

**FREQUENTLY ASKED QUESTIONS**

**Proposed insurance business transfers by:**

**Hiscox Insurance Company**

**to**

**Hiscox S.A.**

**Under Part VII of the Financial Services and Markets Act 2000**

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## **PART A– WHAT IS HAPPENING?**

### **1. In summary, what is happening?**

Following the UK's decision to leave the European Union (commonly known as 'Brexit') Hiscox Insurance Company Limited (**HIC**) is proposing to make some necessary changes to its business so that it can continue to service its policyholders and claimants in the UK and across Europe after Brexit.

HIC is proposing to transfer certain policies from HIC (a company registered in the UK), to Hiscox S.A. (**HSA**) (a subsidiary of Hiscox Ltd that is based in Luxembourg), via an insurance business transfer process known as a Part VII transfer.

### **2. What is a Part VII transfer process?**

A Part VII transfer is a court-sanctioned legal transfer for the transfer of some, or all, of the insurance business from one insurance company to another. The process is defined by Part VII of the Financial Services and Markets Act 2000 (**FSMA**) (**Part VII Transfer**) and is governed by the High Court of England and Wales (the **High Court**).

Our UK Regulators, the Prudential Regulation Authority (the **PRA**) and the Financial Conduct Authority (the **FCA**) oversee the transfer process to ensure that policyholders are protected. As part of the process, an Independent Expert is also appointed, who is an agent of the High Court. That person's role is to assess the effect of the transfer on all policyholders (both those whose policies are being transferred and those whose policies will remain) before and after the transfer.

### **3. Which policies are transferring?**

Only certain policies are transferring to HSA under the Transfer. The policies which are transferring are:

- (a) all policies written by a branch of HIC in the EEA;
- (b) all policies written in respect of policyholders based in the EEA;
- (c) all policies written in respect of EEA risks only.

(the **European Policies**).

In addition, where a policy (which is not a European Policy) has been written in respect of: (i) EEA risks and; (ii) UK risks and/or non-EEA risks (a **Mixed Policy**), HSA will become the insurer under the policy in respect of EEA risks so that you will become a policyholder of both HIC and HSA.

The policies referred to at paragraphs (a) to (c), plus the part of the Mixed Policy written in respect of EEA risks will transfer to HSA (the **Transferring Policies**).

To help determine the "location of risk" of your policy, we have provided further information in Annex 1. If you have any questions regarding how your policy will be treated, then please contact us using one of the country numbers, emails or postal addresses set out in Annex 2 of this document.

### **4. What is the effect of the Proposed Transfer under the Part VII process?**

For policies that remain in HIC, the terms and conditions (including applicable policy limits) of your policy would stay the same.

For policies that transfer to HSA, the terms and conditions (including applicable policy limits) of your policy would stay the same but HSA will be the insurer and take the place of HIC in any proceedings (whether current, future, pending, threatened or otherwise) involving HIC.

Our obligations to you as your insurer will not change for all policies – staying or transferring.

If you have any further questions on the Proposed Transfer or how this will affect your policy, please contact us using one of the country numbers, emails or postal addresses set out in Annex 2 of this document.

## **PART B – IS MY POLICY AFFECTED?**

### **5. Why have I received a letter?**

You have received a letter because you are, or have in the past been, a holder of or a claimant of an insurance policy underwritten by HIC.

### **6. I am no longer a policyholder, why are you making me aware of the Proposed Transfer?**

The terms of some of the policies issued by HIC may allow claims to be made a number of years after the original policy has expired. Depending on the terms of your policy, you may still have the right to bring a claim under this policy – which is why we are making you aware of the Proposed Transfer.

### **7. I am not based in the UK – does the Proposed Transfer affect me?**

Yes, as explained in question 3 above, if you have a policy that was issued by a European branch (excluding UK) of HIC, it will transfer to HSA.

If you are a policyholder based in Europe, your policy will transfer to HSA.

If you are a policyholder based outside of Europe and the UK, then:

- if your policy only covers European risk(s), it will transfer to HSA;
- if you have a Mixed Policy, the European risk(s) will transfer to HSA.

