
DEED OF RELEASE

DATED [●] 2022

between

- (1) The Investors (as defined herein),**
 - (2) Markel CATCo Reinsurance Fund Ltd.,**
 - (3) CATCo Reinsurance Opportunities Fund Ltd.,**
 - (4) Markel CATCo Investment Management Ltd.,**
 - (5) Markel CATCo Re Ltd.,**
 - (6) SPC, LTD.,**
 - (7) SOAFC I, INC.,**
 - (8) SOAFC II, INC.,**
 - (9) SOAFC III, LTD.,**
 - (10) Markel Bermuda Limited, and**
 - (11) Markel Corporation**
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INDEX

Clause		Page
1.	INTERPRETATION.....	4
2.	RELEASED CATCo CLAIMS	9
3.	RELEASED TRANSACTION CLAIMS.....	9
4.	AGREEMENT NOT TO SUE.....	9
5.	WAIVER.....	10
6.	FURTHER ASSURANCE.....	10
7.	SEVERABILITY	11
8.	THIRD PARTIES	11
9.	VARIATION Error! Bookmark not defined.	
10.	GOVERNING LAW.....	11
11.	JURISDICTION	11

THIS DEED is dated [●]2022, and is made between:

(1) **THE INVESTORS** (as defined below), acting by the Private Fund and the Public Fund (the “**Scheme Companies**”) pursuant to the authority conferred upon the Scheme Companies pursuant to clause [3.1] of each of the Schemes;

(2) **MARKEL CATCO REINSURANCE FUND LTD.** (provisional liquidators appointed for restructuring purposes), a company incorporated in Bermuda with registered number 50599 and with its registered office at Crawford House, 50 Cedar Avenue, Hamilton HM 11, Bermuda (the “**Private Fund**”);

(3) **CATCO REINSURANCE OPPORTUNITIES FUND LTD.** (provisional liquidators appointed for restructuring purposes), a company incorporated in Bermuda with registered number 44855 and with its registered office at Crawford House, 50 Cedar Avenue, Hamilton HM 11, Bermuda (the “**Public Fund**”);

(4) **MARKEL CATCO INVESTMENT MANAGEMENT LTD.** (provisional liquidators appointed for restructuring purposes), a company incorporated under the laws of Bermuda with registered number 50576 and with its registered office at Crawford House, 50 Cedar Avenue, Hamilton HM 11, Bermuda (the “**Manager**”);

(5) **MARKEL CATCO RE LTD.** (provisional liquidators appointed for restructuring purposes), a company incorporated under the laws of Bermuda with registered number 50602 and with its registered office at Crawford House, 50 Cedar Avenue, Hamilton HM 11, Bermuda (the “**Reinsurer**”),

(6) **SPC, LTD.**, a company incorporated in Bermuda with company number 202100103 whose registered office is at Crawford House, 50 Cedar Avenue, Hamilton HM 11 Bermuda (the “**Purchaser**”);

(7) **SOAFC I, INC.**, a company incorporated in Virginia, United States of America with company number 11240125 whose registered office is at 4521 Highwoods Pkwy, Glen Allen, VA, 23060 - 6148, USA (the “**Facility A Lender**”);

(8) **SOAFC II, INC.**, a company incorporated in Virginia, United States of America with company number [●] whose registered office is at 4521 Highwoods Pkwy, Glen Allen, VA, 23060 - 6148, USA (the “**Facility B Lender**”);

(9) **SOAFC III, LTD.**, a company incorporated in Bermuda with company number 202100120 whose registered office is at Crawford House, 50 Cedar Avenue, Hamilton HM 11 Bermuda (collectively (7) – (9), the “**Funding Cos**”);

(10) **MARKEL BERMUDA LIMITED**, a company incorporated in Bermuda with company number 26826 whose registered office is at Clarendon House, 2 Church Street, Hamilton, Pembroke HM11 Bermuda (the “**Adverse Development Cover Provider**”); and

(11) MARKEL CORPORATION, a company incorporated in Virginia, United States of America with company number [●] whose registered office is at [●],

(together, the “**Parties**”).

