

RNS Scheme of arrangement

Scheme of arrangement - US Bankruptcy Court

CATCO REINSURANCE OPPORTUNITIES FUND LIMITED

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Markel CATCo Provides Update on Buy-Out Transaction and Announces Notice of Filing and Hearing on the Motion for Entry of an Order Giving Full Force and Effect to Bermuda Schemes in United States Bankruptcy Court

London, 24 February 2022 - Further to previous announcements regarding the Buy-Out Transaction to be implemented pursuant to schemes of arrangement (the Schemes) proposed by Markel CATCo Reinsurance Fund Ltd. (provisional liquidators appointed for restructuring purposes) (the Private Fund) and CATCo Reinsurance Opportunities Fund Ltd. (provisional liquidators appointed for restructuring purposes) (together with the Private Fund, the Funds), Markel CATCo Investment Management Ltd (provisional liquidators appointed for restructuring purposes) is providing an update on the implementation of the Schemes and the Buy-Out Transaction.

Scheme Meetings

On 18 February 2022 the Funds published Notices of Scheme Meetings to be held on 4 March 2022 in respect of the Schemes to implement the Buy-Out Transaction.

The deadline for Scheme Creditors to submit voting instructions in respect of the Scheme Meetings is 2 p.m. (Bermuda) on 1 March 2022.

All investors are encouraged to review the Notices of Meetings and Explanatory Statement, which are available on the Buy-Out Transaction website (<https://catcobuyout.alixpartners.com>), and to submit voting instructions in respect of the Schemes. Investors that have given Investor Undertakings to support the Buy-Out Transaction are reminded that they are required to vote to approve the Schemes in order to receive the Early Consent Fee.

Chapter 15 Filing

In connection with the Buy-Out Transaction and as described in the Explanatory Statement, the Scheme Companies will seek recognition and enforcement of the Schemes in the United States as a condition precedent to completion of the Buy-Out Transaction. As more fully described below, MCIM is giving notice of the filing of a motion in the U.S. Bankruptcy Court requesting recognition and enforcement and the applicable dates in respect of such motion.

Notice

On February 23, 2022, Simon Appell of AlixPartners UK LLP and John C. McKenna of Finance & Risk Services Ltd., in their capacities as the joint provisional liquidators and as the authorized foreign representatives (the "JPLs") filed the *Motion for Entry of an Order Giving Full Force and Effect to Bermuda Schemes of Arrangement* (the "Motion") for relief under chapter 15 of title 11 of the United States Code for the CATCo Reinsurance Opportunities Fund Ltd., Markel CATCo Reinsurance Fund Ltd., Markel CATCo Investment Management Ltd. and Markel CATCo Re Ltd. (the "CATCo Group Companies") with the United States Bankruptcy Court for the Southern District of New York (the "U.S. Bankruptcy Court").

The Motion requests entry of an order that (i) grants full force and effect to the Schemes, including the security and releases, within the territorial jurisdiction of the United States; (ii) issues a permanent injunction enjoining actions that (a) would interfere with or impede the administration, implementation, and/or consummation of the Schemes and the Sanction Orders or (b) are inconsistent with the Schemes and the Sanction Orders; and

granting related relief; and (iii) grants other and further relief as the Court deems just and proper.

The U.S. Bankruptcy Court has scheduled an evidentiary hearing to consider the relief requested in the Motion for March 16, 2022, at 10:00 a.m. (New York time) (the "Enforcement Hearing") before the Honorable Lisa G. Beckerman, United States Bankruptcy Judge for the Southern District of New York, at the United States Bankruptcy Court for the Southern District of New York, Courtroom 601, One Bowling Green, New York, New York 10004. The hearing will be conducted remotely using Zoom for Government.

Any party-in-interest wishing to submit a response or objection to the motion or the relief requested therein must do so in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, and the Local Rules for the Bankruptcy Court, and such response must be received by no later than March 9, 2022, at 4:00 p.m. (New York time) and filed electronically with the U.S Bankruptcy Court on the Court's electronic case filing system in accordance with and except as provided in General Order M-399 and served upon (i) the Foreign Representatives' counsel, Skadden, Arps, Slate, Meagher & Flom LLP, One Manhattan West, New York, New York 10001 (Attn: Lisa Laukitis) *and* 155 N. Wacker Drive, Chicago, Illinois 60606 (Attn: Justin M. Winerman and Anthony R. Joseph) *and* Skadden, Arps, Slate, Meagher & Flom (UK) LLP, 40 Bank Street, Canary Wharf, London, E14 5DS (Attn: Peter Newman and Kathlene M. Burke); and (ii) the Office of the United States Trustee, U.S. Federal Office Building, 201 Varick Street, Suite 1006, New York, New York 10014, so as to be **received by 4:00 p.m. (prevailing Eastern Time) on March 9, 2022**, with a courtesy copy served upon the Chambers of the Honorable Lisa G. Beckerman, United States Bankruptcy Judge, United States Bankruptcy Court for the Southern District of New York, One Bowling Green, New York, New York 10004-1408.

