</i>)	2 (<i>Interpretation</i>)	Yes: 2 (<i>Interpretation</i>)	Paragraph 2 of the Final Scheme provides for an Interpretation clause that is consistent with the Amending Scheme.
3 (<i>Details of the Companies</i>)	N/A	No	N/A
-	4 (<i>Incorporation of the Amending Scheme</i>)	Yes: 4 (<i>Incorporation of the Final Scheme</i>)	Paragraph 4 of the Final Scheme does not reference Established Liabilities.
4 (<i>The purposes in the Scheme</i>)	6 (<i>Purpose of the Amending Scheme</i>)	Yes: 6 (<i>Purpose of the Final Scheme</i>)	Scheme purposes language of the Final Scheme reflects the

Provision in Original Scheme	Provision in Amending Scheme	Are those provisions affected by the Final Scheme? If yes, which paragraphs affect that clause?	Summary of impact
			crystallisation nature of the Final Scheme in respect of Final Scheme Creditors.
5 (<i>Participation in the Scheme</i>)	3 (<i>Participation in the Scheme</i>)	Yes: 3 (<i>Participation in the Scheme</i>)	Reflects the relevant parties' participation in the Final Scheme.
6.1 (<i>Application of the Scheme: Computation of Established Liabilities</i>)	N/A	No	N/A
6.2 (<i>Application of the Scheme: Computation of Established Liabilities</i>)	N/A	No	N/A
-	8 (<i>Time periods and deadlines</i>)	Yes: 8 (<i>Time periods and deadlines</i>)	References to Final Scheme Bar Date now included.
-	10 (<i>Notice of New Effective Date, Bar Date and distribution of Claim Forms</i>)	Yes: 10 (<i>Notice of Final Scheme Effective Date, Final Scheme Bar Date and distribution of Final Scheme Claim Forms</i>)	References to Final Scheme now included. Paragraph 10.4 now provides for notices to Final Scheme Creditors between July 2030 to July 2035 (inclusive).
-	11 (<i>Notification of claims and cessation of payments under the Original Scheme</i>)	No	N/A
-	12 (<i>Valuation of claims</i>)	No	N/A
-	13 (<i>Provision of Claim Forms</i>)	Yes: 12 (<i>Provision of Final Scheme Claim Forms</i>)	Provides for the provision of Final Scheme Claim Forms to Final Scheme Creditors.

Provision in Original Scheme	Provision in Amending Scheme	Are those provisions affected by the Final Scheme? If yes, which paragraphs affect that clause?	Summary of impact
6.3 & 6.4 (<i>Application of the Scheme: Computation of Established Liabilities</i>)	14 (<i>Completing and returning Claim Forms and Supporting Information before the Bar Date</i>) to 21 (<i>Payments to Scheme Creditors in respect of Net Liabilities</i>)	Yes, in respect of the Original Scheme only: 13 (<i>Submitting the Final Scheme Documentation before the Final Scheme Bar Date</i>) 14 (<i>Consequences of failure to submit Final Scheme Claim Documentation</i>)	Provides for the submission of Final Scheme Claim Documentation in respect of Final Scheme Prospective Liabilities.
7 (<i>Conditions Precedent and Effective Date</i>)	7 (<i>Conditions Precedent and New Effective Date</i>)	Yes: 7 (<i>Conditions Precedent and Final Scheme Effective Date</i>)	Reflects conditions precedent for Final Scheme to become effective.
8 (<i>Modification of the Scheme</i>)	5 (<i>Modification of the Amending Scheme</i>)	Yes: 8 (<i>Modification of the Final Scheme</i>)	Reflects Final Scheme process under Part 26 of the Companies Act 2006.
9 (<i>The Memoranda and Articles of Association of the Companies</i>)	N/A	No	N/A
10 (<i>Stay of Proceedings</i>) & 11 (<i>Enforcement of Scheme Liabilities</i>)	15.1 – 15.3 (<i>Consequences of failure to submit a Claim Form</i>), 16 (<i>Enforcement of claims</i>) and 54.1 (<i>Governing law and jurisdiction</i>)	Yes, in respect of the Original Scheme only: 14 (<i>Consequences of failure to submit Final Scheme Claim Documentation</i>), 15 (<i>Payments to Final Scheme Creditors</i>) and 25.1 (<i>Governing law and jurisdiction</i>)	Reflects release and settlement of claims of Final Scheme Creditors that do not validly submit Final Scheme Documentation within the Final Scheme Bar Date Period, or are otherwise determined by the Scheme Administrators to have failed to evidence a Final Scheme Prospective Liability.
12 (<i>Effect of acts prohibited by clause 11 and Scheme Creditors receiving benefits after the Effective Date</i>)	N/A	No	N/A
13 (<i>Letters of Credit and Security</i>)	N/A	No	N/A

