

IN THE ROYAL COURT OF GUERNSEY

ORDINARY DIVISION

LEGAL AND GENERAL ASSURANCE SOCIETY LIMITED

(the Transferor)

- and -

REASSURE LIMITED

(the Transferee)

(the Transferor and the Transferee together, the Applicants)

ORDER SANCTIONING TRANSFER OF LONG TERM INSURANCE BUSINESS

On the 28th day of August 2020

UPON THE APPLICATION by the Applicants (the **Application**) pursuant to The Insurance Business (Bailiwick of Guernsey) Law, 2002 (the **Insurance Law**):

- (a) for the proposed transfer of certain long term business (as defined in Schedule 5 to the Insurance Law) of the Transferor to the Transferee, including in respect of policies issued to policyholders resident in the Bailiwick of Guernsey, pursuant to a scheme under section 44 of the Insurance Law (the **Guernsey Scheme**);
- (b) for an order under section 48(1)(a) of the Insurance Law providing for the transfer to the Transferee of certain property and liabilities of the Transferor as set out in the Guernsey Scheme; and
- (c) for an order under section 47 of the Insurance Law directing that notice of the making of such order be published once in La Gazette Officielle, in the Alderney Official Gazette and in the Sark public notice box.

AND UPON HEARING of oral submissions of Advocate Sandra Duerden Counsel for the Applicants on 20 March 2020, and Advocate Sandra Duerden's written submissions dated 13 August 2020.

AND UPON READING the first and second affidavits sworn by Stuart Jeffery Davies on 14 October 2019 and 28 February 2020 respectively, the first and second affidavits sworn by Matthew Hilmar Cuhls on 15 October 2019 and 27 February 2020 respectively, and the first and second affidavits of Andrew Russell Grant sworn on 18 March 2020 and 11 August 2020 respectively.

AND THE COURT BEING SATISFIED that the Application was accompanied by a report on the terms of the Guernsey Scheme by an independent actuary (the **Independent Expert's Report**) as required by section 45(2)(a) of the Insurance Law.

AND THE COURT BEING SATISFIED that, by letter dated 22 July 2019, the Guernsey Financial Services Commission (the **Commission**) granted its consent pursuant to section 45(3)(b) of the Insurance Law to dispense with the requirement contained in section 45(3)(b) that a statement be sent to each long term policyholder and member of the Applicants, on the basis the Communication Packs be sent to Notified Guernsey Policyholders (as those terms are defined in the Application).

AND THE COURT BEING SATISFIED that the Communication Packs have been duly issued.

AND THE COURT BEING SATISFIED that notices containing the information required by section 45(3)(a) of the Insurance Law have been duly published in La Gazette Officielle on at least two occasions and that 42 days have elapsed since the last date of the publication as required by section 45(3)(d) of the Insurance Law.

AND THE COURT BEING SATISFIED that copies of the Application and the Independent Expert's Report have been available for inspection and collection by the policyholders or their proxies at an address in Guernsey throughout the period since the notices referred to above were last published in accordance with section 45(3)(e) of the Insurance Law.

AND THE COURT BEING SATISFIED having read a letter from the Commission dated 18 March 2020 that:

- (a) in accordance with section 46(a)(ii) of the Insurance Law, the Transferee is licensed to carry on insurance business of the descriptions concerned in the country outside the Bailiwick of Guernsey where the Transferee is to undertake its obligations under the policies to be transferred to it; and
- (b) in accordance with section 46(b)(ii) of the Insurance Law the Prudential Regulation Authority (the **PRA**) and the Financial Conduct Authority (the **FCA**) in the United Kingdom, being the relevant supervisory authorities in the country concerned, have been notified of the proposed scheme of transfer and that the PRA, following due consultation with the FCA, has confirmed no objection is held to the transfer.

THE COURT HEREBY SANCTIONS the Guernsey Scheme attached in the schedule hereto pursuant to section 44 of the Insurance Law.

THE COURT HEREBY ORDERS pursuant to section 48(1)(a) of the Insurance Law that the Guernsey Scheme shall have effect in accordance with its terms and that the Guernsey Transferred Business (as defined in the Guernsey Scheme) shall be transferred to and be vested in the Transferee in accordance with the Guernsey Scheme, in particular so that the transfer of each Guernsey Transferred Policy, Guernsey Transferred Business Asset, and Guernsey Transferred Liability, and any Guernsey Residual Policy, Guernsey Residual Asset or Guernsey Residual Liability (each as defined in the Guernsey Scheme) shall be transferred to and vested in the Transferee in accordance with the Guernsey Scheme.

AND IT IS ORDERED THAT each of the Applicants shall have liberty to apply to the Court for the purposes of section 44 of the Insurance Law and generally.

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AND IT IS DIRECTED THAT in accordance with section 47(2) of the Insurance Law notice of the making of this order shall be published once in La Gazette Officielle, in the Alderney Official Gazette and in the Sark public notice box specifying a period of 21 days from the date of this order, during which the policyholders affected by the Guernsey Scheme may exercise any right which they may have to cancel their policy.

This 28th day of August 2020

R.S. McMillan

Bailiff



Schedule

The Guernsey Scheme