BACKGROUND

- (A)** On [●] November 2021, the Scheme Companies each proposed a Scheme in order to implement the Buy-Out Transaction.
- (B)** Scheme Meetings were duly convened and held on [●] 2021 and passed by the requisite voting majorities. The Schemes were subsequently sanctioned on [●] 2021 by the Supreme Court of Bermuda and the Lodgment Date has now occurred.
- (C)** Under the authority conferred by the Schemes, the Scheme Companies are authorised, under clause [3.1] of each of the Schemes, to execute and deliver this Deed on behalf of each of the Investors in connection with the transactions contemplated by the Schemes.
- (D)** It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document by hand.

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Definitions

In this Deed, capitalised terms used but not defined herein have the meaning given to them in the Schemes.

In addition:

“**Advisers**” means:

- (a) AlixPartners LLP;
- (b) ASW Law Limited;
- (c) Skadden, Arps, Slate, Meagher & Flom LLP and its affiliates (and Counsel instructed by Skadden, Arps, Slate, Meagher & Flom LLP and its affiliates to advise on, and to appear before the Supreme Court of Bermuda in relation to, the Schemes) as legal advisers to the Scheme Companies;
- (d) Conyers Dill & Pearman Limited;
- (e) Finance and Risk Services Limited;
- (f) Simpson, Thacher & Bartlett LLP; and
- (g) the JPLs in their personal capacities,

together with the respective Related Parties of each of the foregoing.

“Allowed Proceeding” means any Proceeding in relation to any Claim that has not been released pursuant to the Schemes and/or this Deed.

“CATCo Claims” means all Claims at any time arising out of, relating to, or in connection with any investment in or exposure to the Scheme Companies or the Market CATCo Business, and/or the Investors’ Shares, including, without limitation, any such Claims based on any oral or written statements or omissions by any person; based in tort (including, but not limited to, negligence or fraud), contract, or the laws that govern the offer and sale of securities under the law of any jurisdiction; based on breach of fiduciary or other duties or breach of any contracts or deviations from operations; based on any argument or theory of alter ego, vicarious liability, agency, or piercing the corporate veil; for breach of representation, warranty or undertaking; based on an event of default or under any indemnity given under or in connection with any such Claim; based on indemnification, whether statutory or otherwise in any jurisdiction; for damages, restitution, contribution, attorneys’ fees, costs, or other liability; or as a result of any recovery by any person of a payment on the grounds of preference or otherwise, and any Claims which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowance of those amounts in any insolvency or other proceedings.

“CATCo Liabilities” means all Liabilities at any time due, owing or incurred by any Released Party to any Party or any of its Related Parties arising out of, relating to, or in connection with any investment in or exposure to the Scheme Companies or the Market CATCo Business, and/or the Investors’ Shares, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity.

“CATCo Released Parties” means the Purchaser, the Public Fund, the Private Fund, the Reinsurer, the Manager, the Funding Cos, the Adverse Development Cover Provider, Market Corporation and all or any of their respective Related Parties.

“Claim” means a claim, potential claim, counterclaim, potential counterclaim, right of set-off, indemnity, cause of action, demand, suit, right to payment (whether or not such right is reduced to judgment), right or interest of any kind or nature whatsoever, whether in law or in equity, civil or criminal, contractual or in tort (including, but not limited to, negligence, fraud or breach of fiduciary duty), or under the laws that govern the offer and sale of securities in any jurisdiction and whether direct or derivative in nature, whether known or unknown, suspected or unsuspected, contingent or actual, liquidated or unliquidated, matured or unmatured, direct or indirect, disputed or undisputed, secured or unsecured, fixed or undetermined, present or future, however and whenever arising and in whatever capacity and jurisdiction.

“Depositary Interests” means the dematerialised depositary interests issued by Link Market Services Trustees Limited, as depositary, in respect of the issued and outstanding ordinary shares and series C shares of the Public Fund.

