

## IMPORTANT CHANGES TO YOUR POLICY – PLEASE READ

If you would like this information in large print, in Braille, or on audio tape or CD, please contact our Customer Care team on 0333 000 2235

### **Proposed Insurance Business Transfer under Part VII of the Financial Services and Markets Act 2000 to Domestic & General Insurance AG**

We are writing to you as our records show that you are the holder of an insurance policy underwritten by Domestic & General Insurance PLC (**DGI**). We want to let you know about some important details in relation to the proposed transfer of your policy from DGI to one of our group companies, Domestic & General Insurance Europe AG, who are headquartered in Germany (**DGIEU**) (the **Proposed Transfer**).

As a result of the UK's decision to withdraw from the European Union (**Brexit**), the Domestic & General group of companies (**D&G Group**) plans to undertake the Proposed Transfer in order to be able to continue to service your policy and write business across Europe after the Brexit date.

DGIEU is a newly established member of the D&G Group and will be fully licensed and authorised to carry out insurance business by the German financial services regulator, BaFin. After the Proposed Transfer, DGIEU will be able to continue the EU business previously carried out by DGI through its head office in Germany and its local branches on the same terms as DGI does at present.

The Proposed Transfer is subject to UK legal and regulatory approvals including approval by the High Court of England and Wales (the **High Court**).

### **Summary of Proposals**

- Domestic & General are proposing to transfer your insurance policy to a new provider, Domestic & General Insurance Europe AG, based in Germany;
- The terms and conditions of your policy will not change as a result of the transfer;
- Please read this information leaflet and the Frequently Asked Questions leaflet included with your letter (together your "Information Pack"). There are a number of important changes which are detailed in this information leaflet which you should be aware of;
- If you have any questions or wish to object to the Proposed Transfer, please contact the team by using the details set out below;
- The proposals have been reviewed by an independent expert ("Independent Expert") whose conclusions are detailed in on our website and have been subject to consultation by our regulators, the Prudential Regulation Authority (**PRA**) and the Financial Conduct Authority (**FCA**).
- More information is available at [www.domesticandgeneral.com/PartVIITransfer](http://www.domesticandgeneral.com/PartVIITransfer)

### **What is happening?**

The Proposed Transfer of your policy will take place by means of an insurance business transfer scheme under Part VII of the Financial Services and Markets Act (FSMA) 2000, known as a **Part VII Transfer**.

The Proposed Transfer **is subject to approval by the High Court. The High Court hearing is currently scheduled for 18<sup>th</sup> March 2019.** If the Proposed Transfer is approved by the High Court, it will be effective from 00:01 on **22<sup>nd</sup> March 2019**

**The Proposed Transfer involves processes designed to protect the interests of policyholders.** In deciding whether to approve the Proposed Transfer, the High Court will rely on the opinions of the Independent Expert who will prepare a report on the Proposed Transfer and how it will affect DGI policyholders. The High Court will only approve the Part VII Transfer if it is satisfied that all necessary UK legal requirements have been satisfied and if it considers that, in all the circumstances, it is appropriate to sanction the Proposed Transfer. Domestic & General are also working in consultation with the PRA and the FCA to agree the Proposed Transfer arrangements.

**You have the right to object to the Proposed Transfer if you feel you are adversely affected by this change.** Details of how to object are included in this Information Pack.

Details of the Proposed Transfer are contained in a legal document called the Scheme. The Scheme gives effect to the Proposed Transfer of all transferring policies, together with all rights and powers in relation to the transferring business. **Please see the Further Information Section below which details how you are able to access the Scheme, the Report of the Independent Expert and other key documents relating to the Proposed Transfer.**

#### **What the Proposed Transfer means for you**

**DGIEU will replace DGI as the insurer of your policy from 22<sup>nd</sup> March 2019.**

After the Proposed Transfer:

- There will be no changes to the terms and conditions or rights and obligations of your policy. The Proposed Transfer will have no effect on the amount of your premium, the duration of your policy/policies or any claim which you have made or may make under a policy [or our contact details];
- Your policy number will not change;
- You will remain within the Domestic & General group of companies;
- Any outstanding claims you may have under your policy will continue to be handled in the same way and by the same people;

You will notice the following changes after the Proposed Transfer:

- Any claims made by you under your policy will be made against DGIEU rather than DGI.
- Correspondence regarding your policy and any claim will show the name of DGIEU as your insurer, rather than DGI. In short in most cases, you should expect to see DGIEU's name where you currently see DGI's;
- You will no longer have access to the UK Financial Services Compensation Scheme but please be assured that DGIEU will be subject to strict capital solvency rules and in the unlikely event of an insolvency under German law policyholders have preferential creditor status;
- You will have access to the German financial ombudsman scheme (Versicherungsbundmann e.V) in place of the UK financial ombudsman scheme

- References to DGI on your bank statements for automated payments or collections will change to references to DGIEU; and
- If you currently make regular payments to DGI by cheque, cheques should be made payable to DGIEU and not to DGI with effect from **22nd March 2019**.

Your direct debit:

- Arrangements for all payments will not change as a result of this proposal but your direct debit will be made to DGIEU rather than DGI; and
- Your rights under your Direct Debit Guarantee will continue with DGIEU.

Please be assured that an Independent Expert has carefully reviewed all of these changes and has concluded that the Proposed Transfer will not materially adversely affect the protections offered to you.

**Please note that due to the Proposed Transfer DGIEU will be the new data controller in respect of any of your data processed under your policy, pursuant to applicable data protection legislation.**

### **Action required**

**Please make sure you understand what the proposals mean for you by reading this Information Pack and any relevant documents on the website.**

If you are satisfied with the Proposed Transfer you do not need to do anything else. If the Proposed Transfer is approved, we will publish confirmation on our website after **18<sup>th</sup> March 2019**. Please note, implementation of the Proposed Transfer may be delayed or may not proceed should the UK and the EU reach agreement on transitional arrangements for Brexit. We will update you through our website of any changes to the implementation of the Proposed Transfer.

If you feel you will be adversely affected by the Proposed Transfer you have the right to make an objection to the Court.

Alternatively, you may appear at the High Court hearing on **18<sup>th</sup> March 2019** in person or via a representative or you can make written representations directly to the Court prior to the High Court hearing.

If you do have an objection to the Proposed Transfer, you can also write to us by post to Domestic & General Insurance Plc, PO Box 75605, LONDON, SW19 9LW or by email to [transfer@domesticandgeneral.com](mailto:transfer@domesticandgeneral.com). Your objection and our reply will be sent to the Court, the independent expert, the PRA and the FCA ahead of the Court hearing on **18<sup>th</sup> March 2019**. **You will not be able to raise any objections after the final High Court hearing has taken place.**

### **Further information**

Please visit [www.domesticandgeneral.com/PartVIITransfer](http://www.domesticandgeneral.com/PartVIITransfer) for further information about the Proposed Transfer including:

- questions and answers that we believe you will find helpful;
- a summary of the terms of the Proposed Transfer;
- a summary of the independent expert's report; and
- a copy of the notice to the Court to approve the Transfer.

The above documents have been translated into the main languages of the countries in which Domestic & General operates.

In addition, a copy of the independent expert's full report is available on our website at [www.domesticandgeneral.com/PartVIITransfer](http://www.domesticandgeneral.com/PartVIITransfer)

Copies can also be obtained free of charge by writing to the Domestic & General Company Secretary at Domestic & General Insurance Company Limited, 11 Worples Road, London SW19 4JS.

#### **Other persons covered by your policy**

We are writing to you as our records show you are the main policyholder under the policy. If you are aware of anybody that may have an interest in this policy, we would be grateful if you could inform them of the proposed Transfer and their option to object.

If you have any other questions regarding our proposals, please do contact us by calling our helpline on 0333 000 2235. The helpline is open until the day before the High Court hearing.

Yours sincerely

Ian Mason  
**Chief Executive Officer**