Provision in Original Scheme	Provision in Amending Scheme	Are those provisions affected by the Final Scheme? If yes, which paragraphs affect that clause?	Summary of impact
14 (<i>Mutual Liabilities and Set-Off</i>)	14 – 21 (including, in particular, 17.1(c), 17.3 – 17.5), 37, 42, 43 – 45 and 50	Yes: 13 (<i>Submitting the Final Scheme Documentation before the Final Scheme Bar Date</i>) and 15 (<i>Payments to Final Scheme Creditors</i>)	Reflects manner by which Final Scheme Prospective Liabilities are determined, and the Final Scheme Payment is made.
15 (<i>Current Policies</i>)	N/A	No	N/A
16 (<i>Payment of Preferential Debts</i>)	N/A	No	N/A
17 (<i>Payment of Qualifying ILU Policyholders</i>)	21 including, in particular, 21.4 – 21.10, in respect of Qualifying ILU Policyholders 41, in respect of Opt Out Qualifying Policyholders	Yes: 15 (<i>Payments to Final Scheme Creditors</i>)	Sets out how Final Scheme Creditors (<i>Opt Out Qualifying ILU Policyholders</i>) will receive payment of their Final Scheme Prospective Liabilities.
18 (<i>The Companies and NNOFIC</i>)	N/A	No	N/A
19 (<i>Determination of Scheme Liabilities</i>)	14 – 21	Yes in respect of the Original Scheme only: 13 (<i>Submitting the Final Scheme Documentation before the Final Scheme Bar Date</i>) and 14 (<i>Consequences of failure to submit Final Scheme Claim Documentation</i>)	Now provides for manner by which Final Scheme Prospective Liabilities are determined.
20 (<i>Payments under the Scheme</i>)	N/A	No	N/A
21 (<i>Policyholders, 'Qualifying ILU Policyholders' and Dual Scheme Creditors' rights against the Companies during the Scheme</i>)	N/A	No	N/A
22 (<i>Claims by either Company against the other during the Scheme</i>)	N/A	No	N/A

Provision in Original Scheme	Provision in Amending Scheme	Are those provisions affected by the Final Scheme? If yes, which paragraphs affect that clause?	Summary of impact
23 (<i>Computation of the Payment Percentage and payments to Scheme Creditors</i>)	21.2, 41 and 42.4	Yes: 15 (<i>Payments to Final Scheme Creditors</i>)	Provides for settlement and release of Final Scheme Prospective Liabilities by way of the Final Scheme Payment being made from the Final Scheme Assets.
24 (<i>Mechanics of payments to Scheme Creditors</i>)	22 and 23	Yes: 15 (<i>Payments to Final Scheme Creditors</i>) and 16 (<i>Treatment of agents</i>)	Now reflects the Final Scheme Payment and Final Scheme Creditors.
25 (<i>Interest</i>)	N/A	No	N/A
-	24 (<i>Qualification and appointment of the Scheme Actuarial Adviser, the Scheme Adjudicator, the No Notice Adjudicator and the Individual Claimant Representative</i>) to 31 (<i>Specific powers, rights, duties and functions of the Individual Claimant Representative</i>)	No	N/A
26 – 28 (<i>The Policyholders Protection Board</i>)	34 (<i>Calculation and payment of the Estimated Protected Value</i>) – 36 (<i>Assignment to the FSCS Scheme Manager</i>)	No	N/A
29 (<i>Restrictions on the Companies and the Directors</i>)	9 (<i>Claims agreement outside the Scheme</i>)	Yes: 9 (<i>Claims agreement outside the Scheme</i>)	Now also reflects Final Scheme Creditors and Final Scheme Prospective Liability wording.
30 – 35 (<i>The Scheme Administrators</i>)	N/A	Yes, though only in respect of the Original Scheme: 18 (<i>The Delegate</i>)	Outlines that the Original Delegate has been appointed to perform certain services to the Companies.
36 - 46 (<i>The Creditors' Committee</i>)	N/A	No	N/A
47 – 52 (<i>The Scheme Creditors</i>)	N/A	No	N/A

