***[Draft letter to QBE transferring policyholders – Czech version]***

**[Joint QBE and Colonnade letterhead]**

[Name and address of policyholder]

 [Date]

Reference: [⚫]

Dear [⚫]

|  |  |
| --- | --- |
| **Policy** | **Policy Number** |
| <PRODUCT-NAME-1> | <POLICY-NUMBER-1> |

QBE Insurance (Europe) Limited (**QBE**) is proposing to transfer all of its insurance and reinsurance business in the Czech Republic to Colonnade Insurance S.A. (**Colonnade**). This includes the policy or policies shown above that you hold with QBE.

Colonnade is a general insurance company and is part of the Fairfax group, the ultimate parent company of which is a Canadian holding company, Fairfax Financial Holdings Limited (**Fairfax Financial**), listed on the Toronto Stock Exchange. Through its subsidiaries, Fairfax Financial writes a wide variety of property and casualty insurance and reinsurance business in a number of territories, including Canada, the US, Europe and Asia. Fairfax Financial is a company of considerable financial strength. As at 31 December 2015, it had excess assets of approximately US$12 billion.

Because QBE is a UK insurance company, the proposed transfer has to be carried out in accordance with the UK Financial Services and Markets Act 2000 (the **transfer**). This requires us to obtain approval from the High Court of England and Wales.

**The transfer will have no effect on:**

* the terms and conditions of your cover;
* the amount of your premium;
* the duration of your policy/policies; or
* any claim which you may have made or may make under your policy.

In addition, there will be no change to the administration of your policy, which is already carried out by Colonnade.

**How are your interests being protected?**

The legal approval process for the transfer to Colonnade is designed to help safeguard your interests.

* The High Court of England and Wales must approve the transfer for it to go ahead. The Court hearing is due to take place on 13 July 2017 at the High Court of Justice, 7 Rolls Building, Fetter Lane, London, EC4A 1NL, UK. The Court will consider whether the transfer will adversely affect policyholders and whether it is appropriate to approve the transfer. You have the right to attend the Court hearing that will consider the transfer and to present any objections or concerns that you may have directly, or appoint legal counsel to attend on your behalf. If you want to telephone or write to us rather than appear in person, QBE and Colonnade will present in writing any objections received from you to the Court on 13 July 2017. If you decide to write to us you are kindly requested to do so as soon as possible. Subject to Court approval, it is expected that policies will automatically transfer to Colonnade on 31 July 2017. Any change to the date of the transfer will be announced on the QBE and Colonnade websites.
* An Independent Expert has been appointed to write a report for the Court. He has assessed the impact of the transfer and has concluded that it won’t materially adversely affect any group of policyholders.
* QBE has consulted closely with its regulators, the Financial Conduct Authority (**FCA**) and the Prudential Regulation Authority (**PRA**). The UK regulators are entitled to make their own representations to the Court and we expect them to do so.
* We are now writing to all transferring policyholders to give them information about the transfer, allowing reasonable time for them to consider whether they and interested parties are adversely affected and if so whether to make representations to the Court and any interested party. **It is a legal requirement for QBE to do so under the English court process (unless the Court has consented otherwise).**
* If you are not satisfied with Colonnade as your new insurer for any reason, you are entitled to terminate your insurance policy within one month of the date of delivery of this letter. Your notice of termination must be received in writing, within this period, at the Colonnade address set out below, following which your insurance policy shall be considered terminated after eight days following the date of receipt of your notice.

**What should you do?**

Please read the information we have included with this letter.

We have enclosed a booklet containing:

* “Questions and Answers” about the transfer.
* A summary of the legal document that sets out the terms of the transfer and the Independent Expert’s report.
* A copy of a legal notice setting out details of the Court hearing for the transfer.

Should you need any further information or if you have any questions or concerns about the proposed transfer or consider that you may be adversely affected then please contact us as soon as possible and preferably no later than 6 July 2017. You can:

* call our dedicated helpline on: + 420 234 094 094;
* write to Colonnade at: Colonnade Insurance S.A. (Part VII Transfer), Na Pankráci 1683/127, 140 00, Praha 4, Czech Republic; or
* write to QBE at: c/o Colonnade Insurance S.A. (Part VII Transfer), Na Pankráci 1683/127, 140 00, Praha 4, Czech Republic.

Please note that the dedicated helpline is for enquires about the transfer to Colonnade only. If you have any general questions about your policy, please call the customer services team on the usual phone number +420 234 094 011 and they will be happy to help.

For your convenience, this information is also available on both the QBE websites (<http://czech.qbeeurope.com/czech/> and <http://www.qbeeurope.com/QIE-Colonnade-Part-VII-Information>) and the Colonnade website ([www.colonnade.cz](http://www.colonnade.cz)), together with full copies of the documents detailed above. All updates and details about the progress of the transfer, including any supplemental Independent Expert’s report that may be prepared prior to the Court hearing, will also be posted on these websites and will be available from the same address.

If you’re aware of anyone else who has an interest in and/or is entitled to claim under your policy, please inform them of the proposed transfer and pass on the information contained in this letter and booklet.

Yours sincerely,

**Simon Hawkins Peter Csakvari**

Head of Run-off Chief Operating Officer

QBE Insurance (Europe) Limited Colonnade Insurance S.A.