### **8. What if my policy covers both UK and/or non-EEA risks and EEA risks? (Mixed Policy)**

If your policy was issued by the UK branch of HIC and covers risks in the UK, an EEA country (excluding the UK) and/or countries outside of the EEA, your policy is a Mixed Policy.

The UK risks and risks for countries outside of the EEA for your Mixed Policies will continue to be covered by HIC and the EEA risks will transfer to HSA in the Proposed Transfer. You will become a policyholder of both companies. The terms and conditions (including applicable policy limits) of your policy would stay the same for all policies, except that Mixed Policies will be amended so that HSA becomes the insurer in respect of any EEA risks.

If you are located in the EEA, the whole policy would transfer to HSA in the Proposed Transfer.

## **PART C – INFORMATION ABOUT HSA**

### **9. Who is Hiscox S.A. (HSA)?**

HSA is a regulated insurance company within the Hiscox Group. HSA is incorporated in Luxembourg and operates from its headquarters located at 35F, Avenue J.F. Kennedy, L-1855, Luxembourg. HSA is authorised by the Luxembourg Minister of Finance and is subject to supervision from the Commissariat Aux Assurances (the Luxembourg insurance regulator). Hiscox S.A. received its licence from the Luxembourg regulator in January 2018 and has an A rating from S&P. The competent commercial register of HSA in Luxembourg is the “Registre du Commerce et des Sociétés” (RCS) of the Grand Duchy of Luxembourg and the registration number is B217018.

### **10. Why was Luxembourg chosen as the European headquarters for HSA?**

Luxembourg was chosen for several reasons after a thorough review of possible locations. Luxembourg is well positioned at the centre of our existing European operations, has a stable

economy, an experienced and well-respected insurance regulator and is a hub for financial services generally.

## **PART D – DO I NEED TO DO ANYTHING ELSE?**

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

You are not required to take any action – unless you have questions or think you might be adversely affected by the Proposed Transfer. If that is the case, please refer to questions 12 and 13 below.

We would encourage you to read the information in the Scheme Booklet (the **Scheme Booklet**) which was enclosed with your policyholder notification letter and further details on the Scheme Website [www.hiscoxgroup.com/partvii](http://www.hiscoxgroup.com/partvii) carefully, so that you can consider the implications of the Proposed Transfer.

Although the PRA and FCA provide oversight on the Part VII process and both provide the High Court with a report setting out their respective views on the Proposed Transfer, this should not be a substitute for each customer giving consideration as to how the Proposed Transfer may affect them.

If you are aware of anyone else who has an interest in and/or is entitled to benefits under your policy, such as a joint policyholder or another beneficiary or claimant, please ensure that they are also given the opportunity to review the documents we have sent.

### **12. Where can I find further information?**

More information can be found in the Scheme Booklet which was enclosed with your Policyholder Notification letter.

Copies of all documents relating to the Proposed Transfer including the Independent Expert's full report and full Scheme document can be viewed or downloaded from our website set up for the Proposed Transfer at [www.hiscoxgroup.com/partvii](http://www.hiscoxgroup.com/partvii). Updates regarding the Proposed Transfer will be posted onto the Scheme Website from time to time including any changes to the date of the High Court hearing or effective date. Please check the website regularly for any updates.

Alternatively, If you would like further information or copies of the Proposed Transfer documents, free of charge, or have any other queries relating to the Proposed Transfer please contact us using one of the country numbers set out in Annex 2. We are opened between the hours of 9.00am and 5.00pm from Monday to Friday (excluding public holidays).

### **13. If I believe I will be adversely affected by the transfer, how can I object to the Proposed Transfer, raise any concerns or make representations?**

If you have any comments or queries, or feel you may be adversely affected by the Proposed Transfer, please call us using one of our contact numbers provided in Annex 2 at the end of this document, as we may be able to deal with your concerns. We will be open between the hours of 9.00am and 5.00pm from Monday to Friday (excluding public holidays). We will make a record of your concerns and communicate these to the High Court, the Royal Court of Jersey, the Independent Expert, the PRA and the FCA.

Whether or not you contact us first, you have the right to:

- Make written representations and/or to appear at the High Court hearing in person and/or
- Instruct a legal representative to appear at the High Court hearing to make representations on your behalf.

