

## **THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

**If you are in any doubt as to the action you should take, you should consult your stockbroker, solicitor, accountant or other independent financial adviser authorised under the Financial Services Markets Act 2000, if you are in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.**

If you have sold or otherwise transferred all of your shares of 6.5p each in the capital of Hiscox Ltd, please forward this document, together with the accompanying documents at once to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. However, these documents should not be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws of such jurisdiction.

If you have sold or transferred only part of your holding of shares in Hiscox Ltd, you should retain these documents and consult the bank, stockbroker or other agent through whom the sale or transfer was effected.

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# **HISCOX LTD**

**(Incorporated and registered in Bermuda with registered number 38877)**

## **Scrip Dividend Scheme**

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This document contains the terms and conditions of the 2019 Hiscox Ltd Scrip Dividend Scheme (the **Scrip Dividend Scheme**). **The Scrip Dividend Scheme will not apply in respect of the final dividend to be paid on 12 June 2019. That dividend is subject to the terms of the 2016 Scheme.** The Scrip Dividend Scheme will apply to any subsequent interim or final dividends in respect of which a scrip dividend alternative is offered. An expected timetable in relation to the application of the Scrip Dividend Scheme to a particular dividend will be made available on the Company's website at or around the time the dividend is announced.

This Scrip Dividend Scheme is the successor to the Company's Scrip Dividend Scheme which was adopted at the 2016 AGM and comes to an end at the 2019 Annual General Meeting (the **2016 Scheme**). **All elections made under the 2016 Scheme (other than those made via CREST) will remain in force for the purposes of the Scrip Dividend Scheme and will apply for all future dividends to which the Scrip Dividend Scheme applies until cancelled by you in writing.**

This document does not constitute a prospectus nor does it constitute an admission document drawn up in accordance with the Listing Rules.

Notice of an Extraordinary General Meeting of Hiscox Ltd to be held at Elbow Beach Hotel, 60 South Shore Road, Paget PG 04, Bermuda and via video link at 1 Great St Helen's London EC3A 6HX on 16 May 2019 at 12.45 pm (local time), 4.45 pm (BST) (or as soon after the Annual General Meeting convened for 12.30 pm (local time), 4.30pm (BST) on that day concludes), at which authority for the Directors to offer a scrip dividend alternative will be sought, accompanies this document.

The information contained in this document is accurate only as at the date of this document. Except to the extent required by applicable law, the Listing Rules or the Disclosure Guidance and Transparency Rules, Hiscox Ltd will not necessarily update any of the statements in light of new information or future events and does not undertake to do so.

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## Part I - Letter from the Company Secretary of Hiscox Ltd

### To holders of Ordinary Shares ('Shareholders') in Hiscox Ltd and holders of depositary interests issued by Equiniti Limited in respect of Ordinary Shares ('Depository Interest Holders').

30 April 2019

Dear Shareholders and Depository Interest Holders

#### **SCRIP DIVIDEND SCHEME**

I am writing to confirm that the Directors have decided to make available to Shareholders a new Scrip Dividend Scheme as the successor to the Company's scrip dividend scheme which was adopted in 2016 and which comes to an end at the forthcoming Annual General Meeting. The terms and conditions of the new Scrip Dividend Scheme are contained in this document.

**The 2016 Scheme will continue to apply in respect of the final dividend to be paid on 12 June 2019.** Subject to shareholder approval, the new Scrip Dividend Scheme will apply to any subsequent interim or final dividends in respect of which a scrip dividend alternative is offered and will be available until the conclusion of the Company's annual general meeting held in 2022. A resolution granting authority for the Directors to offer a scrip dividend alternative will be proposed for approval at an Extraordinary General Meeting (the 'EGM') to be held at 12.45 pm (local time), 4.45 pm (BST) (or as soon after the Annual General Meeting convened for 12.30 pm (local time), 4.30pm (BST) on that day concludes).

Scrip dividends offer potential benefits to Shareholders and Depository Interest Holders as they enable them to increase their holding or interest in the Company in a simple manner without incurring any dealing costs. At the same time, the Company can retain more cash for reinvestment in its business, which would otherwise be paid as a dividend.

Further details of the Scrip Dividend Scheme and the procedure to be followed are set out below.

