



RSA Insurance Group plc  
20 Fenchurch Street,  
17th Floor,  
London  
EC3M 3AU  
UK

**You may be required to take action  
in respect of this letter.**

**If you have any questions please  
visit our website  
[www.rsagroup.com/brexit](http://www.rsagroup.com/brexit)**

**or call us on +44(0) 121 415 0953**

**or email us on  
[RSABrexit@Equiniti.com](mailto:RSABrexit@Equiniti.com)**

Dear Sir/Madam,

### **Proposed transfer of business in response to Brexit**

Our records show that your company (and/or its predecessor entities) or another entity within its group (and/or their predecessor entities) placed business with, or wrote business as a broker, managing general agent, co-insurer, other third party intermediary or pursuant to delegated insurance authority arrangements or scheme arrangements on behalf of one or more of Royal & Sun Alliance Insurance plc's (**RSAI's**) establishments in France, Spain, Netherlands, Belgium and Germany (the **European Economic Area (EEA) Branches**) pursuant to one or more terms of business agreement(s) (or similar agreement(s) and contractual arrangements) entered into with RSAI with respect to the EEA Branches (**TOBA(s)**).

We are writing to provide you with important information regarding the proposed transfer of the insurance and reinsurance business of RSAI's EEA Branches (the **EEA Branch Business**), including your TOBA(s), to the extent that it does not relate to the Excluded Reinsurance Business as detailed below, as well as certain other business, to RSA Luxembourg S.A. (**RSAL**), a subsidiary of RSAI incorporated in Luxembourg. RSAL is authorised by the Luxembourg Minister of Finance and supervised by the Commissariat Aux Assurance (**CAA**), the Luxembourg insurance regulator.

Certain of the RSAI EEA Branches carry on reinsurance business in respect of reinsurers domiciled in the following non-EEA jurisdictions: Argentina, Bolivia, Brazil, Canada, Chile, China, Colombia, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru Puerto Rico, Ukraine, Uruguay, Venezuela and India (the **Excluded Reinsurance Jurisdictions**). Reinsurance policies written or assumed by the RSAI EEA Branches in respect of reinsurers domiciled in an Excluded Reinsurance Jurisdiction, together with related reserves and reinsurance assets (the **Excluded Reinsurance Business**) are not included in the proposed transfer to RSAL and are excluded from the Transferring Business under the Scheme.

The proposed transfer is subject to regulatory and legal approvals and, if approved, is currently expected to take effect immediately following midnight (UK time) on 1 January 2019.

### **Background**

As a result of the United Kingdom's (**UK**) prospective withdrawal from the European Union (**EU**) (commonly known as "Brexit"), RSAI is taking the necessary steps to establish a new legal entity in Luxembourg, RSAL, and proposes to transfer the EEA Branch Business, as well as certain other business to RSAL. These changes are required to ensure that we are able to continue to service our European

business following Brexit. If the proposed transfer does not take place and the UK does withdraw from the EU, then it may not be legally permissible for RSAI to pay valid claims in respect of the EEA Branch Business following Brexit.

### **The transfer process**

The proposed transfer is being effected under UK law through an insurance business transfer scheme (**Scheme**) pursuant to Part VII of the UK Financial Services and Markets Act 2000.

RSAl and RSAL have approved the Scheme and have consulted closely with their regulators in the UK, the Prudential Regulation Authority (**PRA**) and the Financial Conduct Authority (**FCA**), and in Luxembourg, the CAA. The PRA, after consulting with the FCA, has approved the appointment of an Independent Expert who, in accordance with UK law, is required to review the Scheme and report on its impact on policyholders and other interested parties. A summary of the Independent Expert's report is provided within the enclosed booklet.

For the Scheme to become effective, the High Court of Justice of England and Wales (**Court**) must sanction the Scheme. The Court hearing for this purpose is expected to take place on 29 November 2018 and it is proposed that the transfer will take effect immediately after midnight (UK time) on 1 January 2019 (the **Effective Time**).