Provision in Original Scheme	Provision in Amending Scheme	Are those provisions affected by the Final Scheme? If yes, which paragraphs affect that clause?	Summary of impact
53 (<i>Termination of the Scheme</i>)	32 (<i>Termination of the Scheme</i>) and 33 (<i>Consultation with the FSCS Scheme Manager in respect of termination of the scheme</i>)	No	N/A
54 (<i>Special Meetings</i>)	Amending Scheme as a whole	No	N/A
55 (<i>Notice of termination of the Scheme</i>)	32.3 (<i>Termination of the Scheme</i>)	No	N/A
-	37 (<i>Opt Out</i>) to 39 (<i>Review of the Opt Out Proportion Figure</i>)	No	N/A
-	40 (<i>Application of the Scheme Assets in respect of Opt Out Qualifying ILU Policyholders</i>)	Yes: 15.3 (<i>Payments to Final Scheme Creditors</i>) amends 40.8	Amended to remove obligation of Companies to pay additional amounts in respect of Compensatory Payments.
-	41 (<i>Payment to Opt Out Qualifying ILU Policyholders</i>)	Yes: 15 (<i>Payments to Final Scheme Creditors</i>)	Provides for settlement and release of Final Scheme Prospective Liabilities from the Final Scheme Bar Date and the Final Scheme Payment.
-	42 (<i>Pre-1969 L&O Policyholders</i>)	No	N/A
-	43 (<i>The Bar Date</i>) to 45 (<i>Claims from individuals after the Bar Date</i>)	No	N/A
-	46 (<i>Scheme Creditors' duty to provide assistance</i>)	No	N/A
-	47 (<i>Blocked Monies</i>)	Yes: 19 (<i>Blocked Monies</i>)	Reflects Final Scheme language and on how to deal with Blocked Monies (including interest earned on such accounts).
-	48 (<i>Releases</i>)	Yes: 15.8 (<i>Payments to Final Scheme Creditors</i>)	Reflects Final Scheme language.
-	52 (<i>Rights of Third Parties</i>)	No	N/A

Provision in Original Scheme	Provision in Amending Scheme	Are those provisions affected by the Final Scheme? If yes, which paragraphs affect that clause?	Summary of impact
56 (<i>Indemnity</i>)	53 (<i>Indemnity</i>)	24 (<i>Indemnity</i>)	Provides for reference to the Final Scheme Creditors and the Final Scheme.
57 (<i>Assignability</i>)	50 (<i>Payment in respect of assignments</i>)	21 (<i>Payment in respect of Assignments</i>)	Provides for reference to Final Scheme and to the assignment of policies (rather than claims).
58 (<i>Costs of the Scheme</i>)	51 (<i>Costs of the Amending Scheme</i>)	22 (<i>Costs of the Final Scheme</i>)	Provides for reference to the Final Scheme.
59 (<i>Notices</i>)	49 (<i>Notices and electronic communications</i>)	20 (<i>Notices and electronic communications</i>)	Provides for reference to Final Scheme and to update contact details.
60 (<i>Governing law and jurisdiction</i>)	54 (<i>Governing law and jurisdiction</i>)	25 (<i>Governing law and jurisdiction</i>)	Confirms governing law and jurisdiction of the Final Scheme.
Schedule 1 (<i>Draft Special Resolution</i>)	Amending Scheme as a whole	No	N/A
Schedule 2 (<i>Procedure for the appointment of the initial Creditors' Committee</i>)	N/A	No	N/A
-	Appendix 2 (<i>Estimation Guidelines</i>)	No	N/A
-	Appendix 3 (<i>Supporting Evidence</i>)	No	N/A
-	Appendix 4 (<i>Calculation of Estimated Qualifying Value and Estimated Opt Out Value</i>)	No	N/A
	Appendix 5 (<i>Costs agreement</i>)	No	N/A
	Appendix 6 (<i>Deed of adherence</i>)	Appendix 3 (<i>Deed of adherence</i>)	Updated to include reference to the Final Scheme.

Documents available for inspection

1. Original Scheme and corresponding explanatory statement
2. Amending Scheme and corresponding explanatory statement
3. Support letters from members of the Creditors' Committee and the ILU
4. December 2023 annual reports and accounts of the Companies
5. The Companies' Memoranda and Articles of Association
6. Letter of consent to act from Vote Assessor
7. Letter from the FCA confirming it has no objection to the Final Scheme
8. Letter from the PRA confirming it has no objection to the Final Scheme
9. Summary table of Final Scheme changes

Copies of the above documents will be available for inspection by Final Scheme Creditors after the date hereof until the close of the Final Scheme Meetings at the following locations during ordinary business hours on weekdays (excluding Saturdays, Sundays and public holidays).

Nigel Rackham / Elliot Stickings PricewaterhouseCoopers LLP 7 More London Riverside London SE1 2RT United Kingdom Telephone: +44 (0) 20 7583 5000 Email: uk_oic_run_off_limited@pwc.com	Tom Astle / Alex Snell Hogan Lovells International LLP Atlantic House Holborn Viaduct London EC1A 2FG United Kingdom Telephone: +44 (0) 20 7296 2000 Email: alex.snell@hoganlovells.com
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