**All elections currently in force under the 2016 Scheme (other than those made via CREST) will remain in force for the purposes of the Scrip Dividend Scheme and will apply for all future dividends to which the Scrip Dividend Scheme applies until cancelled by you in accordance**

#### **with the terms and conditions of the Scrip Dividend Scheme.**

The tax consequences of electing to receive New Shares or New Depository Interests instead of a cash dividend will depend on your individual circumstances.

The tax treatment may change during the period for which the Scrip Dividend Scheme is available.

**If you are in any doubt about what course of action to take, you should consult immediately your stockbroker, bank manager, solicitor, accountant or other independent financial adviser.**

The attention of Shareholders not resident in the United Kingdom is drawn to paragraph 11 of the Scrip Dividend Scheme Terms and Conditions as detailed at Part II of this document.

Shareholders who do not already have a current election in force for the scrip alternative under the 2016 Scheme will be sent a Scrip Mandate Form on the next occasion that the Directors decide to offer a scrip dividend alternative in respect of a dividend. If you complete a Scrip Mandate Form or you have previously completed a scrip mandate form under the 2016 Scheme, your election will remain in force (subject to paragraph 13 of the Scrip Dividend Scheme Terms and Conditions) in respect of your entire holding of Shares for all future dividends until cancelled by you in writing, or otherwise on expiry of the Scrip Dividend Scheme (which will be at the conclusion of the Company's annual general meeting held in 2022).

Scrip Mandate Forms must be received by the Company's Registrars by no later than the date advised by the Company when a dividend is announced in order to be eligible for that dividend. Scrip Mandate Forms received by the Company's Registrars after that date will be applied in respect of the next dividend declared by the Company.

**Shareholders who elect for the Scrip Dividend Scheme may cancel their Mandate at any time by contacting the Company's Registrars by**

**telephone or in writing. For a cancellation to be effective in respect of a particular dividend, it must be received by not later than the deadline advised by the Company when a dividend is announced for receipt of Scrip Mandate Forms. If it is received after that date, it will not apply to that dividend but it will apply in respect of all subsequent dividends declared by the Company.**

Depository Interest Holders who wish to elect for the Scrip Dividend Scheme should make an election via the CREST system. If a Depository Interest Holder elects via the CREST system, such election will apply (subject to paragraph 13 of the Scrip Dividend Scheme Terms and Conditions) only to the next dividend declared by the Company, but not to any subsequent dividends (i.e. if a Depository Interest Holder wishes to participate in the Scrip Dividend Scheme in relation to more than one dividend declared by the Company, such Depository Interest Holder must make separate elections in respect of each such dividend).

**Any election made via the CREST system by a Depository Interest Holder in respect of the 2016 Scheme will not apply with respect to the Scrip Dividend Scheme.**

**If you wish to receive dividends in cash in the usual way, and do not have a valid election in place under the 2016 Scheme, you need take no action and should disregard this document.**

Completion of allotments under the Scrip Dividend Scheme is subject to several conditions, namely shareholder approval of the resolutions which will be proposed at the EGM to give authority to the Directors to offer scrip dividend alternatives for three years, admission of the New Shares to the Official List of the FCA and to trading on the London Stock Exchange and sufficient authority under Bye-Law 5 of the Company's Bye-Laws (Authority to allot Relevant Securities). If any of these conditions are not met, the Scrip Dividend Scheme will not be introduced or will be cancelled (as the case may be) and dividends will be paid in cash to all Shareholders and Depository Interest Holders.

In respect of future allotments under the Scrip Dividend Scheme, applications will be made by the Company for the New Shares and the New Depository Interests to be admitted to the Official List of the FCA and to trading on the London Stock

Exchange. On issue, the New Shares will rank pari passu with the then existing issued Shares in the Company and the New Depository Interests will rank pari passu with the then existing issued Depository Interests issued by Equiniti Limited in respect of Shares in the Company, in respect of all rights arising on or after the date of issue.

Yours faithfully



**Marc Wetherhill**  
Company Secretary

## Part II - Scrip Dividend Scheme Terms and Conditions

### 1. The Scrip Dividend Scheme

The Scrip Dividend Scheme enables you, at your election, to receive New Shares or New Depositary Interests in respect of any interim or final dividends in respect of which a scrip dividend alternative is offered instead of the cash dividends you would otherwise receive. This makes it possible for you to increase your shareholding or interest in the Company without going into the market to buy Shares or Depositary Interests. You will not incur any dealing costs. Please refer to paragraph 14 below for taxation information.

