

# **Your questions answered about the Legal & General Assurance Society Limited ("Legal & General") transfer into ReAssure Limited ("ReAssure")**

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ReAssure

## ReAssure, Legal & General and you

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### Who is ReAssure?

Originally founded in 1963, ReAssure is a life and pensions company which buys and administers closed books of business from other companies. We have approximately 2.2 million policies and look after investments of approximately £39 billion.

### What's happening?

The proposed transfer will see the traditional insurance-based savings, pensions, life and with-profits business of Legal & General transfer into ReAssure. This transfer will be carried out under Part VII of the Financial Services and Markets Act 2000, which means the High Court will need to approve the transfer before it can proceed.

### Why do I need to know about the proposed transfer?

Because you have a policy with ReAssure, or an interest in a ReAssure policy. As the proposed transfer will significantly increase the size of ReAssure, you should have an opportunity to review it.

The Independent Expert, who was appointed to give his opinion on the likely effect of the proposal on policyholders, stated in his report:

"I am satisfied that the Transfer would not have a material adverse effect on the security of the benefits of the existing ReAssure policies; the reasonable expectations of the existing ReAssure policyholders in respect of their benefits; or the standards of administration, service, management and governance that apply to the existing ReAssure policies."

**I have a Hannover Re policy or a Namulas policy or an LV= policy and I've received a letter about this transfer. Why have you written to me?**

Your policy's connection to ReAssure is explained in the letter we sent. Although this connection may not be obvious, it means you should be told about the transfer proposal and be able to review it in the same way as other ReAssure customers.

### How will this affect me?

If you already have a ReAssure policy, it will not be moving anywhere and you'll still use the same contact details as before to get in touch with us. Similarly the proposed transfer will not make any changes to your policy or the way we administer it, and by employing more staff, we'll make sure there's no effect on the level of service we provide.

### How will this change ReAssure?

Assuming the transfer takes place, it will increase the number of ReAssure policies from 2.2 million to about 3.2 million. It will also increase ReAssure's assets under management from £39 billion to about £67 billion.

### How can I be sure the proposals are fair and my interests are protected?

This transfer will be carried out under Part VII of the Financial Services and Markets Act 2000, which means the High Court will need to approve the transfer before it can proceed.

As part of this process, an Independent Expert has been appointed to give his opinion on the likely effect of the proposal on policyholders. The Independent Expert's overriding duty of responsibility is to the Court, and not to the companies involved in the proposed transfer, so his report on the proposals must be impartial.

At the High Court hearing, the Judge will consider the Independent Expert's report, and will only allow the transfer to proceed if the legal procedures required for completing a transfer under the Financial Services and Markets Act 2000 have been followed correctly.



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### **What if I have more than one policy with ReAssure?**

If you have more than one policy with us, you may have received multiple copies of our letter about the proposed transfer. We're sorry if this has happened - although we've taken steps to avoid it, it's not always possible.

If you've received more multiple copies, you only need to read one copy of the letter and can safely ignore the others. You should also share the letter with any joint policyholders, beneficiaries, or assignees as appropriate.

### **Who is Legal & General?**

Legal & General was founded as an insurance company in 1836 and has since grown to become a multinational financial services company. It provides life assurance, pensions, and general insurance products as well as investment management. Legal & General Assurance Society Limited has assets under management of approximately £143 billion.

### **Why is Legal & General doing this, and why did they choose ReAssure?**

Since 2015, most of Legal & General's traditional insurance-based savings, pensions, life and with profits policies have been closed to new customers.

After a considered process, Legal & General chose ReAssure to take this part of their business forward as our core business is acquiring and administering closed portfolios of insurance business.

## **Transfer details**

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

The High Court will consider the proposed transfer at a hearing expected to take place on 17 October 2019 at the High

Court, 7 Rolls Buildings, Fetter Lane, London EC4A 1NL.

### **What is the "Scheme"?**

The Scheme is an important document which sets out all the details of the proposed transfer. As such, it's a key part of the application to be considered by the High Court.

### **What will happen at the Court hearing?**

The Judge will consider whether all of the legal procedures required for completing a transfer under the Financial Services and Markets Act 2000 have been followed correctly. The Judge will also review the witness statements and evidence presented by the companies, and consider the reports of the Independent Expert, the Prudential Regulation Authority and the Financial Conduct Authority.

