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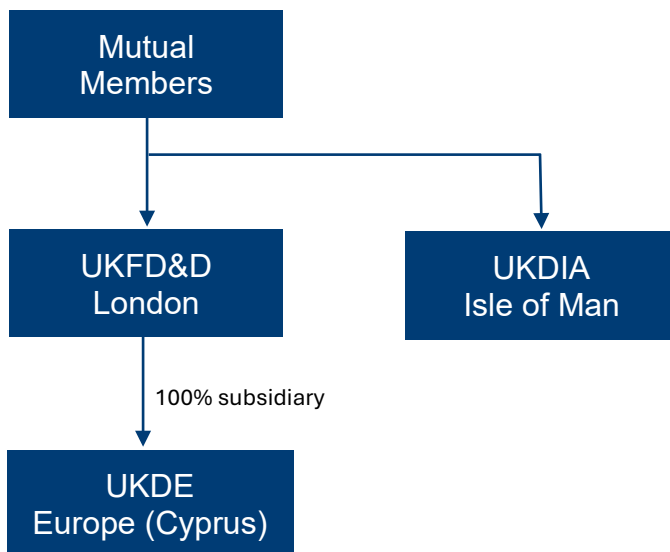
March 2025

TO: ALL MEMBERS

CLUB RESTRUCTURE

As Members will appreciate operational efficiency is key component of any business. The UK Defence Club ('the Club') is no different and as a mutual it is very much focused on maximising efficiencies for the benefit of its Members.

At a high level the Club consists of three independent, regulated insurance vehicles as summarised in the table below:

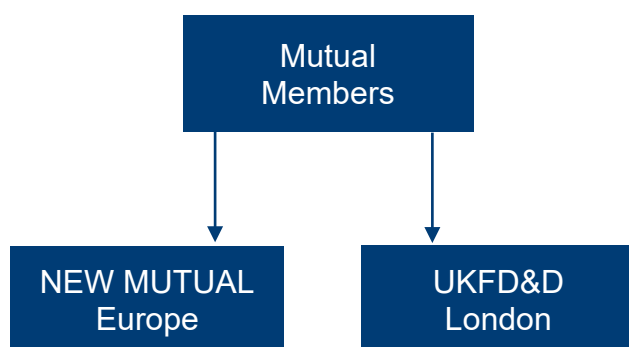


Members of the Club are Members of both UKFD&D and UKDIA. UKDE was established in 2000 following the UK's exit from the EU and is a fully owned subsidiary of UKFD&D.

The Club's Board of Directors considers that the current structure should be streamlined to achieve greater operational resilience and cost efficiencies.

In order to achieve this the Boards have resolved to establish a new mutual insurance business in Cyprus which will replace the current subsidiary arrangement with UKDE as referred to above.

Once this new mutual has been established the intention is that the Membership and assets of UKDIA will be transferred to the new mutual. The effect of this will be to reduce the Club from three entities to two as summarised below:



Members should not see any noticeable change in the Club's operations or cover as a result of this restructure, however, it will result in a more efficient corporate structure. It will also allow for better utilisation of the Club's European infrastructure.

The Boards therefore seek Membership approval to the resolution as attached. If approval is given, steps will then be taken to notify the relevant regulatory authorities; formally establish the new mutual and make arrangements to effect the necessary changes. Later in 2025 Members will be requested to consider and approve the formal steps required.

Subject to Member agreement, it is intended is that the new operational structure will be in place prior to the policy year commencing 20th February, 2026.

Should Members have any questions about this restructure please do not hesitate to contact your usual Club contact.

Yours faithfully
THOMAS MILLER DEFENCE LTD
Managers