“Excluded CATCo Claims” means any Claim or Liability arising in respect of:

- (a) after the Closing Date, an Investor's right to receive any remaining NAV after the Buy-Out Amount has been repaid in full;
- (b) an Investor's rights under the Schemes or any Transaction Document;
- (c) an Investor's right to receive Scheme Consideration; and
- (d) an Investor's rights against its own Related Parties or another Investor that holds an interest in the same Shares as that Investor, whether by way of beneficial holder, nominee, trustee, depository or otherwise.

"Excluded Transaction Claims" means any Transaction Claim or Transaction Liability:

- (a) arising in respect of rights under any Transaction Document, including any debt owed under the Purchase Price Loan;
- (b) arising or resulting from fraud, gross negligence or willful misconduct by any Released Party in connection with the Schemes or the Buy-Out Transaction;
- (c) against any Adviser arising under a duty of care which has been expressly assumed or acknowledged in writing by the relevant Adviser or which can only be excluded in accordance with applicable law or professional regulation and has not been so excluded, or which cannot be released, waived or excluded under applicable law or professional regulation; and
- (d) arising as a result of a breach of a person's obligations under, or any actual or purported rescission or repudiation of, the Scheme, this Deed or any of the Transaction Documents.

"Investors" means all persons beneficially interested in Shares as at the Scheme Record Time.

"JPL Appointment Order" means the order dated 1 October 2021 issued by the Court evidencing the appointment of the JPLs.

"JPLs" means Simon Appell of AlixPartners LLP UK and John McKenna of Finance & Risk Services Ltd. acting as joint provisional liquidators, with limited powers for restructuring purposes, of the Scheme Companies, the Manager and the Reinsurer, appointed pursuant to the JPL Appointment Order.

"Liability" or **"Liabilities"** means any debt, liability or obligation of a person whether it is present, future, prospective, actual or contingent, whether it is fixed or undetermined, whether incurred solely or jointly or as principal or surety or in any other capacity, whether or not it involves the payment of money or performance of an act or obligation and whether it is civil or criminal and howsoever arising, whether at common law, in equity or by statute, in contract or in tort (including, but not limited to, negligence or fraud) in England and Wales, Bermuda or any other jurisdiction, or in any manner whatsoever.

"Lodgment Date" means the time at which a certified copy of the order sanctioning the Schemes is delivered to the registrar of companies in Bermuda for registration.

“Markel CATCo Business” means the retro reinsurance and reinsurance business carried out by the Manager, the Scheme Companies and the Reinsurer and the management and solicitation of investments in respect thereof.

“Other Released Parties” means in respect of any Investor, any financial or investment adviser or manager, introducer, or equivalent party (howsoever described) in respect of which such Investor may have Claims in respect of the Investor’s investment in either of the Scheme Companies, to the extent that such party would be entitled to indemnity from any CATCo Released Party on account of such Claims.

“Private Fund Scheme” means the scheme of arrangement in respect of the Private Fund which was sanctioned on [●] 2022 by the Supreme Court of Bermuda.

“Public Fund Scheme” means the scheme of arrangement in respect of the Public Fund which was sanctioned on [●] 2022 by the Supreme Court of Bermuda.

“Proceedings” means any process, suit, action, legal or other proceeding, including without limitation any arbitration, mediation, alternative dispute resolution, judicial review, adjudication, demand, execution, distraint, restraint, forfeiture, re-entry, seizure, lien, enforcement of judgment or enforcement of any security.

“Prohibited Proceedings” means any Proceedings against the Released Parties or Advisers and/or their respective property in any jurisdiction whatsoever, except for an Allowed Proceeding.

“Related Party” means as to any person, such person’s former and existing affiliates, directors, managers, shareholders, officers, controlling persons, beneficial owners or interest holders, advisory board members, employees, consultants, agents, subsidiaries, members, managers, predecessors and successors in interest, heirs, executors and assignors or assignees, nominees, participants, partners, limited partners, general partners, principals, fund advisors, attorneys, financial advisors, investment bankers, accountants, other professionals or representatives, sub-advisors (and their respective affiliates directors, managers, shareholders, partners, principals, members, officers, controlling persons, employees and agents), and agents (including any individual who serves at the Manager’s request as a director, officer, partner, trustee, or the like of another entity) and/or the legal representatives and controlling person of any of them.

