

To the noteholders in:

ISIN: XS1926956274

Randall & Quilter Investment Holdings Ltd. (now known as R&Q Insurance Holdings Ltd) \$70 million senior unsecured floating rate notes due 2028 (the “Notes”)

30 August 2023

Background – name change

On 14 July 2022, Randall & Quilter Investment Holdings Ltd. by resolution and with the approval of the Bermuda Registrar of Companies changed its name to R&Q Insurance Holdings Ltd (hereafter referred to as the “**Issuer**”)

Background - change in guarantor

On 26 May 2023 the Issuer obtained consent in principle from Noteholders to the resignation of Accredited America Insurance Holding Corporation (previously known as Accredited Holding Corporation) (“**AAIHC**”) as guarantor of the Notes and the accession of Randall & Quilter America Holdings Inc. (“**RQAH**”), the parent company of AAIHC, as replacement guarantor of the Notes. The consent in principle was subject to an Extraordinary Resolution being passed approving the documentation required to effect this change in guarantor (the “**Guarantor Replacement – Extraordinary Resolution**”).

An overview of RQAH with basic information about RQAH has been set out in the appendix to this announcement.

Announcement – change in guarantor

The Issuer announces that, on 30 August 2023, the Guarantor Replacement – Extraordinary Resolution was duly passed by Noteholders representing one hundred (100) per cent in principal amount of the Notes then outstanding. Accordingly, on 30 August 2023 the documentation was completed to replace the guarantor of the notes with RQAH.

On and from 30 August 2023, RQAH, as guarantor, has fully, unconditionally and irrevocably guaranteed the payment of the principal of, premium, if any, and interest on the Notes when due and payable.

For a comparison document showing the changes to the Trust Deed, please follow this link: <https://www.rqih.com/senior-notes-written-resolution/>.

*The information in this notice and its appendices has been provided by the Issuer. Deutsche Trustee Company Limited, the trustee of the Notes (the “**Trustee**”) expressly bears no liability whatsoever related to such information. Noteholders are encouraged to read this notice in its entirety.*

All capitalized terms used but not defined herein shall have the meaning assigned to them in trust deed made between the Trustee (on behalf of the Noteholders) and the Issuer 28 December 2018 (the “**Trust Deed**”). References to clauses and paragraphs are references to clauses and paragraphs in the Trust Deed.

1 **Conditions**

The amendments to the Trust Deed and Conditions, Subordination Deed and other documents approved by the Noteholders by the Guarantor Replacement – Extraordinary Resolution became effective from 30 August 2023 (the “**Effective Date**”).

2 **The Trustee’s disclaimer/non-reliance**

The request for acceptance of the Guarantor Replacement – Extraordinary Resolution was presented to the Noteholders without further evaluation or recommendations from the Trustee. There was no recommendation to the Noteholders from the Trustee.

3 **Further information**

For further information about the Issuer, please visit the Issuer’s website www.rqih.com.

The Proposal will be passed if the Written Resolution is signed on behalf of holders of not less than

For further information please contact David Gormley, email david.gormley@rqih.com and telephone +44 (0) 207 780 5994.

Yours sincerely
R&Q Insurance Holdings Ltd

OVERVIEW

RQAH as proposed guarantor

This overview contains basic information about RQAH as proposed guarantor of the Notes. It does not contain all of the information that you should consider before investing in the Notes. Please refer to the listing particulars dated 27 March 2019 for more information. Where, as a result of the change in guarantor, the listing particulars require a factual update to reflect the change in guarantor we have set this out below.

Role of RQAH

Randall & Quilter America Holdings Inc. ("**RQAH**") shall, as guarantor, fully, unconditionally and irrevocably guarantee the payment of the principal of, premium, if any, and interest on the Notes when due and payable.

Overview of RQAH

RQAH's primary address is Two Logan Square, Suite 600, Philadelphia, PA 19103. RQAH's registered address is c/o Cogency Global Inc., 850 New Burton Road, Suite 201, Dover, DE 19904.

RQAH is a Delaware corporation incorporated in the State of Delaware in the United States of America with tax reference number 13-3496014. RQAH was incorporated on 9 June 1987.

RQAH is an indirect wholly-owned subsidiary of the Issuer and is the holding company for the accredited part of the group. Subsidiaries of RQAH include Accredited Surety and Casualty Company ('ASC'), a Florida-domiciled specialist insurer which is licensed to write admitted Property & Casualty ("P&C") business in all 50 US states and the District of Columbia, is Treasury listed and enjoys an A- (Excellent) rating from A.M. Best. As a nationally admitted P&C insurer, ASC partners with MGAs and similar companies and their insurance capital partners to write business on ASC licensed and admitted paper. ASC also offers innovative solutions to meet the varying needs of the legacy transaction market. Other subsidiaries of RQAH include Accredited Specialty Insurance Company (Arizona) and Accredited Insurance (Europe) Limited (Malta), both of which are also A- (Excellent) rated by A.M. Best.