Any party-in-interest opposed to the motion or the relief requested therein must appear at the hearing. As noted above, the hearing will be conducted remotely using Zoom for Government. Any parties wishing to appear at the Enforcement Hearing must follow the procedures set forth in the *Protocol for Judge Beckerman's Hearing Being Held by Zoom Video on March 16, 2021*, attached to the Notice of the Hearing as **Exhibit A**, which was filed on the Chapter 15 docket.

Copies of the motion and all accompanying documentation may be obtained by parties-in-interest on the U.S. Bankruptcy Court's Electronic Case Filing System, which can be accessed from the U.S. Bankruptcy Court's website at <http://www.nysb.uscourts.gov> (a PACER login and password are required to retrieve a document), on the buy-out transaction website at <https://catcobuyout.alixpartners.com>, or upon written request to the CATCo Group Companies' attorneys addressed to:

Skadden Arps, Slate, Meagher and Flom LLP, One Manhattan West, New York, New York 10001, USA (Attn: Lisa Laukitis)
or

Skadden, Arps, Slate, Meagher & Flom LLP, 155 N. Wacker Drive, Chicago, Illinois 60606, USA (Attn: Justin M. Winerman and Anthony R. Joseph)

or

Skadden, Arps, Slate, Meagher & Flom (UK) LLP, 40 Bank Street, Canary Wharf, London, E14 5DS, UK (Attn: Peter Newman).

Notices and other information regarding the Scheme Meetings and the Buy-Out Transaction are available on the Scheme Website at <https://catcobuyout.alixpartners.com>.

Any questions relating to the voting and/or attendance at the Scheme Meetings should be sent via email to: catcobuyout@alixpartners.com.

Disclaimers and important notices

This announcement is for information purposes only and is not intended to, and does not, constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Buy-Out Transaction or otherwise. The Schemes will be made solely pursuant to the terms of the scheme documents to be sent to investors in the Funds in due course. The scheme documents will contain the full terms and conditions of the Schemes, including details of how to vote in respect of them. Any decision in respect of, or other response to, the Schemes should be made only on the basis of the information in those documents. The information contained in this announcement is for background purposes only and no reliance may or should be placed by any person for any purpose whatsoever on the information contained in this announcement or on its completeness, accuracy or fairness. Recipients of this announcement should conduct their own investigation, evaluation and analysis of the business, data and property described in this announcement. This announcement does not constitute a recommendation concerning any investor's decision or options with respect to the Buy-Out Transaction. The information in this announcement is subject to change.

The distribution of this announcement and the terms of the Buy-Out Transaction are subject to restrictions and may not be made except pursuant to registration with or authorisation by the relevant securities regulatory authorities or an exemption therefrom. Therefore, persons who may come into possession of this announcement are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. This announcement may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

No action has been or will be taken in any jurisdiction by the Funds that would or is intended to permit a public offering, or any other offering under circumstances not permitted by applicable law, of any securities.

Further to the above, the release, publication or distribution of this announcement in other jurisdictions may be restricted by law and therefore any persons who are subject to the laws of any applicable jurisdiction (including any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Buy-Out Transaction is sent or made available to investors in that

jurisdiction (Restricted Jurisdictions)) should inform themselves about, and observe, any applicable legal or regulatory requirements. In particular, the ability of persons who are resident in such other jurisdictions or who are subject to the laws of another jurisdiction to participate in the Buy-Out Transaction may be affected by the laws of the relevant jurisdictions in which they are located or to which they are subject. Any failure to comply with applicable legal or regulatory requirements of any jurisdiction may constitute a violation of securities laws in that jurisdiction.

Copies of this announcement and any formal documentation relating to the Buy-Out Transaction are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction or any jurisdiction where to do so would constitute a violation of the laws of such jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Buy-Out Transaction (or the related Schemes).

Certain of the statements in this announcement or (and any related oral statements) may be considered forward-looking statements.

This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Buy-Out Transaction, information accessed through <https://catcobuyout.alixpartners.com> and other information published by MCIM and the Funds contain statements which are, or may be deemed to be, "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995.

Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of MCIM and the Funds about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. The forward-looking statements contained in this announcement include statements relating to the expected effects of the Buy-Out Transaction, the expected timing and scope of the Buy-Out Transaction and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "projects", "strategy", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Although MCIM and the Funds believe that the expectations reflected in such forward-looking statements are reasonable, they can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future.

There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to: the ability to complete the Buy-Out Transaction; the ability to obtain requisite regulatory and other required approvals and the satisfaction of other conditions on the proposed terms and schedule; as future market conditions, changes in general economic and business conditions, the behaviour of other market participants, the anticipated benefits from the proposed transaction not being realised as a result of changes in general economic and market conditions in the countries in which the Funds operate, weak, volatile or illiquid capital and/or credit markets, changes in tax rates, interest rate and currency value fluctuations, the degree of competition in the geographic and business areas in which the Funds operate and changes in laws or in supervisory expectations or requirements.

Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors. Neither MCIM nor the Funds, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. You are cautioned not to place any reliance on these forward-looking statements. Other than in accordance with their legal or regulatory obligations, neither MCIM nor the Funds is under any obligation, and they expressly disclaim any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. This announcement speaks only as of the date issued.

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