



IN THE HIGH COURT OF JUSTICE

BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES

COMPANIES COURT (ChD)

THE HONOURABLE MR JUSTICE FANCOURT

25 MAY 2021

CR-2020-004292

IN THE MATTER OF RSA INSURANCE GROUP PLC

- and -

IN THE MATTER OF THE COMPANIES ACT 2006

ORDER

UPON THE ADJOURNED APPLICATION by Part 8 Claim Form dated 7 December 2020 (the "**Claim Form**") of the above named RSA Insurance Group plc (the "**Company**") whose registered office is situated at 20 Fenchurch Street, London, EC3M 3AU

AND UPON HEARING Martin Moore QC, Counsel for the Company, via Microsoft Teams

AND UPON READING the Claim Form and the evidence

AND UPON Regent Bidco Limited, whose registered address is at 1 Bartholomew Lane, London, United Kingdom EC2N 2AX, appearing by Counsel for the Company (being its Counsel for this purpose) and undertaking:

1. to be bound by the scheme of arrangement hereinafter sanctioned (the "**Scheme**") and to execute and do, or procure to be executed and done, all such documents, acts and things as may be necessary or desirable to be executed or done by it or on its behalf for the purpose of giving effect to the Scheme;
2. to the extent that any consideration due and payable to Scheme Shareholders (as defined in the Scheme) has not been claimed by the date falling 6 months from the effective date of the Scheme, to procure that such consideration shall be held by Equiniti Limited (the "**Receiving Agent**") for the purposes of satisfying its obligations to pay the consideration due and payable to such Scheme Shareholders under and in accordance with the terms of the Scheme, subject to any repayment pursuant to (3) below; and

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COMPANIES HOUSE

3. that it will not seek, require or accept repayment of the monies paid to the Receiving Agent for the purposes detailed above prior to the first business day after the twelfth anniversary of the effective date of the Scheme or otherwise with the permission of the Court.

AND UPON Tryg A/S, whose registered office is at Klausdalsbrovej 601, 2750 Ballerup, Denmark, Intact Financial Corporation whose registered office is at 700 University Avenue, Toronto, Canada ON M5G 0A1, and 2283485 Alberta Limited whose registered office is at 1200, 321 – 6th Avenue S.W. Calgary, Alberta T2P 3H3, appearing by Counsel for the Company (being their Counsel for this purpose) each undertaking to be bound by the terms of this Scheme and to execute and do, or procure to be executed and done, all such documents, acts and things as may be necessary or desirable to be executed or done by each of them for the purposes of giving effect to sub-clauses 1(A) to 1(D) inclusive of this Scheme.

THE COURT HEREBY SANCTIONS the Scheme as set out in the Schedule hereto

AND IT IS ORDERED that the Company shall deliver the necessary application to the Registrar of Companies under section 97(1)(c) of the Companies Act 2006 to effect the re-registration of the Company as a private limited company

AND IT IS ORDERED that a copy of this order be delivered to the Registrar of Companies following such re-registration becoming effective in accordance with section 101 of the Companies Act 2006

Service of this order

This Court has provided a sealed copy of this order to the serving party: Slaughter and May, One Bunhill Row, London EC1Y 8YY, Solicitors for the Claimant

Part IV

The Scheme of Arrangement

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

CR-2020-004292

IN THE MATTER OF RSA INSURANCE GROUP PLC

and

IN THE MATTER OF THE COMPANIES ACT 2006

SCHEME OF ARRANGEMENT
(under Part 26 of the Companies Act 2006)

between

RSA INSURANCE GROUP PLC

AND

THE HOLDERS OF THE SCHEME SHARES
(as hereinafter defined)

PRELIMINARY

(A) In this Scheme, unless inconsistent with the subject or context, the following expressions bear the following meanings:

"Acquisition"	the proposed acquisition by Bidco of the entire issued and to be issued share capital of RSA to be effected by means of this Scheme and, where the context admits, any subsequent revision, variation, extension or renewal thereof;
"Bidco"	Regent Bidco Limited, a private limited company incorporated in England and Wales, whose registered office is at 1 Bartholomew Lane, London, United Kingdom EC2N 2AX and with registered number 12998759, and a wholly-owned indirect subsidiary of Intact;
"Business Day"	a day, not being a public holiday, Saturday or Sunday, on which clearing banks in London are open for normal business;
"Canada Holdco"	2283485 Alberta Ltd, a private limited company incorporated and registered in Alberta, Canada, whose registered office is at 1200, 321 – 6th Avenue S.W. Calgary, Alberta T2P 3H3 and with corporate access number 2022834853, and a wholly-owned indirect subsidiary of Intact;
"Canada Holdco Loan Note"	a loan note in a principal amount to be determined based on the amount payable under the Tryg SPA to be issued by Canada Holdco to RIH, with Canada Holdco's obligations being guaranteed in full by Intact;
"Cash Consideration"	685 pence in cash for each RSA Share;

"certificated form" or "in certificated form"	a share or other security which is not in uncertificated form (that is, not in CREST);
"Codan Holdings"	Codan A/S, a company incorporated in Denmark with CVR no. 56771212;
"Code"	the City Code on Takeovers and Mergers;
"Companies Act"	the Companies Act 2006, as amended from time to time;
"Consideration Shares"	3,460,000,000 ordinary shares in the capital of Scandi JVco;
"Court"	the High Court of Justice in England and Wales;
"Court Meeting"	the meeting of Scheme Shareholders (and any adjournment thereof) convened pursuant to an order of the Court pursuant to section 896 of the Companies Act for the purpose of considering and, if thought fit, approving (with or without modification) this Scheme;
"Court Order"	the order of the Court sanctioning this Scheme under section 899 of the Companies Act;
"CREST"	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the relevant system (as defined in the CREST Regulations) of which Euroclear is the Operator (as defined in the CREST Regulations);
"CREST Regulations"	the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended;
"Document"	the circular to the RSA Shareholders published by the Company on 16 December 2020 in connection with this Scheme;
"Effective Date"	the date on which this Scheme becomes effective in accordance with its terms;
"Effective Time"	the time at which this Scheme becomes effective in accordance with its terms;
"Euroclear"	Euroclear UK & Ireland Limited;
"Excluded Shares"	(i) any RSA Shares which are registered in the name of, or beneficially owned by, any member of the Intact Group (including Bidco) (or its nominees) immediately prior to Scheme Record Time; and (ii) any RSA Shares held in treasury;
"General Meeting"	the general meeting of RSA convened by the notice set out in Part XI (<i>Notice of General Meeting</i>) of this Document, including any adjournment thereof;
"holder"	a registered holder and includes any person(s) entitled by transmission;
"Intact"	Intact Financial Corporation, a company incorporated in Canada, with registered office at 700 University Avenue, Toronto, Canada ON M5G 0A1;