Although you do not need to contact us before exercising your rights outlined above, we ask that you do let us know so that we have the opportunity to discuss any concerns directly with you and so that we can keep you informed of any changes to the hearing (such as date or time).

Please let us know as soon as possible by contacting us using one of the numbers, emails or addresses provided in Annex 2, and preferably no later than 5 days before the High Court hearing currently scheduled for 14<sup>th</sup> December 2018 (Royal Court of Jersey scheduled for 17<sup>th</sup> December 2018). We will bring any representations received to the attention of the High Court, the Royal Court of Jersey, the Independent Expert, the PRA and the FCA.

## **PART E – THE PART VII TRANSFER PROCESS**

### **14. How is a Part VII transfer process approved?**

Before any transfer can become effective, notice is required to be given to all parties that may be affected, including policyholders. The transfer must then be approved by the High Court.

The High Court will approve the transfer if it considers that it is appropriate to do so taking account of all of the circumstances. The High Court requires a report to be prepared by an Independent Expert, whose appointment is approved by the UK industry regulators, the PRA and the FCA. This report will include an analysis of whether any group of policyholders are materially adversely affected. The High Court will also consider the views of the PRA and FCA in deciding whether to approve the transfer.

### **15. How am I protected in the Part VII Transfer process?**

The legal and regulatory framework relating to the Part VII Transfer seeks to ensure that, among other things, policyholders' interests are safeguarded and the security and benefit to all groups of policyholders of HIC will not be materially adversely affected. It does this by:

- approving the appointment of an Independent Expert, who will produce a report for the High Court on the likely impact of the Proposed Transfer on policyholders;
- allowing policyholders and interested parties to object or raise any concerns in relation to the Proposed Transfer, either to the High Court or to us. Hiscox is obliged to communicate objections received to the PRA, the FCA, the Independent Expert and the High Court;
- giving the PRA and FCA the right to make written and oral representations to the High Court. Both bodies are also obliged to provide a report on the Proposed Transfer to the High Court.

The High Court will only approve the Proposed Transfer if it considers it is appropriate in all of the circumstances. The High Court will take into account the opinion of the Independent Expert, any concerns raised or representations made by policyholders affected by the Proposed Transfer, and the opinion of the PRA and FCA.

The relevant national insurance supervisory authorities in EEA countries where HIC has written risks will be informed of the Proposed Transfer as part of the legal and regulatory approval process.

For more information on how to object or make representation to the High Court, please refer to question 13 above.

### **16. When would the Proposed Transfer take place?**

If approved by the High Court, the Transfer is expected to become effective on 1 January 2019 at 00.01 BST. This is known as the Effective Date.

Policies in Jersey will remain with HIC until the Proposed Jersey Transfer is approved by the Royal Court of Jersey.

### **17. How will I know the Proposed Transfer has gone ahead and my policy has transferred?**

If the Proposed Transfer is approved by the High Court, the effective date is expected to be 1 January 2019. We will release an announcement on the Scheme Website shortly after the High Court hearing which is expected to take place on 14 December 2018.

A notice will also be published in Europe wide newspapers to notify policyholders that the Proposed Transfer has been approved.

We would encourage you to check the Scheme Website [www.hiscoxgroup.com/partvii](http://www.hiscoxgroup.com/partvii) at regular intervals in case of changes to the timetable.

### **18. What happens if the Proposed Transfer is not approved?**

If the Proposed Transfer is not approved by the High Court, no policies will transfer. We will update the Scheme Website [www.hiscoxgroup.com/partvii](http://www.hiscoxgroup.com/partvii) with further information, so we would encourage you to check the Scheme Website at regular intervals.

### **19. Can I cancel my policy if I am not comfortable with the Proposed Transfer?**

Any rights that you currently have to cancel your policy are unaffected by the Proposed Transfer.

### **20. Can I vote on the Proposed Transfer?**

There are no voting procedures in relation to a Part VII transfer. If the Proposed Transfer is sanctioned by the High Court, all affected policies will automatically transfer to HSA. However, you do have a right to object to the Proposed Transfer and for your objection to be heard by the High Court. Please refer to question 13 for details on what to do if you wish to object.