Time will be allocated to hear any objections put forward (whether in writing or in person) by affected policyholders or any other person who believes they would be adversely affected by the proposal.

The Judge must decide whether or not it is appropriate to approve the Scheme, taking all of the evidence into account. If the Judge does approve the Scheme, then a High Court Order is made which allows the Scheme to take place.

### **When will the transfer take place?**

If High Court approval is received the transfer is due to take place on 4 November 2019.

### **How will I know if the High Court has approved the transfer?**

We will announce the outcome on our website shortly after the High Court hearing.



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## **How will I know if the transfer date changes?**

We will announce any changes to the transfer date on our website.

## **What will happen if the transfer isn't approved by the Court?**

If the transfer isn't approved the Legal & General policies will stay with Legal & General and not transfer into ReAssure. Both companies would then consider the best way to proceed.

## **Will policyholders pay for the cost of the transfer?**

No, **ReAssure** policyholders will not have to pay for any of the costs relating to the transfer.

## **Is there an opportunity to vote on the proposal?**

Whilst you don't have an opportunity to vote, you have the right to raise any objections or concerns you might have about the proposed transfer.

The Independent Expert, who was appointed to give his opinion on the likely effect of the proposal on policyholders, stated in his report:

"I am satisfied that the Transfer would not have a material adverse effect on the security of the benefits of the existing ReAssure policies; the reasonable expectations of the existing ReAssure policyholders in respect of their benefits; or the standards of administration, service, management and governance that apply to the existing ReAssure policies."

## **Will I receive any payment if the transfer is approved?**

No. There will be no cash payments or special bonuses if the proposed transfer is approved.

## **The Independent Expert**

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### **What is the Independent Expert's opinion about the proposed transfer?**

The Independent Expert has considered the benefit expectations and security of all groups of policyholders and concluded that the proposed changes will not have a material adverse effect on ReAssure policyholders. This means that, in his opinion, there will not be a significant and detrimental effect on you or your policy. His full report and summary report are both available at [www.reassure.co.uk/LGAS-transfer](http://www.reassure.co.uk/LGAS-transfer).

In his summary report, he stated:

"I am satisfied that the Transfer would not have a material adverse effect on; the security of the benefits of the existing ReAssure policies; the reasonable expectations of the existing ReAssure policyholders in respect of their benefits; or the standards of administration, service, management and governance that apply to the existing ReAssure policies."

### **Does the Independent Expert have any concerns about the effect of the transfer on the servicing of ReAssure policies?**

The transfer will involve moving large volumes of data from Legal & General to ReAssure. This is a complex process which requires a lot of preparation and testing to make sure it's done properly, and that policyholder's data is protected. In his report, the Independent Expert has noted 'material concerns' that this will not be completed in time, and the service provided to existing ReAssure policyholders may be affected. As a result, the ReAssure board has agreed to provide regular progress updates to the Independent Expert, who will take this into account in his Supplementary report.

In spite of these concerns, the Independent Expert has concluded that the transfer will not have a material adverse effect on ReAssure policyholders. It's also worth noting that the transfer will



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only proceed if the High Court reaches the same conclusion.

Expert's appointment. They also set the remit of his report and have to approve the final version for the transfer to proceed.

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

Oliver Gillespie has been appointed as the Independent Expert. He's a senior principal at Milliman LLP and has worked as a consultant to life assurance companies in the UK, Europe and Asia for more than 20 years. He has a wide range of experience in the transaction and restructuring of financial services companies, and has provided guidance for insurance schemes whilst working for the UK regulator.

Oliver has an MA and MSc in Mathematics from Oxford University and has been a Fellow of the Institute and Faculty of Actuaries since 1999.

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

The Independent Expert has given his opinion on the likely effect of the proposal on policyholders. His appointment was approved by the boards of ReAssure and Legal & General, and by the Prudential Regulation Authority, in consultation with the Financial Conduct Authority.

His report must be impartial and based on a thorough scrutiny of the proposals. Both ReAssure and Legal & General provided the Independent Expert with access to key staff and any information he requested, both private and public.

The Independent Expert's full report and summary report are both available on our website at [www.reassure.co.uk/LGAS-transfer](http://www.reassure.co.uk/LGAS-transfer).

