



19 August 2022

Dear Sir/Madam

THIS LETTER AND ITS ENCLOSURES ARE IMPORTANT – PLEASE READ THEM CAREFULLY

Proposed transfer of insurance business under Part VII of the Financial Services and Markets Act 2000 (FSMA)

Our records show that you or an entity within your group (or your or their respective predecessor entities) arranged Employers' Liability policies with QBE UK Limited (**QBEUK**) and/ or handle or recently handled claims under such policies on behalf of clients. QBEUK changed its name from QBE Insurance (Europe) Limited to its current name on 1 January 2019.

We are writing to provide you with important information regarding the proposed transfer of part of QBEUK's insurance business to Inceptum Insurance Company Limited (**Inceptum**).

The proposed transfer is subject to regulatory and legal approvals and, if approved, is currently expected to take effect at 00:01 (GMT) on 2 December 2022.

Introduction

QBEUK and Inceptum have agreed to a transfer of a portfolio of insurance business consisting of, amongst others, employers' liability and public liability policies that were written in the United Kingdom and incepted on or prior to 31 December 2007.

QBEUK's objective in disposing of this portfolio is to rationalise its business by divesting itself of a legacy portfolio which is no longer core to its ongoing operations.

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.

QBEUK and Inceptum have approved the proposed transfer and have consulted closely with their regulators in the UK, the Prudential Regulation Authority (**PRA**) and the Financial Conduct Authority (**FCA**). The PRA, after consulting with the FCA, has approved the appointment of an independent expert (the **Independent Expert**), who, in accordance with UK law, is required to review the proposed transfer 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 proposed transfer 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 25 November 2022 and it is proposed that the transfer will take effect at 00:01 (GMT) on 2 December 2022 (the **Effective Date**).

What do you need to do?

You (and any of your clients that you believe may be affected by the Scheme) are encouraged to carefully consider the material contained within this letter and its enclosures.

The proposed transfer will have no effect on the terms and conditions of policies placed by you with QBEUK on behalf of your clients, but the insurer under those policies will change from QBEUK to Inceptum.

Claims are currently handled on behalf of QBEUK by R&Q Central Services Limited (**RQCS**), a company within Randall and Quilter insurance group (**R&Q**). Following the proposed transfer, RQCS will continue to handle the claims, but on behalf of Inceptum instead of QBEUK. There will be no changes to how issued policies are administered as part of the proposed transfer to Inceptum, and Inceptum will endeavour to ensure that policyholders continue to receive the same levels of service as currently seen. Policyholders should continue to contact their usual contact or their current broker or other intermediary for any policy or claim related queries in the usual way.

In addition to writing to brokers, QBEUK is writing to those transferring policyholders whom it believes are most likely to be affected by the proposed transfer. In particular, it is writing to transferring policyholders who currently have an open claim or who have made an industrial disease claim under a transferring policy in the last five years. Given the maturity of the business to be transferred and the limited availability of name and address details within the companies' records, it is possible that not all of your clients who may be affected by the Scheme will receive a letter about it directly from QBEUK.

We therefore ask that you provide a copy of this letter and its enclosures to any of your clients whom you believe may be affected by the Scheme. We can provide further copies for this purpose on request, if required. We also ask that you to keep a record of, and communicate to us, any clients to whom you forward this letter and its enclosures (including the date of forwarding, any returned letters and the date of such returns, and any questions received).

If any party considers they may be adversely affected by the Scheme or objects to the Scheme, then they have a right to raise their concerns to, and for their objection to be heard by, the Court.

If any party believes that they would be adversely affected by the Scheme, they may raise these concerns with us in writing or over the telephone using the contact details below and we will make a record of their concerns and communicate these to the PRA, the FCA, the Independent Expert and the Court. They are also entitled to make representations in person or by counsel at the Court hearing to sanction the Scheme.

The Court hearing is currently scheduled to take place on 25 November 2022 at The Rolls Building, Fetter Lane, London, EC4A 1NL. Updates in relation to the Scheme, including any change to the Court hearing date, will be made available on the QBEUK website at <https://qbeeurope.com/quk-inceptum-part-vii-information/>.

However, unless they are unsure about the proposals, have any questions, or think they may be adversely affected, they are not required to take any action in respect of the proposed transfer.

Further Information

If you or your clients would like any further information or have any comments or queries about the Scheme, you or your clients can contact us using the methods set out below.

- Write to us at R&Q Insurance Holdings Ltd., 71 Fenchurch Street, London EC3M 4BS (Ref: Jacqui Rayner); or
- Email us at businesstransfers@rqih.com (Ref: Fusion Part VII); or
- Call us on +44 (0)20 7977 0892 from Monday to Friday during usual business hours (09.00 to 17.00).

Any other general queries relating to policies placed by you with QBEUK that do not relate to the proposed transfer should continue to be made to your usual contact or using the contact details set out in your any relevant terms of business agreement.

The Independent Expert's full report and, when available, supplemental report can be found on the QBEUK website at <https://qbeeurope.com/quk-inceptum-part-vii-information/> and are also available free of charge on request.

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

Yours faithfully,

A handwritten signature in black ink, appearing to read 'G. Bridges', with a stylized flourish at the end.

Gavin Bridges
Head of European Market and Legacy Claims
For and on behalf of QBE UK Limited