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Unique Notification ID: XXXX000000
June 2020

Dear Policyholder

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")

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

This notice has been sent to you as you are, or have in the past been, a holder of or a claimant on an insurance policy underwritten by or on behalf of certain of the members ("Members") of Lloyd's.

This notice is sent by Lloyd's. Please note that Lloyd's does not hold your personal data and does not usually communicate directly with policyholders. Your personal details have been supplied directly to a secure mailing house by your Lloyd's broker, managing agent or coverholder (your "market representative"), at the request of Lloyd's for the sole purpose of this notification and will be securely deleted thereafter.

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

Key Points

It is proposed, as of 30 December 2020, that Lloyd's Brussels will become the insurer of the transferred policies

The proposed transfer will ensure that your policy will continue to be managed by the Lloyd's market after Brexit

We recommend that you read the further information at

www.lloyds.com/brexittransfer

**Contact Lloyd's on
00800 6699 1669**

**9am to 5pm
UK time; Monday to
Friday, excl. Bank
Holidays**

Or email
[enquiries@
lloydsbrexittransfer.
com](mailto:enquiries@lloydsbrexittransfer.com)

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 that may be due in settlement of a valid claim will be unaffected by the proposed transfer.

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.loyds.com/brexittransfer and ensure that everyone covered under the policy is made aware of the proposed transfer. If your policy is a group arrangement, Lloyd’s will support you in making your policyholders and any other beneficiaries 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.loyds.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 caught by the Scheme and related assets and liabilities will transfer to Lloyd’s Brussels. Any claims or proceedings against the Members, in connection with these Transferring Policies, shall be continued by or against Lloyd’s Brussels.

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.

The Independent Expert’s overall conclusion, as described in chapter 2.18 of his report, is that the Scheme will not have a material adverse effect on policyholders.

Views of Policyholders

Any person who believes 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.

Further information

Please visit 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.

Please note, you should contact your usual market representative, managing agent, broker or coverholder or refer to your policy documents for further information about your policy, premium or claim as Lloyd’s is only able to answer questions in respect of the proposed transfer.

We recommend that you continue to review the information at 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.

Lloyd’s Legal Department (Brexit Transfer)
The Society of Lloyd’s
Lloyd’s Building
1 Lime Street
London