“Released CATCo Claims” means CATCo Claims and CATCo Liabilities waived, released or discharged pursuant to Clause 2 hereof.

“Released Parties” means the Investors, the Other Released Parties, the JPLs and the CATCo Released Parties.

“Released Transaction Claims” means Transaction Claims and Transaction Liabilities waived, released or discharged pursuant to Clause 3 hereof.

“Scheme Consideration” means the entitlements of Investors pursuant to the Schemes, including without limitation, the Retro Funds Scheme Distribution, the Aquilo Scheme Distribution and the Public Fund Scheme Distribution.

“Schemes” means the Private Fund Scheme and the Public Fund Scheme.

“Settling Insurers” means Axis Insurance Company, QBE Insurance Corporation and Twin City Fire Insurance Company.

“Settled Policies” means Axis Insurance Corporation Policy No. MLN627387/01/2017; QBE Insurance Corporation Policy No. EOC-0228518-02 and Twin City Fire Insurance Co. Policy No. 34 DC 0293471-17 in each case to the extent the amount agreed in writing between the Manager and the relevant Settling Insurer have been paid to the Manager on or prior to the date of this Deed.

“Shares” means (a) all shares issued and any interests (however so described) in the capital of each fund of the Private Fund, including without limitation the various classes and sub-series of voting and side pocket shares set out in Schedule 1 and (b) all shares issued and any interests (however so described) in the capital of the Public Fund, including without limitation the various classes of shares issued (and depositary interests in respect of those shares) set out in Schedule 2.

“Transaction Claims” means all Claims arising out of, relating to, or in connection with (i) the preparation, negotiation, sanction or implementation of the Schemes and/or the Buy-Out Transaction and/or this Deed and/or any of the Transaction Documents and (ii) the execution of this Deed and/or any of the Transaction Documents and the carrying out of the steps and transactions contemplated herein and therein in accordance with their terms.

“Transaction Liabilities” means all Liabilities at any time due, owing or incurred by any Released Party to any Party or any of its Related Parties arising out of, relating to, or in connection with (i) the preparation, negotiation, sanction or implementation of the Schemes and/or the Buy-Out Transaction and/or this Deed and/or any of the Transaction Documents and (ii) the execution of this Deed and/or any of the Transaction Documents and the carrying out of the steps and transactions contemplated herein and therein in accordance with their terms, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity.

1.2 Construction

In this Deed, unless the context otherwise requires or otherwise expressly provides:

- (a) a reference in this Deed to this Deed or any other document is a reference to this Deed or that document as amended, novated, supplemented, extended, replaced or restated from time to time;
- (b) references to Clauses are references to Clauses of this Deed;

- (c) references to a person includes any individual, company, corporation, firm, partnership, unincorporated association or body (including a partnership, trust, joint venture or consortium), government, state, agency, organisation or other entity whether or not having separate legal personality;
- (d) references to a statute or statutory provision include references to the same as subsequently modified, amended or re-enacted from time to time;
- (e) the singular includes the plural and vice versa and words importing one gender shall include all genders;
- (f) headings are for ease of reference only and shall not affect the interpretation of this Deed; and
- (g) unless a contrary indication appears, a reference to a Party or a person will be construed as including its and any subsequent successors in title, permitted transferees and permitted assigns, in each case in accordance with their respective interests.

2. RELEASED CATCo CLAIMS

- 2.1 As of the Closing Date, each of the Parties conclusively, irrevocably, unconditionally, fully and absolutely waives, releases and forever discharges any and all CATCo Liabilities of each Released Party and each and every CATCo Claim which such Party has, ever had, may have or hereafter can, shall or may have against any of the Released Parties and/or their respective property.
- 2.2 Notwithstanding the above, nothing in this Clause 2 shall have the effect of waiving, releasing or discharging any Excluded CATCo Claims.

