

**HCCI Coverholder Letter
On letterhead of HCCI**

[] 2018

[Name of Company]

[Address]

Dear Sirs

HCC INTERNATIONAL INSURANCE COMPANY PLC ("HCCI")
TOKIO MARINE KILN INSURANCE LIMITED ("TMKI")
TOKIO MARINE EUROPE SA ("TME")
INSURANCE BUSINESS TRANSFER

Following the press announcement in 2017, HCCI and TMKI (companies within the Tokio Marine Group) have been working together to establish an insurance company incorporated in Luxembourg, TME. This new insurance company will ensure that regardless of the outcome of the current Brexit negotiations, the current Tokio Marine teams will be able to continue to provide insurance services to their clients in the EEA. As part of this seamless transition and to ensure full continuity of service to our policyholders, it is proposed that HCCI will transfer the business of its EEA branches, and TMKI will transfer the business of its EEA branches, to TME.

The transfer is proposed so that the Tokio Marine Group will be able, through TME, to administer and pay claims under the policies written through EEA branches of HCCI and TMKI after the UK leaves the European Union.

1. THE PROPOSAL

The transfer of the above-mentioned businesses to TME will be carried out under what is known as an insurance business transfer scheme (the "**Scheme**"). The Scheme can only enter into effect with the approval of the High Court by an order under Part VII of the Financial Services and Markets Act 2000 (the "**Act**").

The business to be transferred consists of the insurance and reinsurance contracts for which HCCI is the insurer or reinsurer through its branches in France, Germany, Ireland,

Italy, Norway and Spain and for which TMKI is the insurer or reinsurer through its branches in Belgium, France, Germany, Italy, the Netherlands and Spain.

HCCI and TMKI have made an application to the High Court for this order which is due to be heard by the Court later this year. Provided the Court's approval is obtained, the transfer is expected to become effective at 00:01 am on 1 January 2019.

As required by the Act, an independent expert has produced a report on the proposed transfer. The independent expert concludes in his report that there would be no material adverse impact on the security or standards of service of any group of HCCI's or TMKI's policyholders.

You have been sent this notice because you act as a coverholder in respect of one or more transferring policies of HCCI. HCCI requests that you inform any transferring HCCI policyholder which is a customer of yours of the proposed transfer by forwarding a copy of the enclosed policyholder statement to them, together with a copy of the enclosed summary of the Scheme and of the independent expert's report, and by directing them to the following website:

<https://www.tmhcc.com/en/about-us/brexit>

We would be grateful if you could let us know if you need any further copies or further assistance from us in order for you to notify your clients as requested above.

2. **WHAT THIS MEANS FOR POLICYHOLDERS**

On the Scheme coming into effect:

- (a) TME will replace HCCI as the insurer or reinsurer under each transferring insurance contract or reinsurance contract for which HCCI is currently the insurer or reinsurer; and
- (b) TME will replace TMKI as the insurer or reinsurer under each transferring insurance contract or reinsurance contract for which TMKI is currently the insurer or reinsurer.

Apart from this, the terms of such contracts will not change.

From the date of the transfer, the same staff will continue to administer the transferred business on behalf of TME.

Any person who alleges that he or she would be adversely affected by the carrying out of the Scheme is entitled to be heard by the Court at the hearing of the application, as are the Prudential Regulation Authority and the Financial Conduct Authority.

