

1 July 2020

Reference: QBEPOLF

Dear Sir/Madam

Proposed transfer of the European freedom of services business (and other ancillary business) written by QBE UK Limited from its UK head office to QBE Europe SA/NV

Background

We refer to our previous letter dated 22 August 2019 concerning the proposal to transfer part of the insurance business of QBE UK Limited (**QBE UK**), including your policy, to East West Insurance Company Limited (**EWICL**) (the **EWICL Transfer**).

As noted in our previous letter, the EWICL Transfer was due to take effect at 00:01 (Greenwich Mean Time) on 4 December 2019. However, as publicised on our website, the EWICL Transfer will no longer proceed. While this means that all of the policies proposed to be transferred to EWICL with risks located exclusively within the United Kingdom (**UK**) will now remain with QBE UK, we are proposing to transfer all of the policies previously within the EWICL Transfer with any risks located in Republic of Ireland or any other European Economic Area (**EEA**) member state (including your policy) to QBE Europe SA/NV (**QBE Europe**).

This transfer of the EEA business previously within the EWICL Transfer will form part of a wider transfer that will result in all of the general insurance and reinsurance policies written on a freedom of services basis throughout the EEA from QBE UK's head office in the UK between 1 January 1970 and 31 December 2018 (the **Transferring Business**) transferring to QBE Europe with effect from 00:01 (Greenwich Mean Time) on 1 November 2020.

This transfer is intended to ensure that such business can be properly serviced regardless of whether or not the UK leaves the European Union with a trade deal on 31 December 2020 (and the terms thereof), following the expiration of the implementation period as provided for by the European Union (Withdrawal Agreement) Act 2020.

Information about QBE Europe and the proposed transfer

QBE Europe is a Belgian (re)insurance company and is part of the same corporate group as QBE UK. Both companies are indirect wholly-owned subsidiaries of QBE Insurance Group Limited, a company incorporated in Australia and listed on the Australian Securities Exchange, which owns a number of licensed (re)insurance companies writing a wide variety of (re)insurance business in a number of territories.

As QBE UK is a UK-based insurance undertaking, the proposed transfer of the Transferring Business will be carried out in accordance with the UK Financial Services and Markets Act 2000 (the Act). The Act requires us to obtain approval to the transfer from the High Court of England and Wales (the Court).

The proposed transfer will have no effect on:

- the terms and conditions of your cover;
- the amount of your premium;
- the duration of your policy or policies; or
- any claim which you may have made or may make under your policy or policies.

In addition, Armour Risk Management Limited (**Armour**) will continue to be responsible for the administration of your policy following the effective date of the proposed transfer. This means that you should not experience any change in respect of your interactions with Armour on a day-to-day basis.

Steps taken to protect your interests

The legal approval process for the transfer from QBE UK to QBE Europe is designed to help safeguard your interests. In summary:

- The Court must approve the transfer for it to go ahead. The Court hearing to consider whether to sanction the transfer is due to take place on 21 October 2020 at the High Court of Justice, 7 Rolls Building, Fetter Lane, London EC4A 1NL. The Court will consider whether the transfer will adversely affect policyholders and whether it is appropriate to approve the transfer. You have the right to attend the Court hearing that will consider the transfer and to present any objections or concerns that you may have directly, or appoint legal counsel to attend on your behalf. If you want to telephone or write to us rather than appear in person, we will present in writing any objections received from you to the Court on 21 October 2020. If you decide to write to us you are kindly requested to do so as soon as possible. Subject to Court approval, it is expected that the Transferring Business will automatically transfer to QBE Europe on 1 November 2020. However, any change to the date of the Court hearing or the transfer will be announced on our website (<https://qbeeurope.com/>).
- An independent expert has been appointed to write a report for the Court. He has assessed the impact of the transfer and has concluded that it will not materially adversely affect any group of policyholders.
- QBE UK has consulted closely with its regulators, the Financial Conduct Authority and the Prudential Regulation Authority, and QBE Europe has been liaising with the prudential regulator in Belgium, the National Bank of Belgium (*Banque Nationale de Belgique/Nationale Bank van België*) about the transfer. The UK regulators are entitled to make representations to the Court and we expect them to do so.

We are now writing to all transferring policyholders who we believe may still be able to make a claim under a policy that is transferring from QBE UK to QBE Europe pursuant to the transfer to give them information about the transfer, allowing them reasonable time to consider whether they and any other interested parties are adversely affected and if so whether to make representations to the Court. **It is a legal requirement for QBE UK to do so under the Act (unless the Court has consented otherwise).**

Next steps

Please read the information we have included with this letter. We have enclosed a booklet containing:

- “Questions and Answers” about the transfer.
- A summary of the legal document that sets out the terms of the proposed transfer and the independent expert’s report.
- A copy of a legal notice setting out details of the Court hearing to consider the proposed transfer.

Should you need any further information or if you have any questions or concerns about the proposed transfer or consider that you may be adversely affected then please contact us as soon as possible and preferably no later than 14 October 2020. You can:

- call our dedicated helpline on +44 (0)20 3465 3330;
- write to us at 30 Fenchurch Street, London EC3M 3BD; or
- email us at brexit.queries@uk.qbe.com.

Please note that the dedicated helpline is for enquires about the transfer from QBE UK to QBE Europe only. If you have any general questions about your policy, please call the customer services team on the usual phone number and they will be happy to help.

For your convenience, this information is also available on the QBE website (<https://qbeeurope.com/>), together with full copies of the documents detailed above. All updates and details about the progress of the transfer, including any supplemental independent expert’s report that may be prepared prior to the Court hearing, will also be posted on this website and will be available from the same address.

If you are aware of anyone else who has an interest in and/or is entitled to claim under your policy, please inform them of the proposed transfer and pass on the information contained in this letter and booklet.

Yours sincerely,



For and on behalf of
QBE UK Limited



For and on behalf of
QBE Europe SA/NV