The officers of RQAH as at the date of this announcement are as follows:

Alan Quilter	President
Desiree Mecca	Treasurer
Ken Portner	Secretary

There are no potential conflicts of interest between any of the duties of RQAH, RQAH's management and their private interests and/or other duties. All the directors of RQAH listed above have their business address at Two Logan Square, Suite 600, Philadelphia, PA 19103.

RQAH is controlled by the Issuer. The rights of RQAH's shareholders are set out in its bylaws and RQAH will be managed in accordance with those bylaws and the provisions of Delaware Law.

A structure chart of the Group is set out overleaf.

Breakdown of EBITDA and Net Assets

The table below sets out the breakdown of EBITDA and Net Assets as between the Issuer, RQAH and non-Guarantor Subsidiaries as at the date of the latest audited consolidated financial statements.

	Group	RQAH		Non-guarantor subsidiaries		Issuer	
	\$m	\$m	% to Group	\$m	% to Group	\$m	% to Group

Profit from continuing operations before tax	(292.6)	(66.0)	22.5%	(155.2)	53.1%	(71.4)	24.4%
+ Share of associated loss	12.4	0.0	0.0%	12.4	100.0%	0.0	0.0%
+ Finance Costs	31.2	2.2	6.9%	5.1	16.5%	23.9	76.6%
+ Amortisation of intangibles	9.7	0.6	6.1%	9.1	93.9%	0.0	0.0%
+ Depreciation	2.4	0.0	0.0%	2.3	94.7%	0.1	5.3%
+ Amortisation of pre-contract expenses	1.2	0.0	0.0%	(0.0)	(2.4%)	1.2	102.4%
EBITDA	(260.6)	(63.2)	24.3%	(151.2)	58.0%	(46.2)	17.7%
Net Assets	185.2	212.0	114.5%	(26.8)	(14.5%)	(44.5)	(24.0%)
EBITDA % of Net Assets	(140.7%)	(29.8%)		564.8%		103.8%	

No material adverse change

There has been no material adverse change in the prospects of RQAH since the date of the most recent published audited financial statements for the Group (for financial year ending 31 December 2022).

Significant change

Since 31 December 2022, being the end of the last financial year for the Group, the Group has undertaken an internal reorganisation to separate its program management and legacy insurance business within the Group. The result of this internal reorganisation is that RQAH is now the holding company for the program management side of the business. Follow this link for further information in respect of the reorganisation : [Strategic Initiative to Separate Program Management and Legacy Insurance & Trading Update \(rqih.com\)](https://www.rqih.com)

Risks relating to the Guarantor.

Non-Guarantor companies represent over 58% of EBITDA.

The Issuer's audited consolidated financial statements include both RQAH (as guarantor) and non-guarantor companies.

Non-Guarantor subsidiaries of the Issuer represent 58% of the Group's EBITDA and (14.5)% of its Net Assets (see 'Overview – Breakdown of EBITDA and Net Assets' above). Consequently, the consolidated financial statements of the Group may be of limited use in assessing the financial position of the Guarantor.

Enforcing your rights as a holder of Notes may prove difficult and the insolvency laws of Bermuda or the State of Delaware may not be as favourable to you as UK insolvency laws or those of another jurisdiction with which you are familiar.

The Notes are issued by the Issuer, an exempt company which is incorporated under the laws of Bermuda and guaranteed by the Guarantor, a Delaware corporation. In the event of a bankruptcy, insolvency or similar event, proceedings could be initiated in Bermuda, Delaware or another jurisdiction. Such multi-jurisdictional proceedings are likely to be complex and costly for creditors and otherwise may result in greater uncertainty and delay regarding the enforcement of your rights. Your rights under the Notes would likely be subject to Bermuda and Delaware insolvency laws and there can be no assurance that you will be able to effectively enforce your rights in bankruptcy, insolvency or similar proceedings in Bermuda or Delaware.

In addition, the bankruptcy, insolvency and other laws of Bermuda or Delaware may be materially different from, or in conflict with, those of the UK, including in the areas of rights of

creditors, priority of governmental and other creditors and the duration of the proceeding. The application of Bermuda or Delaware law could adversely affect your ability to enforce your rights under the notes or limit any amounts that you may receive. See “Certain Insolvency Law Considerations” in the Listing Particulars for the Notes.

Encumbrances over assets of RQAH

RQAH has granted the following security over its assets :

(1) a New York law security agreement dated 3 July 2014 in favour of National Westminster Bank plc as Security Agent; and

(2) a New York law pledge agreement dated 26 November 2014 relating to the entire issued share capital of Accredited America Insurance Holdings Corporation in favour of National Westminster Bank plc as Security Agent. This pledge will be released shortly following the accession of RQAH as guarantor of the Notes.