### **21. Who is paying for the Proposed Transfer?**

All costs and expenses incurred in connection with the Proposed Transfer, including the Independent Expert's fees, legal fees and the fees of the PRA and FCA will be borne by HIC.

## **PART F – THE INDEPENDENT EXPERT**

### **22. What is an Independent Expert?**

The Independent Expert is an actuarial expert who prepares a report for the High Court on the likely effects of the Proposed Transfer on policyholders. The Independent Expert must be independent of HIC and HSA, as well as the PRA and FCA.

### **23. Who is the Independent Expert?**

Philip Tippin, who is a partner in KPMG LLP's insurance practice and a Fellow of the Institute and Faculty of Actuaries, has been appointed as the Independent Expert for the Proposed Transfer. His appointment has been approved by the PRA in consultation with the FCA.

### **24. What is the Independent Expert's role?**

The role of the Independent Expert is to review the terms of the Proposed Transfer and provide a report to the High Court on the likely impact of the Proposed Transfer on policyholders and analyse whether any policyholders will be materially adversely affected by the Proposed Transfer. His report is impartial and based on a thorough scrutiny of the proposals and the business of HIC and HSA.

### **25. What does the Independent Expert's Report say?**

A summary of the Independent Expert's report is contained in the Scheme Booklet. The Independent Expert's initial conclusion is that:

- policyholders will not be materially adversely affected by the Proposed Transfer; and
- the Proposed Transfer will not have a significant effect on the security of policyholders' contractual rights and levels of service provided to policyholders.

Please refer to question 12 for details on how you can obtain a copy of the full Independent Expert's Report.



## **PART G – THE HIGH COURT HEARING**

### **26. When and where is the High Court hearing?**

The High Court hearing is scheduled to take place on 14 December 2018 at the Rolls Building, 7 Rolls Buildings, Fetter Lane, London, EC4A 1NL.

Policyholders or their representatives can attend the hearing and, if they wish present their views to the Court in person. If you, or your representative, plan to go to the High Court hearing, please call or write to us using any of our contact details provided in Annex 2 of this document, so that we can keep you informed of any changes to the hearing, such as time or date. Please also check the Scheme Website [www.hiscoxgroup.com/partvii](http://www.hiscoxgroup.com/partvii) regularly for any updates.

### **27. What will happen at the High Court hearing?**

Legal representatives of HIC will explain the proposals, the notifications made, and any responses received from policyholders and other interested parties.

The High Court will consider whether any policyholders' interests are materially adversely affected by the Proposed Transfer and will take into account the views of the Independent Expert, the PRA, the FCA, and any responses received from policyholders and other interested parties.

If the High Court approves the Proposed Transfer, the policies identified under question 3 will transfer from HIC to HSA. The transfer will become effective on 1 January 2019 subject to the completion of any steps the High Court may write into the Court Order.

### **28. How can I make a submission to the Court if I am a UK or EU resident?**

You have the right to:

- Make written representations and/or to appear at the High Court hearing in person.
- Instruct a legal representative to appear at the High Court hearing and make representations on your behalf.

Although you do not need to contact us before exercising your rights outlined above, we ask that you do let us know so that we have opportunity to understand and discuss any concerns directly with you. Please therefore let us know as soon as possible by contacting us using any of our contact details provided in Annex 2 and preferably no later than 5 days before the High Court hearing scheduled for 14 December 2018. We will bring any representations received to the attention of the PRA, the FCA, the Independent Expert and the High Court.

Anyone wishing to attend the hearing should check our website at [www.hiscoxgroup.com/partvii](http://www.hiscoxgroup.com/partvii) which will be updated should the hearing date change. Please check the website regularly for any updates.

## **PART H – POLICYHOLDERS IN JERSEY**

### **29. What happens if I am a Jersey resident?**

Your policy will be included in the Jersey scheme for Proposed Transfer. This is subject to approval through the legal process in Jersey. Until then, your policy will remain with HIC.