3. RELEASED TRANSACTION CLAIMS

- 3.1 As of the Closing Date, each of the Parties conclusively, irrevocably, unconditionally, fully and absolutely waives, releases and discharges any and all Transaction Liabilities of each Released Party and each Adviser and each and every Transaction Claim which such Party has, ever had, may have or hereafter can, shall or may have against any of the Released Parties, Advisers and/or their respective property.
- 3.2 Notwithstanding the above, nothing in this Clause 3 shall have the effect of waiving, releasing or discharging any Excluded Transaction Claims.

4. AGREEMENT NOT TO SUE

- 4.1 Each of the Parties undertakes that it will not commence, take or continue, or instruct, direct, support or authorise any other person to commence, take or continue any Prohibited Proceeding against the Advisers, Released Parties or their respective Related Parties (as applicable) in respect of or arising from any of the Released CATCo Claims or the Released Transaction Claims.

5. WAIVER

- 5.1 Each of the Parties acknowledges that it may later discover facts in addition to or different from those which it presently knows or believes to be true with respect to the subject matter of this Deed, but it is its intention to fully and finally forever settle and release any and all matters, disputes and differences, whether known or unknown, suspected or unsuspected, which presently exist, may later exist or may previously have existed between it and any of the Released Parties or Advisers in respect of the Released CATCo Claims and the Released Transaction Claims, and that in furtherance of this intention, the waivers, releases and discharges given in this Deed shall be and shall remain in effect as full and complete general waivers, releases and discharges notwithstanding the discovery or existence of any such additional or different facts.
- 5.2 Each of the Investors hereby acknowledges and agrees that the right of the Investors to receive Scheme Consideration in accordance with the Schemes is accepted in full and final settlement of all and any Claims and Liabilities waived and released under this Deed.

6. JOINT PROVISIONAL LIQUIDATORS' LIABILITY

- 6.1 Each of the Parties acknowledges that the JPLs act as agents of the Scheme Companies, the Manager and/or the Reinsurer and each of the Parties agrees that neither the JPLs nor their Related Parties shall incur any personal liability in any circumstances whatsoever, including, without limitation:
- (a) under, or by virtue of, any document (including this Deed);
 - (b) in relation to any related matter or Claim howsoever, whenever, and wherever arising, and whether such claim be formulated in contract, restitution, tort or by reference to any other remedy or right, and in whatever jurisdiction or forum;
 - (c) by reason of their acting in their capacity as agents of the Scheme Companies, the Manager and/or the Reinsurer;
 - (d) whether or not acting as agents of the Scheme Companies, the Manager and/or the Reinsurer, by reason of their acting in the name of and on behalf of the Scheme Companies, the Manager and/or the Reinsurer; or
 - (e) in respect of any transfer, assignment or other documents made or entered into and delivered pursuant to this Deed.
- 6.2 Neither the JPLs nor their Related Parties shall be liable on or under any deed or document executed with a view to, or for the purpose of, putting any document (including this Deed) into effect, whether or not such deed or document so provides in its terms and the JPLs shall be entitled at any time to have any such deeds or documents amended at any time to include an exclusion of personal liability on the terms as set out in paragraph 6.1(a) above.

7. FURTHER ASSURANCE

The Parties shall execute and deliver such instruments and other documents at such times and places, and shall take any action reasonably requested or required, as may be reasonably be required to give full effect to this Deed, including, without limitation to perfect or evidence any release, waiver or discharge referred to in this Deed.

8. SEVERABILITY

If any provision or part-provision of this Deed is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this Clause 7 shall not affect the validity and enforceability of the rest of this Deed.

9. THIRD PARTIES

9.1 Pursuant to the Contracts (Rights of Third Parties) Act 2016 of Bermuda:

- (a) each of the CATCo Released Parties, Advisers and Investors may rely on this Deed and enforce any of its terms, as if it were a party to this Deed;
- (b) the Settling Insurers may rely upon and enforce this Deed in respect of any CATCo Claims or CATCo Liabilities asserted by any Investor against any CATCo Released Party or Settling Insurer under the Settled Policies.

9.2 Unless otherwise specified herein, no third party has any rights under this Deed to enforce or enjoy the benefits of any terms of this Deed.