"Intact Group"	Intact and its subsidiary undertakings (and, for the avoidance of doubt, including Bidco) and where the context permits, each of them;
"Interim Dividend"	the interim dividend of 8 pence per RSA Share in respect of RSA's six month period ended 30 June 2020, announced on 15 September 2020 and paid on 4 December 2020;
"Irish Sharesave Plans"	the RSA Irish Sharesave Plan 2009 and the RSA Irish Sharesave Plan adopted in 2019, in each case as amended from time to time;
"Latest Practicable Date"	close of business on 14 December 2020, being the latest practicable date before publication of the Document;
"Panel"	the Panel on Takeovers and Mergers;
"PSP"	the RSA Performance Share Plan 2014, as amended from time to time;
"Receiving Agent"	the receiving agent appointed by RSA and Bidco for the purposes of this Scheme;
"Registrar"	Equiniti Limited, a limited liability company incorporated in England and Wales with registered number 06226088;
"Registrar of Companies"	the registrar of companies in England and Wales;
"RIIH"	Royal International Insurance Holdings Limited, a company incorporated in England and Wales with registered number 00111478;
"RSA" or "Company"	RSA Insurance Group plc, a company incorporated in England and Wales with registered number 02339826;
"RSA Group"	RSA and its subsidiary undertakings and where the context permits, each of them;
"RSA's Scandinavian Business"	the businesses of RSA conducted in Denmark, Norway and Sweden;
"RSA Share Plans"	the PSP, the Sharesave Plan, the Irish Sharesave Plans and the SIP;
"RSA Shareholders"	the holders of RSA Shares from time to time;
"RSA Shares"	ordinary shares of £1 each in the capital of RSA;
"Scandi JVco"	Scandi JV Co A/S, a private limited company incorporated in Denmark with CVR no. 41 85 33 01, and whose registered office is at Klausdalsbrovej 601, 2750 Ballerup, Denmark;
"Scandinavia Carve-Out"	the separation of RSA's Scandinavian Business from the RSA Group;
"Scheme"	this scheme of arrangement in its present form or with or subject to any modification, addition or condition approved or imposed by the Court;
"Scheme Court Hearing"	the hearing at which the Court sanctions this Scheme under section 899 of the Companies Act;

"Scheme Record Time"	6:30 p.m. (London time) on the Business Day immediately prior to the Effective Date;
"Scheme Shareholders"	holders of Scheme Shares whose name appears in the register of members of RSA at the Scheme Record Time;
"Scheme Shares"	the RSA Shares;
	(i) in issue at the date of this Document;
	(ii) (if any) issued after the date of this Document and prior to the Voting Record Time; and
	(ii) (if any) issued at or after the Voting Record Time and prior to the Scheme Record Time in respect of which the original or any subsequent holder thereof shall be bound by this Scheme or shall by such time have agreed in writing to be bound by this Scheme,
	and remaining in issue at the Scheme Record Time but excluding any Excluded Shares;
"Sharesave Plan"	the RSA Sharesave Plan (including Schedule 1 (<i>International Schedule</i>)), as amended from time to time;
"SIP"	the RSA Share Incentive Plan, as amended from time to time;
"subsidiary undertaking"	has the meaning given in section 1162 of the Companies Act;
"Tryg"	Tryg A/S, a company incorporated in Denmark with CVR no. 26460212;
"Tryg Group"	Tryg and its subsidiary undertakings and where the context permits, each of them;
"Tryg SPA"	a share purchase agreement to be entered into between Canada Holdco and Tryg in relation to Canada Holdco's shares in Scandi JVco;
"uncertificated form" or "in uncertificated form"	a share or other security recorded on the relevant register as being held in uncertificated form in CREST, and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST; and
"Voting Record Time"	6:30 p.m. (London time) on the day which is two days prior to the date of the Court Meeting (excluding non-working days) or, if the Court Meeting is adjourned, 6:30 p.m. (London time) on the day which is two days (excluding non-working days) before the day of such adjourned meeting.
(B)	As at the Latest Practicable Date, the issued share capital of the Company was £1,035,234,855.00 divided into 1,035,234,855 ordinary shares of £1 each, all of which are credited as fully paid up.
(C)	As at the Latest Practicable Date, the number of RSA Shares that may be issued on or after the date of this Document to satisfy the exercise of options and the vesting of awards granted, or which it is assessed may be granted before Completion, under the RSA Share Plans is 15,000,174, on the basis of a modelling assumption for these purposes that Completion occurs by 30 April 2021.
(D)	Bidco was incorporated on 5 November 2020 under the laws of England and Wales as a private company limited by shares.

