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Unique Reference / Notification ID: XXXX000000  
August 2020

Dear Sirs

**Notice of the proposed transfer of certain general insurance business written at The Society of Lloyd's ("Lloyd's") to Lloyd's Insurance Company S.A. ("Lloyd's Brussels")**

This notice has been sent to you as you are or have in the past been, a delegated claims administrator authorised to perform claims management services on behalf of a Managing Agent.

The information in this notice and all supporting information referred to is available at [www.lloyds.com/brexittransfer](http://www.lloyds.com/brexittransfer). This letter and certain key documents are also available on the website in all official languages of the European Economic Area ("EEA").

**Background to the proposed transfer**

Certain United Kingdom ("UK") insurers that are Lloyd's Members, currently enjoy EEA 'passporting' rights to enable policies to be managed within Europe without the need for further authorisation.

As a consequence of the UK's exit from the European Union ("Brexit") on 31 January 2020, current EEA passporting is expected to cease at the end of the transition period on 31 December 2020. Lloyd's is therefore proposing, on behalf of the Members, to transfer certain policies from the Members to Lloyd's Brussels (the "proposed transfer"). Lloyd's Brussels is an insurance company incorporated and regulated in Belgium and is a wholly-owned subsidiary of Lloyd's.

Unless specifically excluded, the policies (or parts of policies) to be transferred under the proposed transfer are those where all or part of the risk underwritten at Lloyd's is located in an EEA state or where the policyholder is resident in the EEA, such that the policy (or part of the policy) could not be managed post-Brexit from the UK without breaching legal or regulatory requirements ("Transferring Policies"). The proposed transfer will ensure that Transferring Policies can be compliantly managed after Brexit, including in relation to the payment of claims.

If approved by the High Court of England and Wales ("High Court"), the proposed transfer will not change the terms and conditions of any policy, except that Lloyd's Brussels will become the insurer and Data Controller in respect of Transferring Policies. The proposed transfer has been carefully designed to ensure that it will not change how policies operate. Policyholders will see no direct administrative change as a result of the proposed transfer and the process for making claims and any payments is unaffected.

If approved by the High Court, the proposed transfer is expected to take effect on 30 December 2020 ("Effective Date"). Please read all the information available at [www.lloyds.com/brexittransfer](http://www.lloyds.com/brexittransfer) and ensure that claimants under a Transferring Policy are made aware of the proposed transfer. Lloyd's will support you in making claimants aware of the proposals. Please contact us if you require support.

**The Scheme**

The proposed transfer is to be implemented by an insurance business transfer scheme under Part VII of the Financial Services and Markets Act 2000 ("Scheme"). You can find a copy of the Scheme and a summary of the Terms of the Scheme at [www.lloyds.com/brexittransfer/scheme](http://www.lloyds.com/brexittransfer/scheme).

The proposed transfer requires the approval of the High Court and an independent expert to give his opinion on the likely impact of the proposed transfer. During this process, Lloyd's is working in close consultation with

the Prudential Regulation Authority (“PRA”) and the Financial Conduct Authority (“FCA”), who are assessing the proposed transfer having regard to its objectives. The PRA and FCA will each provide reports on the proposed transfer to the High Court.

The High Court will only approve the proposed transfer if it considers it appropriate in all circumstances. If the proposed transfer is approved by the High Court, the Effective Date for the transfer is expected to be 30 December 2020. On the Effective Date, all Transferring Policies (unless specifically excluded) and related assets and liabilities will transfer to Lloyd’s Brussels. Any claims or proceedings against the Members, in connection with the Transferring Policies, shall be continued by or against Lloyd’s Brussels.

### **Impact on delegated claims agreements**

Under the terms of the Scheme, from the Effective Date the interest, title, rights and obligations of a Member of a syndicate in or under the whole or part of a delegated claims agreement under which a claims management service is being provided on claims relating to Transferring Policies will transfer to Lloyd’s Brussels. Please notify us prior to 30 October 2020 if, as a result of Brexit, you will no longer be able to perform your obligations under a delegated claims agreement under which you are providing a claims management service in relation to claims on Transferring Policies. If you do not notify us, we will assume that you will be appropriately authorised.

### **The Independent Expert**

Mr Carmine Papa of PKF Littlejohn LLP has been appointed by Lloyd’s as the independent expert for the proposed transfer (“Independent Expert”). His appointment has been approved by the PRA in the UK, in consultation with the FCA. The Independent Expert has written a report of his considerations and findings for the High Court to consider.

You can see a profile of the Independent Expert, read a copy of his full report and a summary of it at [www.loyds.com/brexittransfer/independentexpert](http://www.loyds.com/brexittransfer/independentexpert).

The Independent Expert’s principal conclusion, as described in section 2.18 of his report, is that no policyholder will be materially adversely affected by the proposed transfer.

### **Right to object**

Policyholders and other affected parties such as delegated claims administrators, who believe that they would be adversely affected by the proposed transfer has a right to attend the High Court hearing scheduled for 18 November 2020 and object to the proposed transfer, either in person or by representative. If you, or your representative, plan to attend the High Court hearing, we would ask that you make us aware before 11 November 2020, so that we can keep you informed of any changes to the hearing, such as time or date.

You may also object to the proposed transfer by telephone or in writing to Lloyd’s using the contact details below. We will make a record of your objection and communicate this to the PRA, the FCA, the Independent Expert and the High Court. More information on how to raise any concerns and objections are available at [www.loyds.com/brexittransfer/viewsofpolicyholders](http://www.loyds.com/brexittransfer/viewsofpolicyholders).

### **Further information**

Please visit [www.loyds.com/brexittransfer](http://www.loyds.com/brexittransfer) to find out further information about the proposed transfer, or to obtain copies of this notification in different languages. You can also contact Lloyd’s Brexit Transfer Team by telephone on **00800 6699 1669** or by email at [enquiries@loydsbrexittransfer.com](mailto:enquiries@loydsbrexittransfer.com). For delegated authority queries, please contact [loydsbrussels.delegatedauthority@loyds.com](mailto:loydsbrussels.delegatedauthority@loyds.com).

We recommend that you continue to review the information at [www.loyds.com/brexittransfer/importantupdates](http://www.loyds.com/brexittransfer/importantupdates). We will keep it updated as we progress through the transfer process, including details of any changes to Court hearing timings and outcomes. We will also publish a supplementary report of the Independent Expert during November 2020.

The Scheme and the Independent Expert’s report and summaries of each are also available free of charge on request from the contact details above, from our offices in London at the address below and from our offices around the world, the addresses of which can be found at [www.loyds.com/loyds-around-the-world](http://www.loyds.com/loyds-around-the-world).

### **Lloyd’s Legal Department (Brexit Transfer)**

**The Society of Lloyd’s**

**Lloyd’s Building**

**1 Lime Street**

**London**