10. GOVERNING LAW

This Deed and any dispute or claim (including any non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the laws of Bermuda.

11. JURISDICTION

The courts of Bermuda and the United States bankruptcy courts shall have jurisdiction to settle any dispute or claim (including any non-contractual disputes or claims) arising out of or in connection with this Deed or its subject matter or formation.

This Deed has been entered into and delivered as a deed on the date stated at the beginning of this Deed.

IN WITNESS WHEREOF, **Markel CATCo Reinsurance Fund Ltd** and **CATCo Reinsurance Opportunities Fund Ltd** have caused this Deed to be executed and delivered as a deed by their duly authorised officers on behalf of the **Investors** as of the date first above written.

THE INVESTORS

acting by

Markel CATCo Reinsurance Fund Ltd

pursuant to the authority conferred upon Markel CATCo Reinsurance Fund Ltd by the Investors under the Private Fund Scheme

By: _____
Name:
Title:

By: _____
Name:
Title:

and acting by

CATCo Reinsurance Opportunities Fund Ltd

pursuant to the authority conferred upon CATCo Reinsurance Opportunities Fund Ltd by the Investors under the Public Fund Scheme

By: _____
Name:
Title:

By: _____
Name:
Title:

IN WITNESS WHEREOF, the **Private Fund** has caused this Deed to be executed and delivered as a deed by its duly authorised officers as of the date first above written.

Markel CATCo Reinsurance Fund Ltd

(provisional liquidators appointed for restructuring purposes)

By: _____

Name:

Title:

By: _____

Name:

Title:

IN WITNESS WHEREOF, the **Public Fund** has caused this Deed to be executed and delivered as a deed by its duly authorised officers as of the date first above written.

CATCo Reinsurance Opportunities Fund Ltd.

(provisional liquidators appointed for restructuring purposes)

By: _____

Name:

Title:

By: _____

Name:

Title:

IN WITNESS WHEREOF, the **Manager** has caused this Deed to be executed and delivered as a deed by its duly authorised officers as of the date first above written.

Markel CATCo Investment Management Ltd
(provisional liquidators appointed for restructuring purposes)

By: _____
Name:
Title:

By: _____
Name:
Title:

IN WITNESS WHEREOF, the **Reinsurer** has caused this Deed to be executed and delivered as a deed by its duly authorised officers as of the date first above written.

Markel CATCo Re Ltd.

(provisional liquidators appointed for restructuring purposes)

By: _____

Name:

Title:

By: _____

Name:

Title:

IN WITNESS WHEREOF, the **Purchaser** has caused this Deed to be executed and delivered as a deed by its duly authorised officers as of the date first above written.

SPC, LTD.

By: _____
Name:
Title:

By: _____
Name:
Title:

IN WITNESS WHEREOF, **SOAFC I, INC.** has caused this Deed to be executed and delivered as a deed by its duly authorised officers as of the date first above written.

SOAFC I, INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

IN WITNESS WHEREOF, **SOAFC II, INC.** has caused this Deed to be executed and delivered as a deed by its duly authorised officers as of the date first above written.

SOAFC II, INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

IN WITNESS WHEREOF, **SOAFC III, LTD.** has caused this Deed to be executed and delivered as a deed by its duly authorised officers as of the date first above written.

SOAFC III, LTD.

By: _____
Name:
Title:

By: _____
Name:
Title:

IN WITNESS WHEREOF, the **Adverse Development Cover Provider** has caused this Deed to be executed and delivered as a deed by its duly authorised officers as of the date first above written.

MARKEL BERMUDA LIMITED

By: _____

Name:

Title:

By: _____

Name:

Title:

IN WITNESS WHEREOF, **Markel Corporation** has caused this Deed to be executed and delivered as a deed by its duly authorised officers as of the date first above written.

MARKEL CORPORATION

By: _____
Name:
Title:

By: _____
Name:
Title:

Schedule 1
Existing classes and sub-series of shares issued by each fund of the Private Fund

Schedule 2
Existing classes and sub-series of shares issued by the Public Fund