### **30. I have a policy that was taken out in Jersey. What will happen to my policy?**

If your policy covers risk in Jersey and/or the UK and/or non-EEA only, it will remain with HIC. If your policy covers risk in the EEA, it will be part of the Proposed Transfer to HSA. If your policy covers risks in the UK and the EEA, you will become a policyholder of both HIC (which will cover your UK risks(s) and HSA (covering your EEA risk(s)), this is called a "Mixed Policy".

The terms and conditions (including applicable policy limits) of your policy would stay the same for all policies, except that Mixed Policies will be amended so that HSA becomes the insurer in respect of any EEA risks.

### **31. When would the Proposed Transfer take place?**

Policies in Jersey will remain with HIC until the Jersey Scheme is approved by the Royal Court of Jersey. The Jersey hearing is currently scheduled to take place on 17 December 2018 at the Royal Court of Jersey, Royal Court House, Royal Square, St Helier, Jersey, JE1 1JG.

### **32. How can I make a submission to the Court if I am a Jersey Resident?**

You, or a representative, can attend the court hearing and present your views to the Jersey Court in person. If you, or your representative, plan to go to the Jersey Court hearing, please call or write to the us, so that we can keep you informed of any changes to the time and date of the hearing.

Alternatively, you can write to us quoting your policy number, if you have one. Your letter and our response to you will be shared with the Royal Court of Jersey, the Independent Expert and the Jersey Financial Services Commission before the hearing.

If you plan to object, please outline your objection in your letter so this can be sent to the Jersey Court, the Independent Expert and the Jersey Financial Services Commission before the hearing. We will also make the High Court aware of your objection.

## **PART I – HOW WILL MY POLICY BE AFFECTED BY THE PROPOSED TRANSFER**

### **33. Will I need new policy documents if the Proposed Transfer is approved?**

No, there is no need to issue you with any new documentation if the Proposed Transfer is approved.

For policies which have transferred to HSA, any new policy documents issued to you as a result of a renewal or change of details after the Effective Date (expected to be 1 January 2019) will state that your Insurer is HSA .

For policies which have remained in HIC, any new policy documents issued to you as a result of a renewal or change of details after the Effective Date will continue to state that your insurer is HIC.

For Mixed Policies, any new policy documentation will state that the UK and non-EEA risk is insured by HIC, and the EEA risk is insured by HSA.

### **34. Will the Proposed Transfer affect any claims I have made or my ability to make future claims?**

The Proposed Transfer will not affect how your claim is handled, your ability to make future claims or the claims payment process.

### **35. I have a claim which has not been agreed or is subject to a legal dispute – what happens next?**

Following the Proposed Transfer, any current, pending or future proceedings by or against HIC under policies that transfer will be brought by or against HSA. For policies that do not transfer, such claims will continue to be brought by or against HIC.

### **36. Will the same people continue to deal with my policy?**

Yes, all contact details and customer service phone numbers will remain the same except for policyholders resident in the Republic of Ireland who will continue to use the same contact details up until the transfer, and thereafter should contact the following HSA team:

Address: The Observatory, 7-11 Sir John Rogerson's Quay, Dublin 2

Contact numbers and email addresses:

	Phone Number	Email Address
Customer Relations	+35312381810	<a href="mailto:customerrelations.ireland@Hiscox.com">customerrelations.ireland@Hiscox.com</a>
Liability Claims	+35312381811	<a href="mailto:liabilityclaims.ireland@Hiscox.com">liabilityclaims.ireland@Hiscox.com</a>
Commercial Property Claims	+35312381812	<a href="mailto:commercialpropertyclaims.ireland@Hiscox.com">commercialpropertyclaims.ireland@Hiscox.com</a>
Events Claims	+35312381813	<a href="mailto:eventsclaims.ireland@Hiscox.com">eventsclaims.ireland@Hiscox.com</a>
Private Client Claims	+35312381814	<a href="mailto:privateclientclaims.ireland@Hiscox.com">privateclientclaims.ireland@Hiscox.com</a>

### **37. How is my data being handled / protected?**

Your policy data remains within Hiscox Group and so is subject to all of our existing data privacy and data protection practices. We take customer data extremely seriously and abide by the data privacy and protection regulations that exist in each jurisdiction where we operate.

