

# East West Insurance Company Limited

Our reference: WBGS13

Date 1 August 2017

To Whom it May Concern

Dear Sir/Madam

## **IMPORTANT INFORMATION REGARDING THE PROPOSED TRANSFER OF THE ZURICH BUILDING GUARANTEE BUSINESS TO EAST WEST INSURANCE COMPANY LIMITED**

We are writing to you as you are an East West Insurance Company Limited (**East West**) policyholder. Please read this letter and the enclosures carefully as they provide you with important information

### **What is happening?**

We are proposing to accept the transfer of part of Zurich Insurance plc's (**ZIP**) UK general insurance business (more specifically its UK Building Guarantee policies (the **Policies**)) to East West (the **Transfer**).

ZIP is a public limited company incorporated in Ireland which conducts business in the United Kingdom through a branch registered in England and Wales. As such, the Transfer will be carried out by an insurance business transfer scheme under the Irish Assurance Companies Act 1909, the Insurance Act 1989 and the European Union (Insurance and Reinsurance) Regulations 2015 of Ireland, which will be submitted for approval to the High Court of Ireland (the **Court**).

The Court hearing, which will consider and, if appropriate, approve the Transfer, is currently scheduled for 14 March 2018. If Court approval is granted, the Policies will transfer to East West on 31 March 2018.

### **Will anything change?**

The Transfer will have no impact on your policy.

The terms and conditions of, and your rights and obligations under, your policy will not change.

Registered Office  
20 Old Broad Street,  
London, EC2N 1DP  
Reg in England  
No.822210

## How are you protected?

Your interests, and the interests of other policyholders, are being looked after by a review process which includes:

- the appointment of an independent actuary (the **Independent Actuary**) to produce a report for the Court on the likely impact of the Transfer on policyholders;
- close consultation with the UK and Irish financial services regulators responsible for the supervision of ZIP and East West;
- the ability for you and other policyholders to raise concerns and object to the Transfer; and
- the requirement for approval of the Transfer by the Court.

The Court will only approve the Transfer if it considers it appropriate.

## What should you do next?

We enclose a set of questions and answers about the Transfer which you should read carefully.

If you are aware of anyone else who has an interest in your policy, please ensure that they are also given the opportunity to read this letter and the enclosures.

**Unless you want to raise any concerns or object to the Transfer, you do not have to take any further action.**

However, if you believe you may be adversely affected by the Transfer, you can call, email or write to us using the details in the further information section below.

If you would like more information about how to raise concerns or if you wish to appear at the Court hearing or object to the Transfer, please read the enclosed set of questions and answers.

## Keeping you informed

If the Transfer is approved by the Court on 14 March 2018, or if there are any changes to the Transfer process (such as changes to the Court hearing date), we will update [www.armorholdings.com/client-resources/transfer-of-the-zurich-uk-building-guarantee-business/](http://www.armorholdings.com/client-resources/transfer-of-the-zurich-uk-building-guarantee-business/) with this information.

### **Further information**

You can find more detailed information at [www.armorholdings.com/client-resources/transfer-of-the-zurich-uk-building-guarantee-business/](http://www.armorholdings.com/client-resources/transfer-of-the-zurich-uk-building-guarantee-business/) including the scheme document, the full Independent Actuary's report and any supplemental reports prepared by the Independent Actuary.

You can also call us on 03332 405717. Phone lines are open from 9.30am to 5.00pm Monday to Friday (excluding public holidays). If you prefer, you can write to us at East West Insurance Company Limited, Building Guarantee Policy Transfer, 20 Old Broad Street, London EC2N 1DP or by email to [ewicl@armourrisk.com](mailto:ewicl@armourrisk.com).

These contact details can also be used to request free copies of any of the documents relating to the Transfer or to ask any further questions.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'S. Bar', is positioned above the company name.