### **How do I know he is independent?**

As the Independent Expert's overriding duty of responsibility is to the Court, and not to the companies involved in the proposed transfer, his report must be impartial.

The Prudential Regulation Authority, in consultation with the Financial Conduct Authority approved the Independent

## **Your reaction to the proposed transfer**

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### **Do I need to do anything because of the proposed transfer?**

If, after reading the letter and the supporting documents, you're comfortable with the transfer proposals, you don't need to do anything.

### **How do I contact ReAssure about the transfer?**

Call us on freephone number 0808 164 7501 (or +44 (0)195 252 4695 from overseas). Our lines are open from 8.30am to 5.30pm, Monday to Friday, excluding bank holidays.

Or you can write to us at: The Transfer Team, ReAssure, Windsor House, Telford, TF3 4NB.

### **What if I'm not happy about the proposed transfer?**

We recommend you read all the information about the proposed transfer to help you understand what's going to happen.

If you've already read about the proposed transfer, and you have an objection or concern, there are a number of ways you can let us know:

- You, or a representative on your behalf, have the right to attend the High Court hearing to present your objections or concerns. If you're going to attend, please let us know by 4 October 2019. This will give us an opportunity to address your objections or concerns and send a copy of the Independent Expert's **Supplementary report** to you.





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- Or, you can call or write to us instead. We'll then make sure a written version of your objections or concerns are presented to the High Court.

Contact details for transfer related issues are: freephone number 0808 164 7501 (or +44 (0)195 252 4695 from overseas). Our lines are open from 8.30am to 5.30pm, Monday to Friday, excluding bank holidays.

Or you can write to us at: The Transfer Team, ReAssure, Windsor House, Telford, TF3 4NB.

### **Are any of the supporting documents available in other formats?**

Yes. Large print, braille and audio versions of all the supporting documents can be requested via our dedicated helpline or in writing.

## **Jersey, Guernsey and overseas**

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### **What if I'm living in Jersey or Guernsey?**

Separate schemes are being undertaken in both Jersey and Guernsey to give effect to the transfer in respect of policies held by Jersey and Guernsey residents. The Jersey and Guernsey Schemes incorporate the terms of the UK Scheme, so far as they are relevant. In these jurisdictions the transfer will take place under the terms of the Jersey or Guernsey Scheme (as appropriate) upon sanction by the Jersey or Guernsey Royal Court (as appropriate).

The summary of the Scheme applies equally to the Jersey and Guernsey schemes, because each is being effected on principally the same terms. The Independent Expert's Report, and the summary of his report also applies to the Jersey and Guernsey schemes.

### **Where can I find information about the Jersey Scheme?**

You can find the Jersey Scheme, and other transfer related documents, at [www.reassure.co.uk/LGAS-transfer](http://www.reassure.co.uk/LGAS-transfer).

You can also get free copies of these documents, as well as the application to the Royal Court of Jersey, from our local counsel. Visit the offices of Mourant Ozannes during normal office hours at: 22 Grenville Street, St Helier, Jersey JE4 8PX.

### **When and where will the Jersey court hearing take place?**

In Jersey the proposed transfer will be carried out under a separate insurance business scheme pursuant to the Insurance Business (Jersey) Law 1996. A separate application will be made for sanction of the Jersey scheme by the Royal Court of Jersey.

The Jersey court hearing is expected to take place at 9am on 23 October 2019 at the Royal Court of Jersey, Royal Court House, Royal Square, St Helier, Jersey JE1 1JG.

### **What if I'm not happy about the Jersey Scheme?**

We recommend you read all the information about the proposed transfer to help you understand what's going to happen. If you've considered the proposed transfer, and you have an objection or concern, there are a number of ways you can let us know:

- You, or a representative on your behalf, have the right to attend the Royal Court of Jersey hearing to present your objections or concerns. If you're going to attend, please let us know by 4 October 2019, so we have an opportunity to address your objections or concerns and prepare for your attendance.



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- Or, you can call or write to us instead. We'll then make sure a written version of your objections or concerns are presented to the High Court.

Contact details for transfer related issues are: freephone number 0808 164 7501 (or +44 (0)195 252 4695 from overseas). Our lines are open from 8.30am to 5.30pm, Monday to Friday, excluding bank holidays.