The applicability of the Scrip Dividend Scheme for any future dividend is conditional on the Directors having the authority from Shareholders to offer scrip dividend alternatives. At the EGM, a resolution will be proposed to give authority to the Directors to offer scrip dividend alternatives for three years. If this resolution is passed then the Directors will be authorised to implement the Scrip Dividend Scheme and although the Directors can cancel the Scrip Dividend Scheme at any time it is the Directors' current intention to offer a scrip dividend alternative for future dividends on a continuing basis until it expires.

### 2. Electing for the Scrip Dividend Scheme

Subject to approval of the resolutions at the EGM, Scrip Mandate Forms will be sent to those Shareholders who have no current election in force under the 2016 Scheme. Those shareholders can elect for the Scrip Dividend Scheme by signing and returning such a Scrip Mandate Form (which may be amended from time to time) in accordance with the instructions thereon. **All elections made under the 2016 Scheme (other than those made via CREST) will remain in force for the purposes of the Scrip Dividend Scheme and will apply for all future dividends to which the Scrip Dividend Scheme applies until cancelled by you in accordance with the terms and conditions of the Scrip Dividend Scheme.**

Scrip Mandate Forms must be received by the Company's Registrars by no later than the date advised by the Company when a dividend is announced in order to be eligible for that dividend. Details of the expected timetable in relation to the application of the Scrip Dividend Scheme to a particular dividend (including the Dividend Payment

Date, the Ex-dividend Date and the Record Date for any dividend) will be available on the Company's website at [www.hiscoxgroup.com](http://www.hiscoxgroup.com) and from the documentation provided to Shareholders by the Company in respect of that dividend or by contacting the Company's Registrars on their helpline as indicated below. **The Company intends that the last date for electing for any scrip dividend under the Scrip Dividend Scheme and therefore for receipt of any Scrip Mandate Forms or an electronic election via the CREST system will be prior to the date on which the scrip reference share price is determined. If it is not possible for such a timetable to apply in respect of any future dividends the Company reserves the right not to make an offer under the Scrip Dividend Scheme of New Shares, and an offer of New Depositary Interests, in respect of any particular dividend.**

For each Shareholder, a Scrip Mandate Form will remain in force in respect of your entire holding of Shares for all future dividends to which a scrip dividend alternative is offered until cancelled by you.

Any Scrip Mandate Form which is incomplete or which is sent to an address other than that stated for the Company's Registrars in respect of the Form when despatched will not be accepted or considered valid.

Depositary Interest Holders who wish to elect for the Scrip Dividend Scheme should elect to participate in the Scrip Dividend Scheme by way of an electronic election via the CREST system, in accordance with the procedures for electronic elections set out in the CREST Manual. Any election made by a Depositary Interest Holder in respect of the 2016 Scheme will not apply with respect to the Scrip Dividend Scheme. Please note that no other form of election by or on behalf of Depositary Interest Holders (including by way of the delivery of a Scrip Mandate Form) will be accepted by the Company or the Company's Registrars. If received, any such alternative form of election will be rejected and returned to the relevant Depositary Interest Holder.

Where a valid election to participate in the Scrip Dividend Scheme is made by way of an electronic election via the CREST system, this election will be valid (unless and until cancelled by such Depositary Interest Holder) only in respect of the next dividend

declared by the Company following the date of such election, but not to any future dividends. Depository Interest Holders who wish to participate in the Scrip Dividend Scheme in relation to more than one dividend declared by the Company must make separate elections in respect of each such dividend.

In order to be valid, elections made via the CREST system must contain a number of Depository Interests in relation to which an election to participate in the Scrip Dividend Scheme is being made. If the relevant field is left blank or completed with a zero, the election will be rejected. If the number of Depository Interests in relation to which an election to participate in the Scrip Dividend Scheme is being made is greater than the number of Depository Interests held in CREST for the relevant Depository Interest Holder on the applicable record date, the election will be deemed to have been made in respect of that Depository Interest Holder's total holding of Depository Interests held on the applicable record date.

If you are a CREST Personal Member, or other CREST Sponsored Member, you should consult your CREST Sponsor, who will be able to take appropriate action on your behalf.