- (E) As at the Latest Practicable Date, no member of the Tryg Group or the Intact Group is the registered holder of, or beneficially owns, any RSA Shares.
- (F) Bidco has agreed to appear by counsel at the hearing to sanction this Scheme and to undertake to the Court to be bound by the provisions of this Scheme and to execute and do or procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it to give effect to this Scheme.
- (G) Tryg, Intact and Canada Holdco have each agreed, in each case subject to the terms of the Co-operation Agreement, to appear by counsel at the Scheme Court Hearing and to undertake to the Court to be bound by the terms of this Scheme and to execute and do, or procure to be executed and done, all such documents, acts and things as may be necessary or desirable to be executed or done by each of them for the purposes of giving effect to sub-clauses 1(A) to 1(D) inclusive of this Scheme.

THE SCHEME

1. Steps in relation to the Scandinavia Carve-Out

- (A) RSA shall procure that, at the Effective Time, RIIH delivers a duly executed subscription list (in Danish "tegningsliste") agreeing to subscribe for Consideration Shares, the consideration for which shall be the transfer of all of the shares in the capital of Codan Holdings to Scandi JVco.
- (B) RSA shall procure that, at the Effective Time, subject to applicable law:
 - (i) subject to and conditionally upon:
 - (a) Intact and Tryg procuring that, at the Effective Time, Scandi JVco shall validly issue the Consideration Shares to RIIH; and
 - (b) the valid issue by Scandi JVco of the Consideration Shares to RIIH; and
 - (ii) in consideration of that issue by Scandi JVco of the Consideration Shares to RIIH, RIIH transfers all of the shares in the capital of Codan Holdings to Scandi JVco.
- (C) Subject to sub-clause 1(D) below, RSA shall procure that, immediately following the steps described in sub-clause 1(B) above, subject to applicable law:
 - (i) subject to and conditionally upon:
 - (a) Intact procuring that, at the Effective Time, Canada Holdco shall issue the Canada Holdco Loan Note to RIIH; and
 - (b) the issue by Canada Holdco of the Canada Holdco Loan Note to RIIH; and
 - (ii) in consideration of that issue by Canada Holdco of the Canada Holdco Loan Note to RIIH, RIIH transfers the Consideration Shares to Canada Holdco.
- (D) RSA's obligations in sub-clause 1(C) above shall be subject, to the extent necessary to ensure a valid transfer of the Consideration Shares pursuant to that sub-clause, to the approval of the board of directors of Scandi JVco.

2. Transfer of Scheme Shares

- (A) Upon and with effect from the Effective Date, Bidco (or such of its nominee(s) as are agreed between Bidco and the Company) shall acquire all the Scheme Shares fully paid up with full title guarantee, free from all liens, equities, charges, encumbrances, rights of pre-emption and any other third party rights or interests of any nature, and together with all rights at the Effective Date or thereafter attached thereto, including the right to receive and retain all dividends and other distributions (if any) and any return of capital (whether by reduction of share capital or the share premium account or otherwise) announced, declared, or paid in respect of the Scheme Shares by reference to a record date on or after the Scheme Record Time.
- (B) For the purposes of such acquisition, the Scheme Shares shall be transferred to Bidco (or such of its nominee(s) as are agreed between Bidco and the Company) and such transfer shall be effected by

means of a form of transfer or other instrument or instruction of transfer and to give effect to such transfer(s) any person may be appointed by Bidco as attorney and/or agent and shall be authorised as such attorney and/or agent on behalf of the relevant holder of Scheme Shares to execute and deliver as transferor a form of transfer or other instrument of transfer (whether as a deed or otherwise) of, or give any instruction to transfer, such Scheme Shares and every form, instrument or instruction of transfer so executed or instruction given shall be effective as if it had been executed or given by the holder or holders of the Scheme Shares thereby transferred.

