



16 October 2018

Dear Sir/Madam,

Subject: Policy with QBE Europe SA/NV ("QBE Europe") UK Branch

Thank you for choosing QBE Europe. I am writing to you to provide some information regarding QBE's Brexit restructuring plans, which will be relevant to your policy with QBE Europe upon its inception on or after 1 January 2019.

Background

As you may be aware, QBE Europe was set up to ensure continuity of service for QBE's EEA policyholders, including those who currently hold policies with QBE Insurance (Europe) Limited ("**QIEL**") and QBE Re (Europe) Limited ("**QBE Re**"), following the decision of the United Kingdom to leave the EU.

QBE established QBE Europe in February 2018 and it received its licence from the National Bank of Belgium (*Banque Nationale de Belgique / Nationale Bank van België* "**NBB**") on 22 May 2018. This authorisation was then followed up with publicly assigned Insurer Financial Strength ratings for the new entity of A+ (stable) from both Standard & Poor's and Fitch.

The Transfers

As part of the Brexit-driven restructuring plans, QBE proposes that, with effect from 1 January 2019 QIEL will transfer all of its general (re)insurance business written through its European branches to QBE Europe and QBE Re will transfer all of its general and long-term reinsurance business written through its Belgian, Bermudan and Irish branches to QBE Europe.

As QIEL and QBE Re are UK (re)insurance companies, the proposed transfers have to be carried out in accordance with the UK Financial Services and Markets Act 2000 (the "**Transfers**"). This requires QBE to obtain approval from the High Court of England and Wales (the "**Court**") and the final Court hearing to approve the Transfers is due to take place on 19 December 2018 at the High Court of Justice, 7 Rolls Building, Fetter Lane, London, EC4A 1NL.

The QBE Europe policyholder profile will change significantly when the Transfers take effect and, during the hearing, the Court will consider whether the Transfers will adversely affect policyholders (including new policyholders of QBE Europe) and whether it is appropriate to approve the Transfers. To assist the Court in making its decision:

- an Independent Expert has been appointed to write a report for the Court. He has assessed the impact of the Transfers and has concluded that they will not materially adversely affect any group of policyholders; and
- the UK regulators (the Financial Conduct Authority and the Prudential Regulation Authority) have considered and given no objection to the Transfers.

Subject to Court approval, it is expected that the relevant QIEL and QBE Re policies will automatically transfer to QBE Europe on 1 January 2019. Any change to the expected date of the Transfers will be announced on the QBE website.

For the avoidance of doubt, the Transfers will have no effect on:

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



If you have any questions or concerns about the proposed Transfers, you can:

- speak to your QBE Underwriter;
- call our dedicated helplines on: + 44 20 7105 5566 (UK) or + 32 2224 9889 (Belgium); or
- write to QBE at: Plantation Place, 30 Fenchurch Street, London EC3M 3BD or Boulevard du Régent 37, BE 1000, Brussels.

For your convenience, information is also available on the QBE website (<https://qbeeurope.com/>). All updates and details about the progress of the Transfers, including the supplemental Independent Expert's report that will be prepared prior to the final Court hearing, will also be posted on these websites and will be available from the same address.

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

Yours sincerely,

A handwritten signature in black ink, appearing to read "D. Winkett".

.....
David Winkett, Chief Financial Officer
For and on behalf of
QBE Europe SA/NV