Upon execution of a Scrip Mandate Form or electronic election via the CREST system, such Shareholder or Depository Interest Holder (as the case may be) is deemed (in respect of himself, his heirs, successors and assigns): (a) to agree to participate in the Scrip Dividend Scheme pursuant to these terms and conditions; and (b) (i) in respect of each Shareholder, to authorise the Company or its agent to send to the relevant Shareholder at that Shareholder's registered address any definitive share certificate in respect of New Shares allotted, and (ii) in respect of each Depository Interest Holder, to authorise Equiniti Financial Services Limited to send to the relevant Depository Interest Holder a statement showing the number of New Depository Interests allotted, the scrip reference share price and the total cash equivalent of the New Depository Interests.

For details regarding overseas Shareholders and Depository Interest Holders, please see paragraph 11 below.

### **3. Number of New Shares and New Depository Interests**

The number of New Shares and New Depository Interests that Shareholders and Depository Interest Holders will receive in respect of each dividend will depend on the amount of the cash dividend, any residual cash balance brought forward (in the case of Shareholders only) from the last scrip dividend (including, where relevant, under the 2016 Scheme), the number of shares or Depository Interests held and the scrip reference share price to be used in calculating the scrip entitlement of the relevant Shareholder or Depository Interest Holder. The scrip reference share price will be equal to the average middle market quotation for a fully paid share of the Company (adjusted if necessary) as shown on the London Stock Exchange Daily Official List or as established from such other source as the Directors consider appropriate for a period of five business days commencing on such date as the Directors may decide, which will be advised by the Company when a dividend is announced to the extent a scrip alternative is then offered. The scrip reference share price will be posted on the Company's website [www.hiscoxgroup.com](http://www.hiscoxgroup.com). The formula used for calculating the maximum number of New Shares, and the maximum number of New Depository Interests, to be received for each dividend declared by the Company is set out below:

(Number of Shares held at the dividend record date <b>X</b> cash dividend rate) <b>+</b> any fractional cash entitlement carried forward from last dividend* <b>÷</b> Scrip reference share price
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\*Fractional cash entitlements will be available for Shareholders only, and fractional cash entitlements will be carried forward from scrip dividends for which a Shareholder has participated under the 2016 Scheme.

Once the New Shares have been issued, (a) a new share certificate and (b) a statement showing the number of New Shares allotted, the scrip reference share price and the total cash equivalent of the New Shares, will be sent to the relevant Shareholders.

For details regarding the issue of New Depository Interests, please see paragraph 7 below.

### **4. Fractions and cash balances**

No fraction of a New Share will be allotted and calculations of entitlements to New Shares will

always be rounded down to the nearest whole New Share. Any residual cash balance will either: (a) in the case of Shares, be carried forward to be included in the calculation of New Shares to be issued in respect of the next dividend declared by the Company to which a scrip dividend alternative is offered; or (b) in the case of Depositary Interests, paid in cash on the relevant dividend payment date. No interest will be paid on any residual cash balances.

#### **5. Future dividends**

Once a Shareholder has returned a valid Scrip Mandate Form, the relevant mandate will apply for all successive dividends to which a scrip dividend alternative is offered unless and until it is cancelled by the Shareholder. Once a Depositary Interest Holder has made a valid electronic election via the CREST system, the relevant election will apply only for the next scrip dividend payable by the Company unless it is cancelled by the Depositary Interest Holder by no later than the date advised by the Company when a dividend is announced as the last date to make scrip elections.

The Scrip Dividend Scheme is always subject to the Directors' decision to offer a scrip dividend alternative. The Directors' may decide not to offer a scrip dividend alternative in respect of any future dividend.

All New Shares and New Depositary Interests issued under the Scrip Dividend Scheme will automatically increase Shareholders' and Depositary Interest Holders' holdings which will form the basis on which the entitlement to any subsequent scrip dividend will be calculated. Where the cash dividend is insufficient to acquire New Shares or New Depositary Interests: (a) funds representing each Shareholders' fractional cash entitlements will be accumulated for their benefit, and then (i) added to the cash amount of their subsequent dividends in respect of which a scrip dividend alternative is offered and applied in calculating Shareholders' entitlements under those dividends, or (ii) paid out to each relevant Shareholder where a scrip dividend alternative is not offered or to be applied in respect of a subsequent dividend; or (b) funds representing Depositary Interest Holders' fractional entitlements will be paid out to each relevant Depositary Interest Holder.