- (C) Pending the transfer of the Scheme Shares pursuant to sub-clauses 2(A) and 2(B) of this Scheme each Scheme Shareholder irrevocably appoints Bidco (or such of its nominee(s) as are agreed between Bidco and the Company) as its attorney and/or agent to exercise on its behalf (in place of and to the exclusion of the relevant Scheme Shareholder) any voting rights attached to its Scheme Shares and any or all rights and privileges attaching to its Scheme Shares, to sign any consent to short notice of any general or separate class meetings of RSA and to execute a Form of Proxy in respect of its Scheme Shares appointing any person nominated by Bidco to attend general and separate class meetings of RSA and authorises RSA to send to Bidco and/or its nominee(s) any notice, circular, warrant or other document or communication which may be required to be sent to them as a member of RSA, such that from the Effective Date, no Scheme Shareholder shall be entitled to exercise any voting rights attached to the Scheme Shares or any other rights or privileges attaching to the Scheme Shares.

3. Consideration for the transfer of Scheme Shares

- (A) In consideration for the transfer of the Scheme Shares to Bidco and/or its nominee(s) referred to in sub-clauses 2(A) and 2(B) of this Scheme, Bidco shall, subject as hereinafter provided, pay or procure that there shall be paid to or for the account of each Scheme Shareholder (as appearing on the register of members of RSA at the Scheme Record Time):

for each Scheme Share

685 pence in cash

- (B) If on or after 18 November 2020 and prior to the Scheme Record Time, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Scheme Shares (other than the Interim Dividend), Bidco reserves the right to reduce the consideration payable for each Scheme Share by an amount up to the amount of such dividend and/or distribution and/or return of capital so announced, declared or paid.
- (C) If Bidco exercises the right referred to in sub-clause 3(B) of this Scheme to reduce the consideration payable for each Scheme Share by all or part of the amount of dividend and/or other distribution and/or other return of capital that has not been paid but is payable by reference to a record date prior to the Scheme Record Time:
- (i) Scheme Shareholders will be entitled to receive and retain that dividend and/or other distribution and/or other return of capital in respect of the RSA Shares they hold;
 - (ii) any reference in this Scheme and the Document to the consideration payable under the Scheme shall be deemed a reference to the consideration as so reduced; and
 - (iii) the exercise of such rights shall not be regarded as constituting any revision or variation of the terms of the Scheme.
- (D) To the extent that any such dividend and/or distribution and/or other return of capital is announced, declared or paid and it is: (i) transferred pursuant to the Acquisition on a basis which entitles Bidco to receive the dividend or distribution and to retain it; or (ii) cancelled, the consideration will not be subject to change in accordance with this clause 3 of this Scheme.

4. Settlement and despatch of consideration

- (A) As soon as practicable after the Effective Date, and in any event not more than 14 days after the Effective Date, Bidco shall:
- (i) in the case of Scheme Shares which, at the Scheme Record Time are in certificated form, despatch, or procure the despatch of, to the persons entitled thereto, cheques for the sums payable to the Scheme Shareholder in accordance with clause 3 of this Scheme (or pay such amounts by any other method approved by the Panel); or