**EAST WEST INSURANCE COMPANY LIMITED**

## PROPOSED TRANSFER TO EAST WEST INSURANCE COMPANY LIMITED

### YOUR QUESTIONS ANSWERED

#### The Proposed Transfer

Zurich Insurance plc (**Zurich**) is proposing to transfer part of its UK general insurance business (more specifically its UK Building Guarantee policies (the **Policies**)) to East West Insurance Company Limited (**East West**) (the **Transfer**).

This booklet is designed to help you answer any questions you may have about the Transfer.

#### 1. More about the Transfer

##### 1.1. Who is Zurich?

Zurich is an Irish authorized non-life insurance company. Zurich underwrites general insurance risks for personal, commercial and corporate customers. Zurich is the principal underwriter for the Zurich Group's general business in Europe and operates through a network of branches across Europe.

##### 1.2. How will the Transfer take place?

The Transfer will be carried out by an Irish court process used to transfer insurance businesses. This is because Zurich is a public limited company incorporated in Ireland which conducts business in the United Kingdom through a branch registered in England and Wales. As a result, the Irish courts are responsible for deciding whether to approve the Transfer.

##### 1.3. When will the Transfer happen?

If approved by the High Court of Ireland (the **Court**), the Transfer is currently expected to take place on 31 March 2018 (the **Transfer Date**).

##### 1.4. Why is Zurich carrying out the Transfer?

Zurich has not sold any new Policies since 2009, choosing instead to focus on growing its core business. As a result, it is proposing to transfer the Policies to East West.

##### 1.5. Why does East West wish to accept the transfer?

East West is a UK authorised insurance company which is part of the Armour Group. The Transfer meets the strategic and economic objectives of EWICL and its parent company in the Armour Group.

## **2. Policyholders**

### **2.1. How will the Transfer affect my policy?**

You will continue to receive the same cover under your policy and there will be no change to the terms and conditions.

### **2.2. Does East West have the means to manage the Policies in addition to its present commitments?**

Since 30 January 2017, the Policies have been serviced on behalf of Zurich by Armour Risk Management Limited (Armour). Armour has a dedicated team which is experienced in servicing such business. Following the Transfer, East West will continue to use Armour as its third party administrator. The management of East West's existing policies will be unaffected by the Transfer.

### **2.3. Do I need to do anything?**

If you have no concerns about the Transfer, you do not need to do anything.

### **2.4. What can I do if I have any concerns?**

If you are concerned that the Transfer may adversely affect you in any way, you may contact us by:

- Calling us on 03332 405717;
- Writing to us at East West Insurance Company Limited, Building Guarantee Policy Transfer, 20 Old Broad Street, London EC2N 1DP or
- Emailing us at [ewicl@armourrisk.com](mailto:ewicl@armourrisk.com).

Whether or not you have contacted us with your concerns, you also have the right to raise your concerns and / or object to the Transfer, either in person or through legal representation, at the Court hearing scheduled to take place on 14 March 2018. Any person who wishes to be heard at the Court hearing and any person who objects to the proposed transfer but does not intend to appear at the Court hearing should give notice in writing of such intention or objection and the reasons therefore to A&L Goodbody Solicitors at International Financial Services Centre, North Wall Quay, Dublin 1, Ireland (Ref: EAM/JN), such notice to arrive no later than 5.00pm on 8 March 2018. Any person wishing to make submissions at the Court hearing or rely on evidence at the hearing should file an affidavit with the Court setting out those submissions or the evidence on which they propose to rely and serve a copy of that affidavit on A&L Goodbody at the aforementioned address quoting our reference EAM/JN, to arrive no later than 5.00pm on 8 March 2018.

### **Can anyone else raise concerns or object?**

Yes. Any person who thinks they may be adversely affected by the Transfer in any way is entitled to be heard at the Court hearing.

### **3. Protection of interests**

#### **3.1. How are the interests of affected parties protected?**

The interests of parties affected by the Transfer are being protected by a process which includes:

- the appointment of an independent actuary to produce a report for the Court on the likely impact of the Transfer on Policyholders;
- consultation with the (1) Central Bank of Ireland and (2) the UK's Prudential Regulation Authority (the **PRA**) and the Financial Conduct Authority (the **FCA**);
- the ability for affected parties to raise concerns or object to the Transfer; and
- the requirement for approval of the transfer by the High Court of Ireland.