Or you can write to us at: The Transfer Team, ReAssure, Windsor House, Telford, TF3 4NB.

### Where can I find information about the Guernsey Scheme?

You can find the Guernsey Scheme, and other transfer related documents, at **[www.reassure.co.uk/LGAS-transfer](http://www.reassure.co.uk/LGAS-transfer)**

You can also get free copies of these documents, as well as the application to the Royal Court of Guernsey, from our local counsel. Visit the offices of Mourant Ozannes during normal office hours at: Royal Chambers, St Julian's Avenue, St Peter Port, Guernsey GY1 4HP.

### When and where will the Guernsey court hearing take place?

In Guernsey the proposed transfer will be carried out under a separate insurance business scheme pursuant to the Insurance Business (Bailiwick of Guernsey) Law 2002. A separate application will be made for the approval of the Guernsey scheme by the Royal Court of Guernsey.

The Guernsey court hearing is expected to take place at 9.30am on 25 October 2019 at the Royal Court of Guernsey, The Royal Court House, St Peter Port, Guernsey, GY1 2PB.

### What if I'm not happy about the Guernsey Scheme?

We recommend you read all the information about the proposed transfer to

help you understand what's going to happen. If you've considered the proposed transfer, and you have an objection or concern, there are a number of ways you can let us know:

- You, or a representative on your behalf, have the right to attend the Royal Court of Guernsey hearing to present your objections or concerns. If you're going to attend, please let us know by 4 October 2019, so we have an opportunity to address your objections or concerns and prepare for your attendance.
- Or, you can call or write to us instead. We'll then make sure a written version of your objections or concerns are presented to the High Court.

Contact details for transfer related issues are: freephone number 0808 164 7501 (or +44 (0)195 252 4695 from overseas). Our lines are open from 8.30am to 5.30pm, Monday to Friday, excluding bank holidays.

Or you can write to us at: The Transfer Team, ReAssure, Windsor House, Telford, TF3 4NB.

## Schemes and Financial Advisers

### I'm a Scheme Administrator. What do I need to do?

You should read the letter we sent about the proposed transfer, if you haven't yet read it. You should also share this information with all members of your scheme by 4 October 2019. Any new members of the scheme who join before the proposed transfer date of 4 November 2019 should also be advised of the proposals.

You should also read the supporting documents at **[www.reassure.co.uk/LGAS-transfer](http://www.reassure.co.uk/LGAS-transfer)**.



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If, after reading the letter and the supporting documents you're comfortable with the transfer proposals, you don't need to do anything, but you have the same right to raise an objection or concern as your members.

If you're contacted by any members about the proposed transfer, you should give them our contact details so they can get in touch with us directly.

### **I'm a financial advisor. What do I need to do?**

You should read the letter we sent about the proposed transfer, if you haven't yet read it. You should also read the supporting documents at [www.reassure.co.uk/LGAS-transfer](http://www.reassure.co.uk/LGAS-transfer).

You don't need to forward this information onto your clients as we will mail them directly.

If you're contacted by any clients about the proposed transfer, you should give them our contact details so they can get in touch with us directly.

### **Brexit, IPO and contact details (non transfer)**

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#### **Will Brexit affect the transfer?**

We're monitoring Brexit closely. We don't believe it will have any effect on the timeline or recognition of the transfer, as the transferring policies are governed by English law and the transfer is between two English companies.

#### **Will there be any changes in the ownership of ReAssure?**

ReAssure is currently part of the Swiss Re group of companies, a leading wholesale provider of reinsurance, insurance and other insurance-based forms of risk transfer.

Swiss Re had planned to make an Initial Public Offering of ReAssure shares on the stock market. Because this was going to happen near the transfer date, the Independent Expert looked at this plan, before concluding that it would not have had a material adverse effect on transferring policyholders.

This plan has since been put on hold, although Swiss Re still intends to reduce its ReAssure shareholding in the future. At the moment, we can't say exactly how this will be done or when, but this position will be taken into account in the Independent Expert's supplementary report, which will be available in the weeks before the transfer.

#### **How do I contact ReAssure about something other than the proposed transfer?**

Call 0800 073 1777 or write to: ReAssure, Windsor House, Telford TF3 4NB.

#### **Will ReAssure's call centre stay in the UK?**

Yes, our call centre will stay in the UK and we have no plan to move this service to another country.