The transfer of your contract(s) and/or claim(s) will mean that the Hiscox company which controls processing of information (usually referred to as Data Controller) will change from HIC to HSA, if your policy transfers to HSA, or will be both HIC and HSA, if you have a Mixed Policy.

Our use of information otherwise remains unchanged and we will continue to protect it as we have always done. You can find out more information about how the Hiscox Group uses personal information by visiting <http://www.hiscoxgroup.com/site-tools/privacy.aspx>.

### **38. Does the change of insurance company impact my policy renewal or the policy I am now buying?**

If you purchase a new policy or renew your existing policy before the Proposed Transfer takes effect (expected to be 1 January 2019) your insurance cover will be provided by HIC up until the Proposed Transfer takes effect.

If you retain, renew or purchase your policy on or after the Effective Date, the insurance will be provided by HSA, if you have a European risk, or by HIC and HSA, if you have a Mixed Policy. For more information on which of HIC and/or HSA will be your insurer, see questions 3.

### **39. What is the Financial Services Compensation Scheme (FSCS)?**

The FSCS is a UK statutory scheme funded by members of the UK financial services industry. It provides monetary compensation to eligible policyholders (generally, consumers and small businesses) in the event of the insolvency of any insurance company authorised by the PRA and the FCA.

### **40. Will the Proposed Transfer affect my access to the FSCS?**

Policies that stay with HIC will continue to keep existing FSCS protection before and after the Proposed Transfer, including should you choose to renew with HIC following the next renewal date.

**European Policy** - If your policy is transferring to HSA in the Proposed Transfer, your eligibility for access to the UK's FSCS will continue following the Proposed Transfer. If you make the choice to renew under HSA, your insurance policy will be issued by HSA and going forward, you will not have access to the UK's FSCS for that policy, but instead, you will have access to the Luxembourg protection regime.

**Mixed Policy** - If you have a Mixed Policy (as defined above), the FSCS will continue to cover any claims under your policy before and after the Proposed Transfer, including should you chose to renew. The part of your policy insured with HSA will also have access to the Luxembourg protection regime after the Proposed Transfer.

The Luxembourg protection regime does not offer a guarantee fund for policyholders but sets out a strict regulatory regime so that, in the event of insolvency of a Luxembourg insurance company, its assets will be distributed in absolute preference to pay insurance claims. These rules are intended to limit the need for policyholders to seek compensation from a scheme similar to the FSCS.

In addition, policyholders with policies which were written through local branches in some EEA countries may have access to the national insurance compensation scheme in that country.

The Independent Expert has concluded that policyholders will not be materially adversely affected by the Proposed Transfer. In addition, the Independent Expert has noted in his report that the possibility of the insolvency of HSA after the Proposed Transfer is remote. For more information on the security of policyholders following the Proposed Transfer, please see the Independent Expert's report on our website [www.hiscoxgroup.com/partvii](http://www.hiscoxgroup.com/partvii) or see question 12 for how you can obtain a copy of the Independent Expert's report.

#### **41. What is the UK Financial Ombudsman Service (UK Ombudsman)?**

The UK Ombudsman provides individuals with a free, independent service for resolving disputes or complaints with insurers authorised by the PRA and the FCA. HIC policyholders who fulfil the eligibility criteria of the applicable rules (generally, consumers and small businesses) currently have access to the UK Ombudsman. The UK Ombudsman is able to issue decisions which are binding on insurance companies.

#### **42. Will the Proposed Transfer affect my access to the UK Ombudsman?**

Policies that stay with HIC will continue to keep existing UK Ombudsman protection before and after the Proposed Transfer, including should you choose to renew with HIC following the next renewal date.

**European Policy** - If you have a European Policy, you will continue to have the same access to the UK Ombudsman as you currently have in respect of any of HIC's activities or services carried out before the Proposed Transfer. After the Proposed Transfer has happened, your policy will be serviced by HSA instead of HIC. Therefore, you will no longer have access to the UK Ombudsman but instead, if you are a consumer, you will have access to the Luxembourg Ombudsman Regime (as defined below).