If you withdraw from the Scrip Dividend Scheme or sell or transfer your entire holding of or interest in Shares or if the Company terminates the Scrip Dividend Scheme any cash balance of less than £5 will be paid to a charity of the Company's choice.

#### **6. Listing and ranking of the New Shares and the New Depositary Interests**

Application will be made to the FCA and the London Stock Exchange for admission to listing and trading of the New Shares and the New Depositary Interests. The New Shares will be credited as fully paid and will rank equally in all respects with the existing shares (including the same voting rights). Equally, the New Depositary Interests will rank *pari passu* with the existing Depositary Interests issued by the Company's Registrars in respect of Shares in the Company, in respect of all rights arising on or after the date of issue.

If for any reason the New Shares and/or the New Depositary Interests are not admitted to listing or trading the Company will pay the relevant dividend in cash in the usual way as soon as practicable.

#### **7. Share certificates and dealings in the New Shares and New Depositary Interests**

Subject to the New Shares and the New Depositary Interests being admitted to the Official List of the FCA and to trading on the London Stock Exchange: (a) new share certificates will be posted, at Shareholders' own risk, on or about the same date as dividend warrants are posted to Shareholders who are taking the dividends in cash (see our website [www.hiscoxgroup.com](http://www.hiscoxgroup.com) for the expected dates in respect of each relevant dividend); and (b) Depositary Interest Holders will have their member accounts credited directly with the New Depositary Interests on the dividend payment date or as soon as practicable thereafter and will separately receive a statement showing the number of New Depositary Interests allotted, the scrip reference share price and the total cash equivalent of the New Depositary Interests.

Dealings in the New Shares and the New Depositary Interests are expected to begin on the relevant dividend payment date.

#### **8. Multiple and joint holdings**

If a Shareholder's shares or Depositary Interest Holder's Depositary Interests are registered in more than one holding, unless such multiple holdings are

consolidated before the scrip election date, they will be treated as separate. As a result, separate Scrip Mandate Forms will need to be completed, or separate electronic elections made via the CREST system, for each holding if Shareholders and Depositary Interest Holders wish to receive New Shares or New Depositary Interests, respectively, under the Scrip Dividend Scheme in respect of each holding.

In respect of holdings held in joint names, all joint Shareholders or Depositary Interest Holders must sign the Scrip Mandate Form or elect electronically via the CREST system (as the case may be).

#### **9. Partial elections**

Scrip Mandate Forms will only be accepted in relation to whole shareholdings. The Directors may, at their discretion, allow a Depositary Interest Holder to elect in respect of a lesser number of Depositary Interests where they are acting on behalf of more than one beneficial holder, that is, through a nominee depositary interest holding held in CREST. Any such related electronic election via the CREST system must contain the number of Depositary Interests for which the election is being made. Such election must be renewed for each dividend. A cash dividend will be paid on any remaining Depositary Interests not included in the election.

#### **10. Overseas Shareholders and Depositary Interest Holders**

Shareholders and Depositary Interest Holders who are resident outside the UK may treat this document as an invitation to receive New Shares or New Depositary Interests, respectively, unless such an invitation could not lawfully be made to such Shareholders and Depositary Interest Holders without compliance with any registration or other legal or regulatory requirements in the relevant non-UK jurisdiction. It is the responsibility of any person resident outside the UK wishing to elect to receive New Shares or New Depositary Interests pursuant to the Scrip Dividend Scheme to be satisfied that such an election can validly be made without any further obligation on the part of the Company, and to be satisfied as to full observance of the laws of the relevant territory, including obtaining any governmental, regulatory or other consents which may be required and observing any other formalities in such territories and any resale restrictions which

may apply to the New Shares or the New Depositary Interests. Unless this condition (i.e. that any person resident outside the UK and wishing to participate in the Scrip Dividend Scheme must take responsibility for being satisfied that such an election can be validly made) is met, such Shareholders and Depositary Interest Holders may not participate in the Scrip Dividend Scheme or sign a Scrip Mandate Form or elect electronically via the CREST system (as the case may be).

