

[insert name and address of Broker]

Important information about policies you may have brokered

Dear broker

Proposed Transfer of insurance business from Travelers Insurance Company Limited¹ (TICL) to Travelers Insurance DAC (the Transferee).

We are writing to inform you about a proposed transfer of insurance business from TICL to the Transferee. We are writing to you as we understand that you have placed business, and may therefore have clients who may be affected by the transfer.

What is proposed?

TICL is proposing to transfer its general insurance business underwritten or assumed (in whole or in part) by its Irish, Dutch, French and German branches (**Transferring Business**) to the Transferee (the **Transfer**). This is an insurance business transfer scheme known as a Part VII insurance business transfer (the **Scheme**).

Both TICL and the Transferee are part of The Travelers Companies, Inc. group. The Transferee was incorporated in the Republic of Ireland on 6 February 2018. The Transferee is to be authorised by the Central Bank of Ireland as a non-life insurance company under the European Union (Insurance and Reinsurance) Regulations 2015.

The rationale for the transfer of the Transferring Business is to ensure that the transferring insurance policies can continue to be administered following the UK's withdrawal from the EU. The effect of the Transfer is that TICL's rights and obligations under the policies comprising the Transferring Business will be transferred without alteration to the Transferee. Any rights and obligations your clients may have under such policies will remain unchanged but will, following the Transfer, be exercisable against or owed to the Transferee alone.

In order for the Transfer to take place, a rigorous legal and regulatory approval process must be followed. Further details are in the enclosed booklet (which also includes a summary of the report of the Independent Expert who has been appointed to write a report for the Court on the proposed Transfer).

We are required by the UK courts to notify certain policyholders of the Transfer and have agreed certain steps with the court (which includes liaison with yourselves as well as notifying certain claimants and policyholders directly ourselves – for example we are notifying ourselves any policyholders/persons with active claims and who form part of the Transfer). To supplement our own efforts of notifying policyholders, and should any of your clients raise queries arising from any publicity surrounding the Transfer, we enclose a number of communication packs (comprising a letter to policyholders and a booklet) containing important information in respect of this proposed Transfer. It is important to send a communication pack (comprising a letter and a booklet) to each transferring policyholder of TICL for whom you brokered business and whom is captured within the Transferring Business. Please rely on your own policyholder/address records for the purposes of any communications with your clients – and we shall of course provide any reasonable assistance requested/that we can offer. The communication pack will enable TICL's policyholders to make an informed assessment of the impact of the proposed Transfer and make clear that policyholders have the right to object to the transaction, should they wish to do so.

The proposal will need approval by the High Court and the Scheme can come into effect only with the Court's approval. If the proposals are approved by the Court, then we expect that the Transfer will take place at 23:59 on **31 March 2019** (the **Effective Date**). Accordingly, I would be grateful if you could begin distributing the communication packs as soon as possible so that policyholders may have as

¹ formerly named St. Paul International Insurance Company Limited, St. Paul Travelers Insurance Company Limited and St. Katherine Insurance Company Limited

much time as possible to consider the implications of the proposed Transfer. Policyholders should have a minimum of six to eight weeks between the sending of a communication pack (which contains a notice of the hearing) to them and the sanction hearing to consider the Transfer.

Additional copies of the documents contained in the communication packs are available **online** at www.travelers.co.uk/brexit or by writing or emailing us at the details provided below. We shall wish to update the regulators if any communication packs sent by you are returned undelivered – please let us know as soon as this occurs.

How are your interests being protected?

The approval process provides a comprehensive set of protections to you and your clients' interests.

As part of this process:

- (a) the boards of directors of both TICL and the Transferee have reviewed and approved the proposals;
- (b) the companies have consulted closely with TICL's regulators: the Financial Conduct Authority (**FCA**) and the Prudential Regulation Authority (**PRA**);
- (c) as the Transferee is based in Ireland, the companies have consulted with the Transferee's regulators, the Central Bank of Ireland;
- (d) the PRA, after consulting with the FCA, approved the appointment of an Independent Expert to review the impact of the transfer on policyholders. A summary of his Scheme Report is included in the enclosed booklet; and
- (e) the High Court must approve the Transfer. The Court will consider whether the Transfer will adversely affect policyholders and whether it is appropriate to allow this Transfer.

The Court hearing is scheduled to take place on **28 March 2019** at the High Court, 7 Rolls Building, Fetter Lane, London EC4A 1NL. You and your clients can contact us by email, phone or in writing if they wish to object or think they are adversely affected by the Transfer.

What should you do?

Please read and consider the information we have included in this letter (and the accompanying booklet) to make sure that you understand what we are proposing to do, and inform any clients you have who you believe may be affected by the Transfer. We will provide reasonable assistance to you, if required, in order to help inform your clients of the Transfer and should you require such assistance, please contact us using the contact details set out below. As mentioned, please also note that we will have agreed with the Court to contact certain policyholders/claimants within the Transferring Business directly in order to assist publicise the Transfer. If you require any further copies of the booklet and policyholder letter they may be downloaded from the website: www.travelers.co.uk/brexit - this website will also publicise any changes that may take place such as to the proposed Effective Date or to the court hearing date.

If your clients do not have any concerns with the proposed Transfer, having read and considered the information available, they do not need to do anything. However, if they believe they may be adversely affected by the Transfer, they have the right to attend the High Court hearing to make their views known to the High Court either in person or by instructing a barrister or solicitor advocate to appear on their behalf. They may also make written representations. Details of how to convey your views on the Transfer are given in the enclosed booklet. Any representations received by us will be made known to the Court and to the PRA and the FCA.

We have published further information about the Transfer, including full copies of the above documentation, on the website: www.travelers.co.uk/brexit

If you need any further information, have any concerns or queries about this proposal then please contact us - you also have a right to raise such concerns to the Court.

Broker Letter

If you or your clients consider that you/they may be adversely affected by the proposals or wish to object to the proposals, then there is the right to raise such concern to the Court. Details of how to do this are included in the enclosed booklet.

Please kindly pass onto us any objections or comments that suggest your clients think that they may be adversely affected by the proposals so that we may address them. We shall ensure that the independent expert, regulators and court are made aware of any such concerns as appropriate.

If you need any further information or if you have any concerns about this proposal, then please contact us at the following **email address**: jabramso@travelers.com or **write** to Travelers Insurance Company Limited, John Abramson, Travelers Legal Department, One Creechurch Place, London EC3A 5AF. You can also **phone us** on +44 20 3207 6000. Our phone lines will be open **Monday to Friday** (excluding UK public holidays) **from 9am to 5pm**.

Yours faithfully

[Authorised Signatory of TICL]