

Market Bulletin

Ref: Y5293

Title	Lloyd's Part VII Transfer
Purpose	To update the market on the status of the Lloyd's Part VII transfer
Type	Event
From	Claire Schrader, Lloyd's Legal
Date	26 May 2020
Deadline	n/a
Related links	Lloyds.com/brexittransfer (live on 15 June 2020)

Lloyd's has previously announced that it is in the process of implementing a Part VII transfer to transfer the Lloyd's market's existing European business which will be affected by the loss of passporting rights from Lloyd's members to Lloyd's Insurance Company S.A. The Directions hearing for the transfer took place on 12 May 2020 at the High Court of England and Wales where the primary outcome was the approval of Lloyd's strategy for notifying policyholders and other interested parties of the proposed transfer.

This is another key step in ensuring that, despite Brexit, Lloyd's customers across the EEA can continue to benefit from the financial security of the Lloyd's market and their existing policies can continue to be serviced by Lloyd's Insurance Company S.A., including the payment of valid insurance claims.

What happens next?

Lloyd's, in conjunction with market participants, will be notifying policyholders of the Part VII transfer, starting from the middle of June. Where it is possible to identify policyholders, they will receive a letter outlining the details of the transfer and providing links to the Lloyd's website where they will find:

- an explanation of the proposed transfer;
- the Scheme document (and a summary of it);
- the Independent Expert's report (and a summary of it) on the impact of the Part VII on policyholders;
- the formal Legal Notice of the proposed transfer, which will be publicised in UK and EEA newspapers;

- a set of Frequently Asked Questions; and
- details of how policyholders can contact Lloyd's.

In addition to the main English site there will be dedicated webpages in German, Spanish, French, Italian and Dutch, containing translations of all these key documents. The remaining EEA languages will be supported through static content.

Policyholders will be able to ask questions or raise any objections they may have until the date of the sanctions hearing, currently scheduled for 01 October 2020.

The dedicated Part VII online hub, Lloyds.com/brexittransfer, will go live on 15 June 2020.