#### **11. Recent sale or purchase of Shares or Depositary Interests**

If Shareholders or Depositary Interest Holders have sold some of their Shares or Depositary Interests, respectively, prior to a dividend record date, the Scrip Dividend Scheme will apply in respect of the remainder of such Shareholders' Shares or Depositary Interest Holders' Depositary Interests accordingly. If Shareholders or Depositary Interest Holders have bought any additional Shares or Depositary Interests, respectively, after a dividend record date, the additional Shares or Depositary Interests will not be eligible for the next dividend declared by the Company, but will be eligible for future scrip dividends, without the need to complete a further Scrip Mandate Form in respect of the additional Shares, although there will be a need to elect again via the CREST system in respect of additional Depositary Interests.

#### **12. Cancellation of Mandates and electronic elections**

Shareholders may cancel their Scrip Dividend Mandates at any time. Notice of cancellation must be received by the Company's Registrars, by no later than the date advised by the Company when a dividend is announced for receipt of the Scrip Mandate Forms. A notice of cancellation will take effect on its receipt and will be processed by the Company's Registrars in respect of all dividends payable after the date of receipt of such notice. If a notice of cancellation is received after that date, the Shareholder will receive additional shares under the Scrip Dividend Scheme in respect of the relevant dividend and the cancellation will take effect for subsequent dividends. A Mandate will be deemed to be cancelled if such Shareholder sells or otherwise transfers their Shares to another person but only with effect from the registration of the relevant transfer. If a Shareholder sells or transfers the entire

shareholding before or on the last date for the receipt of elections for a particular dividend, such Shareholder will be withdrawn from the Scrip Dividend Scheme for that dividend.

Depositary Interest Holders may cancel their election to participate in the Scrip Dividend Scheme at any time by way of a message sent via the CREST system except that, for a cancellation instruction to be effective for a relevant dividend, it must be received by not later than 5.00p.m. (London time) on the date advised by the Company when a dividend is announced as the last date to make scrip elections.

A Shareholder's Mandate or Depositary Interest Holder's election will terminate immediately on receipt of notice of such Shareholder's or Depositary Interest Holder's death. However, if a joint Shareholder or Depositary Interest Holder dies, the Mandate or election will continue in favour of the surviving joint Shareholder(s) or Depositary Interest Holder(s) (unless and until cancelled by the surviving joint Shareholder(s) or Depositary Interest Holder(s) or, in the case of Depositary Interest Holders, terminated upon the payment of the next dividend in accordance with paragraph 2 above). Any residual amounts over £5 standing to the credit of a Shareholder or Depositary Interest Holder will be paid to such Shareholder or Depositary Interest Holder in cash (by cheque) on or as soon as practicable after the cancellation. Where such residual amount is under £5, such sums will be paid to a charity of the Company's choice.

Any notice sent to an address other than that stated in respect of a Scrip Mandate Form will not be accepted or considered valid.

### **13.Changes to or cancellation of the Scrip Dividend Scheme**

The Directors may at any time, at their discretion and without notice to Shareholders or Depositary Interest Holders, modify, suspend, terminate or cancel the Scrip Dividend Scheme. In the case of any modification, existing Mandates and electronic elections (unless otherwise specified by the Directors) will be deemed to remain valid under the modified arrangements unless and until the Company's Registrars or CREST (as the case may be) receives a cancellation from such Shareholders or Depositary Interest Holders pursuant to paragraph 12 above. If the Scrip Dividend Scheme is terminated

or cancelled by the Directors, all Mandates and electronic elections then in force will be deemed to have been cancelled as at the date of such termination or cancellation.

The operation of the Scrip Dividend Scheme is always subject to the Directors' decision to make an offer of New Shares, and an offer of New Depositary Interests, in respect of any particular dividend. The Directors also have the power, after such an offer is made, to revoke the offer generally at any time prior to the allotment of New Shares (and New Depositary Interests) under the Scrip Dividend Scheme.

If the Directors revoke an offer (or otherwise suspend, terminate or cancel the Scrip Dividend Scheme or any Scrip Mandate Forms), Shareholders and Depositary Interest Holders will receive their dividend in cash on or as soon as reasonably practicable after the relevant dividend payment date.

### **14.Taxation**

The tax consequences of electing to receive New Shares or New Depositary Interests instead of a cash dividend will depend on your individual circumstances.