The Court will only approve the Transfer if it considers it appropriate in all the circumstances.

#### **3.2. Who is the independent actuary?**

The independent actuary is Simon H. Sheaf who is the Head of General Insurance in the Actuarial and Risk Practice of Grant Thornton UK LLP. Mr. Sheaf has over 25 years' experience in the insurance industry. He is independent of both Zurich and East West.

#### **3.3. What is the role of the independent actuary?**

The independent actuary has produced a report that has been submitted to the Court. The report contains his opinion on how the Transfer will affect the various groups of policyholders of Zurich and East West.

The independent actuary's report is available in full (free of charge) on our website; [www.armorholdings.com/client-resources/transfer-of-the-zurich-uk-building-guarantee-business/](http://www.armorholdings.com/client-resources/transfer-of-the-zurich-uk-building-guarantee-business/) and at our office and the offices of Zurich (address details are provided in section 6 below). You can also obtain a copy of the independent actuary's report by contacting us using the contact details in section 6 below.

#### **3.4. What is the independent actuary's view of the Transfer?**

The independent actuary has considered the impact of the Transfer on transferring policyholders, policyholders remaining in Zurich and existing policyholders of East West. The independent actuary has concluded that he does not expect any material adverse impact on any group of policyholders as a result of the Transfer.

#### **4. The Court Hearings**

##### **4.1. What has already happened?**

We informed the Court on 17 July 2017 that we intended to communicate with certain Policyholders in relation to the Transfer. This communication is part of that process.

##### **4.2. When and where will the Court hearing take place?**

The Court hearing to approve the Transfer is scheduled to take place at the High Court of Ireland, Four Courts, Dublin 7, Ireland on 14 March 2018.

##### **4.3. How will you let me know about the Court hearing?**

Any updates in relation to the Court hearings will be published on our dedicated website [www.armorholdings.com/client-resources/transfer-of-the-zurich-uk-building-guarantee-business/](http://www.armorholdings.com/client-resources/transfer-of-the-zurich-uk-building-guarantee-business/).

##### **4.4. How will I know if the Transfer is approved?**

Court approval of the Transfer will be announced on our website following the Court hearing.

##### **4.5. What will happen if the Court does not approve the Transfer?**

If the Court does not approve the Transfer, the Policies will remain with Zurich. We will update our website to reflect this following the Court hearings.

#### **5. Further Information**

##### **5.1. Where can I get further information about the Transfer?**

Further information is available on our website; [www.armorholdings.com/client-resources/transfer-of-the-zurich-uk-building-guarantee-business/](http://www.armorholdings.com/client-resources/transfer-of-the-zurich-uk-building-guarantee-business/), including copies of all documents referred to in these questions and answers for download (free of charge). You may also inspect the relevant documents at our or Zurich's office (see below for details).

##### **5.2. Can I receive the communication pack in other formats?**

Yes. If you would like this information pack or any of the documents referred to in it, call us on 03332 405717.

**6. Contact details**

East West: East West Insurance Company Limited  
Building Guarantee Policy Transfer,  
20 Old Broad Street,  
London,  
EC2N 1DP

Tel: 03332 405717

Email: [ewicl@armourrisk.com](mailto:ewicl@armourrisk.com)

Website: [www.armourholdings.com/client-resources/transfer-of-the-zurich-uk-building-guarantee-business/](http://www.armourholdings.com/client-resources/transfer-of-the-zurich-uk-building-guarantee-business/)

Zurich: Zurich Insurance plc,  
Building Guarantee Transfer,  
PO Box 16853  
Birmingham  
B2 2EN

Tel: 0800 954 1047 (or if calling from outside the UK, on +44 178 233 9736)

Email: [buildingguaranteetransfer@uk.zurich.com](mailto:buildingguaranteetransfer@uk.zurich.com)

Website: [www.zurich.co.uk/buildingguaranteetransfer](http://www.zurich.co.uk/buildingguaranteetransfer)