### **Why are we writing to you?**

We are writing to you primarily to inform you about the proposed transfer of the EEA Branch Business, including your TOBA(s), and certain other business, to RSAL.

We are also writing to you because you may have clients whose policies, claims or contracts are proposed to be transferred to RSAL pursuant to the Scheme and you may receive queries from them (including those who hold expired policies) regarding the Scheme. The information in this letter and its enclosures should provide you with the information you need to respond to these queries.

We propose to write to all policyholders with in-force policies and/or current claims, either through data held on our databases (including where we have been provided with addresses by you), or by a communication from you. Therefore, some clients of yours may receive notification of the Scheme, however other clients of yours, for example those that hold expired policies and who do not have open claims, may not receive notice of the Scheme from us but may still contact you with queries regarding the Scheme.

### **How does the Transfer affect you?**

If the Scheme is approved by the Court, the Scheme will not change any arrangements which you may have with your clients. Any TOBA(s) you have or had with RSAI (including any residual rights or obligations thereunder) that relate exclusively to the EEA Branch Business, will transfer to RSAL, notwithstanding any restrictions on transfer or requirements for counterparty consent contained in them and without triggering any pre-emption, termination or other rights which might otherwise arise. Any entitlement to terminate, modify, acquire or claim an interest or right or to treat an interest or right as terminated or modified as a result of anything done pursuant to the Scheme will only be enforceable to the extent the Court so orders.

If you no longer have an existing relationship with RSAI, then only any residual rights or obligations under your previous contractual arrangements (that relate exclusively to the EEA Branch Business) will transfer to RSAL.

### **What do you need to do?**

We would encourage you (and any of your clients that you believe may be affected by the Scheme) to read the information provided in this letter and its enclosures carefully so that you (and your clients) can consider the implications of the Scheme.

We enclose with this letter a copy of the letter and policyholder information booklet that we have sent to transferring policyholders. The policyholder booklet should be sufficient to address many of your clients' queries. If your clients have queries which cannot be answered by referring to the commonly asked questions section of the policyholder booklet, please direct your clients to the contact options in the "Further Information" section below.

If you believe that you would be adversely affected by the proposed scheme, you may raise concerns with us in writing or over the telephone and we will make a record of your concerns and communicate these to the PRA, the FCA, the Independent Expert and the Court. You are entitled to have your objections heard and/or make representations at the Court hearing to sanction the Scheme in person or by counsel.

The Court hearing to sanction the Scheme is currently scheduled to take place on 29 November 2018 at The Rolls Building, Fetter Lane, London, EC4A 1NL. Updates on the Court hearing will be made available on [www.rsagroup.com/brexit](http://www.rsagroup.com/brexit) (the **RSA website**), which will be updated should the Court hearing date change.

### **Further Information**

If you would like any further information or have any comments or queries about the Scheme, you can contact us using the methods set out below. In order to help direct your query to us, please clearly state or mark your query with the following reference '**RSA BREXIT**'.

- Write to us at RSA UK & International, 20 Fenchurch Street, London, EC3M 3AU; or
- Email us at [RSABrexit@Equiniti.com](mailto:RSABrexit@Equiniti.com); or
- Call the RSA Brexit contact centre on +44(0) 121 415 0953. The helpline will be open from 08:00 to 18:00 (UK time) on Monday to Friday. Calls may be recorded.

Any other general queries relating to policies or claims that do not relate to the Scheme should continue to be made to your usual contact or using the contact details set out in your TOBA(s).

The Independent Expert's full report and, when available, supplemental report can be found on the RSA website and are also available free of charge on request. These documents are available in English, French, German, Spanish and Dutch languages.

Further updates relating to the Scheme, including any changes to the Court hearing date will be posted onto the website, so you may wish to check for updates. If the transfer is approved, it will be announced on the RSA website.

Yours faithfully,

For and on behalf of

**Royal & Sun Alliance Insurance plc**