If you are not sure how you will be affected from a tax perspective, you should consult your solicitor, accountant or other professional adviser before taking any action. UK resident trustees, corporates, pension funds and other Shareholders and Depositary Interest Holders, including overseas Shareholders and Depositary Interest Holders, are advised to contact their professional advisers regarding their own tax circumstances before taking any action in relation to the Scrip Dividend Scheme.

### **15.Governing law**

The Scrip Dividend Scheme is subject to the Company's Bye-Laws and these terms and conditions, as amended from time to time, and is governed by, and its terms and conditions are to be construed in accordance with, English law. By electing to receive New Shares or New Depositary Interests, the relevant Shareholder or Depositary Interest Holder agrees to submit to the exclusive jurisdiction of the English courts in relation to the Scrip Dividend Scheme.

### **Contacts**

For general enquiries about the Scrip Dividend Scheme, please contact the Company's Registrars, Equiniti (Jersey) Limited on 0333 207 5965 (UK) or

+44 121 415 0269 (outside the UK). Lines are open 8.30 a.m. to 5.30 p.m. (UK time) Monday to Friday (except public holidays in England and Wales). Calls to the helpline from outside the UK will be charged at applicable international rates. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Scrip Dividend Scheme nor give any personal financial, legal or tax advice.

## Part III - Definitions

**Annual General Meeting** the Annual General Meeting of Hiscox Ltd to be held at to be held at Elbow Beach Hotel, 60 South Shore Road, Paget PG 04, Bermuda and via video link at 1 Great St Helen's London EC3A 6HX on 16 May 2019 at 12.30 pm (local time), 4.30 pm (BST).

**2016 Scheme** the Hiscox Ltd Scrip Dividend Alternative scheme adopted at the annual general meeting of the Company held on 19 May 2016.

**Company's Registrars** or **Equiniti** means Equiniti (Jersey) Limited. Postal address c/o Equiniti Limited Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA.

**CREST** the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI/3755)) in respect of which Euroclear UK & Ireland Limited is the operator.

**CREST Manual** the rules governing the operation of CREST consisting of the CREST Reference Manual, the CREST International Manual, the CREST Central Counterpart Service Manual, the CREST Rules, the CCSS Operations Manual, and the CREST Glossary of Terms, each as amended from time to time.

**CREST Personal Member** a person who has been admitted to CREST as a system-member, as defined in the CREST Manual.

**CREST Sponsor** a CREST participant admitted to CREST as a CREST Sponsor.

**CREST Sponsored Member** a CREST member admitted to CREST as a CREST Sponsored Member.

**Depositary Interests** depositary interests issued by Equiniti Limited in respect of Shares in the Company.

**Depositary Interest Holder** a holder of depositary interests issued by Equiniti Limited in respect of shares in the Company.

**Directors** the directors of Hiscox Ltd.

**Disclosure Guidance and Transparency Rules** the Disclosure Guidance and Transparency Rules made under Part VI of FSMA (as set out in the FCA Handbook), as amended.

**EGM** the Extraordinary General Meeting of the Company to be held on 16 May 2019.

**FCA** the United Kingdom Financial Conduct Authority

**Hiscox** or **Company** Hiscox Ltd, incorporated and registered in Bermuda under registration number 38877.

**Listing Rules** the Listing Rules made under Part VI of FSMA (as set out in FCA Handbook), as amended.

**London Stock Exchange** London Stock Exchange plc.

**New Depositary Interests** the new Depositary Interests to be issued by Equiniti Limited pursuant to the Scrip Dividend Scheme.

**New Shares** the new Shares to be issued by the Company under the Scrip Dividend Scheme.

**Scrip Dividend Scheme** the Hiscox Ltd Scrip Dividend Scheme as comprised under, and subject to the terms and conditions contained in, Part II of this document, as amended from time to time.

**Scrip Dividend Mandate** or **Mandate** the instructions of a Shareholder as set out in a valid Scrip Mandate Form.

**Scrip Mandate Form** a mandate in a form provided by the Company from a Shareholder to the Directors to allot New Shares under the terms of the Scrip Dividend Scheme in lieu of a cash dividend to which they may become entitled from time to time.

**Shareholder** a holder of Shares in the Company.

**Shares** ordinary shares of par value 6.5 pence each in the capital of the Company.

**UK** or **United Kingdom** means the United Kingdom of Great Britain and Northern Ireland and its dependent territories.