- (ii) in the case of Scheme Shares which, at the Scheme Record Time are in uncertificated form, instruct, or procure the instruction of, Euroclear to create an assured payment obligation in respect of the sums payable to the Scheme Shareholder in accordance with the CREST assured payment arrangements, provided that Bidco reserves the right to make payment of the said consideration by cheque or any other method approved by the Panel as aforesaid in sub-clause 4(A)(i) of this Scheme if, for reasons outside its reasonable control, it is not able to effect settlement in accordance with this sub-clause 4(A)(ii).
- (B) As from the Scheme Record Time, each holding of Scheme Shares credited to any stock account in CREST shall be disabled and all Scheme Shares will be removed from CREST in due course.
- (C) All deliveries of notices, cheques or statements of entitlement or certificates required to be made pursuant to this Scheme shall be effected by sending the same by first class post in pre-paid envelopes or by international standard post if overseas (or by such method as may be approved by the Panel) addressed to the persons entitled thereto at their respective registered addresses as appearing in the register of members of RSA at the Scheme Record Time or, in the case of joint holders, to the address of the holder whose name stands first in such register in respect of the joint holding concerned at such time, and none of RSA, Bidco or their respective agents or nominees shall be responsible for any loss or delay in the transmission of any notices, cheques, statements of entitlement or certificates sent in accordance with this sub-clause 4(C), which shall be sent at the risk of the person or persons entitled thereto.
- (D) All cheques shall be in pounds sterling and drawn on a UK clearing bank and shall be made payable to the person or persons to whom, in accordance with the foregoing provisions of this clause 4, the envelope containing the same is addressed (except that, in the case of joint holders, Bidco may make the cheque payable to the holder whose name stands first in the register of members of RSA in respect of the joint holding concerned at the Scheme Record Time), and the encashment of any such cheque shall be a complete discharge of Bidco's obligation under this Scheme to pay the monies represented thereby. Bidco shall despatch or procure the despatch of cheques within 14 days of the Effective Date.
- (E) In respect of payments made through CREST, Bidco shall instruct, or procure the instruction of, Euroclear to create an assured payment obligation in accordance with the CREST assured payment arrangements within 14 days of the Effective Date. The instruction of Euroclear shall be a complete discharge of Bidco's obligation under this Scheme with reference to the payments made through CREST.
- (F) None of RSA, Bidco or their respective agents or nominees shall be responsible for any loss or delay in the transmission of any notices, cheques, statements of entitlement or certificates sent in accordance with this clause 4, which shall be sent at the risk of the person or persons entitled thereto.
- (G) If any Scheme Shareholders have not encashed their respective cheques within six months of the Effective Date, Bidco and the Company shall procure that the Cash Consideration due to such Scheme Shareholders under this Scheme shall be held by the Receiving Agent for the purposes of satisfying Bidco's obligations to pay the Cash Consideration due to such Scheme Shareholders for a period of 12 years from the Effective Date, and such Scheme Shareholders may claim the consideration due to them (plus any interest accrued thereon, but net of any expenses and taxes) by written notice to the Company in a form which the Company determines evidences their entitlement to such consideration at any time during the period of 12 years from the Effective Date. Bidco will not seek, require or accept repayment of the monies paid to the Receiving Agent for the purposes detailed above prior to the first Business Day after the twelfth anniversary of the Effective Date or otherwise with the permission of the Court.
- (H) The preceding sub-clauses of this clause 4 shall take effect subject to any prohibition or condition imposed by law.

5. Certificates in respect of Scheme Shares and cancellation of CREST entitlements

With effect from and including the Effective Date:

- (A) all certificates representing Scheme Shares shall cease to be valid as documents of title to the shares represented thereby and every holder of Scheme Shares shall be bound by the request of RSA to deliver up the same to RSA, or, as it may direct, to destroy the same;

- (B) Euroclear shall be instructed to cancel or transfer the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form;
- (C) following cancellation of the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form, the Registrar shall be authorised to re-materialise entitlements to such Scheme Shares; and
- (D) subject to the completion of such forms of transfer or other instruments or instructions of transfer as may be required in accordance with clause 2 of this Scheme and the payment of any UK stamp duty thereon, RSA shall make or procure to be made, the appropriate entries in its register of members to reflect the transfer of the Scheme Shares to Bidco and/or its nominee(s).

6. Mandates

All mandates and other instructions given to RSA by Scheme Shareholders in force at the Scheme Record Time relating to Scheme Shares shall, as from the Effective Date, cease to be valid.

7. Operation of this Scheme

- (A) This Scheme shall become effective upon a copy of the Court Order being delivered to the Registrar of Companies in England and Wales.
- (B) Unless this Scheme has become effective on or before 18 November 2021, or such later date, if any, as RSA, Bidco and Tryg may agree in writing (with the Panel's consent and as the Court may approve (if such approval(s) are required)), this Scheme shall never become effective.

8. Modification

RSA and Bidco may jointly consent on behalf of all persons concerned to any modification of or addition to this Scheme or to any condition that the Court may approve or impose.

9. Governing Law

This Scheme is governed by English law and is subject to the exclusive jurisdiction of English courts. The rules of the Code apply to this Scheme.

Dated 16 December 2020