**Mixed Policy** - If you have a Mixed Policy, you will continue to have access to the UK Ombudsman in respect of any of HIC's activities or services before the Proposed Transfer. After the Proposed Transfer has happened, you will continue to have access to the UK Ombudsman in respect of any of HIC's activities or services (in relation to the part of your policy insured with HIC) and in respect of any of HSA's activities or services in the UK (in relation to the part of your policy insured with HSA). If you are a consumer, you will also have access to the Lux Ombudsman Regime in relation to the part of your policy insured with HSA.

The Luxembourg Insurance Ombudsman and the Luxembourg insurance regulator, the CAA (together being the Lux Ombudsman Regime) both have the ability to receive and examine complaints from consumers, and issue non-binding recommendations to the parties.

Your right of access to any existing ombudsman service in your country of residence will not be impacted by the Proposed Transfer.

For further information on the Ombudsman services please see the Independent Expert's report on our website [www.hiscoxgroup.com/partvii](http://www.hiscoxgroup.com/partvii) or see question 12 for how you can obtain a copy of the Independent Expert's report.

#### **43. What will the solvency and capital requirements of HSA be?**

The European Union (EU) has developed insurance company solvency requirements known as "Solvency II" aimed at harmonising EU insurance regulation and enhancing consumer protection. The directive was implemented on 1 January 2016 and applies to all EU-domiciled insurance and reinsurance companies. It therefore applies to HIC currently, and will apply to HSA immediately after the Proposed Transfer. Following Brexit, the UK could adopt a different solvency regime, which would

apply to HIC. However, at this stage no information has been given to indicate that the UK would adopt a different solvency regime to the existing Solvency II.

**44. Is my broker aware of these changes (if applicable)?**

Yes, where applicable we have communicated the changes to our insurance brokers and intermediaries. They are aware that the Proposed Transfer makes no change to the business relationship with them or with you.

**45. What is the impact of the Proposed Transfer on Reinsurance?**

For policies that transfer to HSA, any corresponding reinsurance contract(s) which reinsure the liabilities under the transferring policies will have HSA added to the existing reinsurance contract(s) as part of the Transfer.

**46. Will the Proposed Transfer affect my premium?**

The Proposed Transfer has no impact on your premium.

**47. Does the Proposed Transfer affect my Direct Debit?**

There will be no changes to your Direct Debit as a result of the Proposed Transfer, with the exception of policyholders who bought their policy through Hiscox Ireland with a SEPA mandate who will see the creditor name and identifier on their statements change from Hiscox Underwriting Limited to Hiscox S.A. following the transfer. No new Direct Debit Mandate will be required as the old mandate will still be valid.

**48. Will HIC disappear?**

No. HIC will continue to exist and service our customers.

## **PART J – FURTHER INFORMATION**

**49. What do you mean by the European Economic Area (EEA)?**

Following Brexit, the European Economic Area (EEA) will consist of the 27 remaining countries of the EU plus Iceland, Liechtenstein and Norway.

The 27 remaining countries of the EU will be: Austria; Belgium; Bulgaria; Croatia; Republic of Cyprus; Czech Republic; Denmark; Estonia; Finland; France; Germany; Greece; Hungary; Ireland; Italy; Latvia; Lithuania; Luxembourg; Malta; Netherlands; Poland; Portugal; Romania; Slovakia; Slovenia; Spain; and Sweden.

**50. Where can I find further information?**

Please contact us if you have any further questions. Details of how to contact us are included in Annex 2 below. A dedicated website [www.hiscoxgroup.com/partvii](http://www.hiscoxgroup.com/partvii) has been set up to keep you updated throughout the Proposed Transfer process. We recommend that you check the website regularly for any updates.

The Independent Expert's Supplemental report will be published on the website when it becomes available.

## Annex 1 – Which policies are transferring?

Only certain policies are transferring to HSA under the Transfer. The policies which are transferring are:

- (a) all policies written by a branch of HIC in the EEA;
- (b) all policies written in respect of policyholders based in the EEA;
- (c) all policies written in respect of EEA risks only.

(the **European Policies**).

In addition, where a policy (which is not a European Policy) has been written in respect of: (i) EEA risks and; (ii) UK risks and/or non-EEA risks (a **Mixed Policy**), HSA will become the insurer under the policy in respect of EEA risks so that you will become a policyholder of both HIC and HSA.