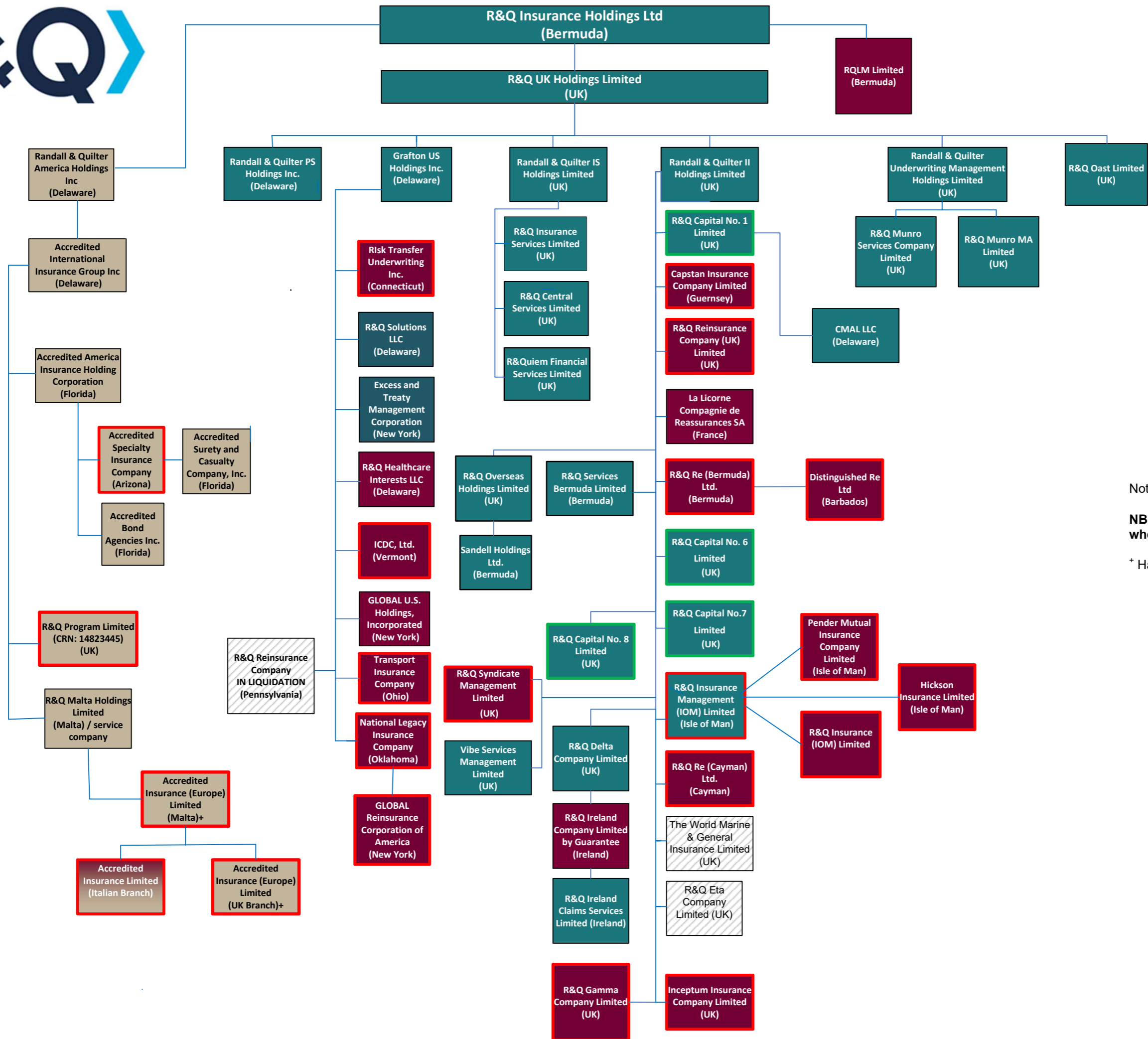
General information

The Guarantor’s entry into the Guarantee was authorized by the Guarantor’s Board of Directors on 25 July 2023.

For so long as Notes are listed on the Official List of Euronext Dublin and admitted to trading on the Global Exchange Market, the following documents may be inspected in physical format at the offices of the Issuer at 71 Fenchurch Street, London EC3M 4BS:

1. The Issuer’s bye-laws.
2. The Guarantor’s bye-laws.
3. The Trust Deed (as amended and restated on or around the date of this announcement).
4. The Paying Agency Agreement (as amended and restated on or around the date of this announcement).
5. The Subordination Deed (as amended and restated on or around the date of this announcement).
6. The latest 2 years’ audited consolidated financial statements of the Issuer.

Enc. Structure chart of the Group.



Notes:

NB: All entities are limited liability save where otherwise indicated.

+ Has a UK and an Italian branch.