The policies referred to at paragraphs (a) to (c), plus the part of the Mixed Policy written in respect of EEA risks will transfer to HSA (the **Transferring Policies**).

If you have any questions regarding how your policy will be treated, then please contact us using one of the country numbers, emails or postal addresses set out in Annex 2 of this document.

### How do I know if I have a UK risk, an EEA risk or a non-EEA risk?

The location of the risk depends on a number of factors. The below is a general (but non-exhaustive) summary of these factors to help guide you:

1. where the insurance relates either to buildings or to buildings and their contents, your risk location is generally the place in which the property is situated, at the date your policy was entered into.
2. where the insurance relates to vehicles, your risk location is generally the place where the vehicle is registered.
3. where your insurance relates to other risks (i.e. it does not relate to property or vehicles), then:
  - (a) where you are an individual, your risk location is generally in the place in which you have your habitual residence at the date your policy was entered into; or
  - (b) where you are a corporate entity, your risk location(s) is (are) at your place(s) of establishment at the date your policy was entered into.

If you are a corporate entity and your policy covers more than one of your establishments which are in different territories, your policy is likely to have multiple risk locations.

## Annex 2 - Our contact details

Country / Branch	Commercial Register	Branch Registration Number (HIC)	Branch Registration Number (HSA)	Contact Address	Telephone Number	Email Address
United Kingdom	Companies House of England and Wales	00070234	FC034787	Part VII Transfer Team, The Hiscox Building, Peasholme Green, York, YO1 7PR	0800 7813049	<a href="mailto:transfer@hiscox.co.uk">transfer@hiscox.co.uk</a>
Belgium	Kruispuntbank van Ondernemingen / Banque-Carrefour des entreprises	0683.642.934	0683.642.934	<b>Dutch/Flemish:</b> Hiscox Europe Underwriting Limited, Belgian Branch, Bourgetlaan 42 B8, Building Airport, 1130 Brussel  <b>French:</b> Hiscox Europe Underwriting Limited, Belgian Branch, Avenue du Bourget 42 B8, Building Airport, 1130 Bruxelles	080029366	<a href="mailto:transfer@hiscox.be">transfer@hiscox.be</a>
France	Trade and Companies Register	428 239 511	833 546 989	Hiscox France, Service Transfert, 12 quai des Queyries, CS 41177, 33072 Bordeaux	0800940182	<a href="mailto:transfert@hiscox.fr">transfert@hiscox.fr</a>
Germany	Handelsregister des Amtsgerichts München (Commercial Register of the Local Court of Munich)	HRB 132701	HRB 238125	Hiscox, Arnulfstraße 31, 80636 München, Germany	08008888257	<a href="mailto:transfer@hiscox.de">transfer@hiscox.de</a>
Ireland	Companies Registration Office	-	908764	Part VII Transfer Team, The Hiscox Building, Peasholme Green, York, YO1 7PR	+44 (0)800 781 3049	<a href="mailto:transfer@hiscox.co.uk">transfer@hiscox.co.uk</a>
Netherlands	Netherlands Chamber of Commerce (KvK)	34125607	70191603	Hiscox Nederland, Arent Janszoon, Ernststraat 595B, 1082 LD Amsterdam	0800 252 4100	<a href="mailto:transfer@hiscox.nl">transfer@hiscox.nl</a>
Portugal	Commercial Registry Office of Lisbon (Conservatória do Registo Comercial de Lisboa)	980350131	980 595 185	Hiscox Portugal, Atrium Saldanha, Praça Duque de Saldanha no1, Piso 5, 1050-094 Lisboa	0800780071	<a href="mailto:transfer@hiscox.pt">transfer@hiscox.pt</a>
Spain	Registro Mercantil Central (Central Mercantile Register)	W0067406I	To be published on the website in due course	Hiscox Paseo de la Castellana 60, 7ª planta, 28046 Madrid	0900800124	<a href="mailto:transfer@hiscox.es">transfer@hiscox.es</a>

Our telephone lines are opened from 9.00am to 5.00pm Monday to Friday (excluding bank holidays and public holidays). 9.00am to 6.00pm in Portugal and Spain.