

downlands

[DATE]

Dear Sir / Madam

**THIS LETTER AND ITS ENCLOSURES ARE IMPORTANT - PLEASE READ THEM CAREFULLY
EXCESS INSURANCE COMPANY LIMITED - PROPOSED INSURANCE BUSINESS TRANSFER**

We are writing to you in connection with a proposed transfer of insurance business scheme under Part VII of the Financial Services and Markets Act 2000 (the “**Transfer**”).

Introduction

This letter is being sent to you as we believe that you represent claimants who have made claims under employers’ liability insurance policies written by Excess Insurance Company Limited (“**Excess**”).

Excess wrote many different lines of insurance and reinsurance business in the London Market for nearly one hundred years, from 1894. It ceased writing new business and has been in run-off since 1992. It wrote employers’ liability business between c.1908 and 1991 and all known employers’ liability policies have been recorded onto the register held by the Employers’ Liability Tracing Office.

Excess is incorporated in the UK and is part of The Hartford Financial Services Group, Inc. (the “**Hartford Group**”), a US-based Fortune 500 insurance and investment group. The Hartford Group includes other insurance and reinsurance business written by other members of the Hartford Group that is administered in the UK. All of this business is in run-off. The Hartford Group is proposing that any such business is consolidated and transferred as part of the Transfer into a single UK-incorporated, regulated group company: Hartford Financial Products International Limited (“**HFPI**”), which is also in run-off.

DLM House
Downlands Business Park
Lyons Way
Worthing
West Sussex
BN14 9RX

Downlands Liability Management Limited Registered in England No.3625107
Registered Office - DLM House, Downlands Business Park, Lyons Way, Worthing, West Sussex BN14 9RX

CLOSURE MANAGEMENT & CUSTOMISED SERVICES

The Transfer

To become effective the Transfer must be approved by the High Court of Justice in England (the “**Court**”). The Court will consider whether the Transfer is fair and whether policyholders’ interests are safeguarded. In doing so, it will take into account the views of the UK regulators, the Prudential Regulation Authority (“**PRA**”) and the Financial Conduct Authority (“**FCA**”), as well as the opinion of an Independent Expert, whose appointment has been approved by the PRA and the FCA, and any objections received from affected parties.

A summary of the Independent Expert’s report is enclosed; his overall conclusion is as follows: *“I conclude that the security provided to policyholders would be equivalent or improved after the Transfer, that no group of policyholders would be adversely affected to a material extent by the Transfer, that the level of customer service provided to policyholders would be unaffected by the Transfer, and that therefore there is no reason that the Transfer should not go ahead.”*

The Court hearing is currently scheduled for 13 October 2015 and, if approved, it is expected that the Transfer will become effective on 15 October 2015.

The Transfer will consolidate the following Hartford Group liabilities into HFPI:

1. all business written by Excess Insurance Company Limited;
2. business within the UK branch of the Hartford Fire Insurance Company, a Connecticut incorporated insurer; and
3. certain insurance liability and reinsurance business written by London & Edinburgh Insurance Company Limited (which is now part of the Aviva group) for which the Hartford Group has ultimate financial responsibility.

The Transfer will include all corresponding assets, including reinsurance assets, matching the insurance and reinsurance policies to be transferred.

Action required

Given that much of the employers’ liability business was written through brokers and given its age, Excess will not be sending a direct letter to all such policyholders with notice of the Transfer. Furthermore, Excess will have no records by which to reach the underlying claimants on these policies. **We therefore ask that you notify any of your clients who you believe may be affected by the Transfer with a copy of this letter and its enclosures.**

Claimants are not required to take any action in relation to the Transfer. If approved by the Court, policies and claims will automatically transfer to HFPI. Other than this, there will be no change to any policy terms or the way in which claims are administered and all existing contact details will remain the same. Individual claimant’s rights under the Third Parties Rights Against Insurers Act 1930 will not be affected by the Transfer.

Claims will continue to be managed by the existing run-off manager, Downlands Liability Management Limited (“**DLM**”), which is also part of the Hartford Group. Excess will continue to be traceable after the Transfer through the Employers’ Liability Tracing Office website (in relation to all of its known employers’ liability policies) whereby DLM will handle any future claims on behalf of HFPI.

However, if any party believes that they will be adversely affected by the Transfer, they have the right to make written representation to the Court or be heard at the Court hearing to approve the Transfer (in person or by legal representation). The Court hearing is currently scheduled to take place on 13 October 2015 at the Rolls Building, Royal Courts of Justice, 7 Rolls Buildings, Fetter Lane, London EC4A 1NL, UK. Any person who intends to appear at the Court, or to make representations in writing, is requested to notify the Hartford Group’s solicitors, Freshfields Bruckhaus Deringer LLP, as soon as possible and ideally at least 2 days before the Court hearing at 65 Fleet Street, London, EC4Y 1HS (Ref 138865-0034/GHFS/NAG/LEH). Parties can also call or write to DLM using the contact details set out under “Further information” below. We will bring any representations received to the attention of the PRA, FCA and Court at the hearing when it decides whether to grant its approval of the Transfer.

Further information

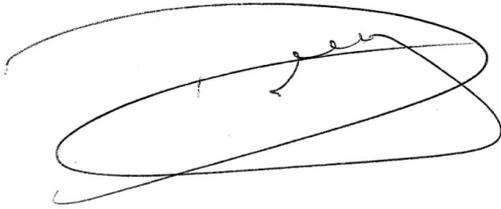
A summary of the key terms of the Transfer is provided in the enclosed booklet along with a summary of the Independent Expert’s report. A set of frequently asked questions and answers and a legal notice setting out the date of the Court hearing and details of how parties can object to the Transfer are also included.

If you would like any further information or copies of the Transfer documents or have any other queries relating to the Transfer please contact the DLM helpline on +44(0)1903 836 822, or by email to HartfordPartVII@downlandsliaability.com, or in writing to Roland Jackson, Downlands Liability Management Limited, DLM House, Downlands Business Park, Lyons Way, Worthing, West Sussex BN14 9RX. The helpline will be open between the hours of 9.00 a.m. and 5.30 p.m. from Monday to Friday UK time. When calling the helpline number outside of these hours, please leave a short message stating the nature of your query and your contact details and DLM will endeavour to return your call within 48 hours (excluding Saturdays, Sundays and Bank Holidays).

Alternatively, copies of all documents relating to the Transfer, including the full terms of the legal document that will give effect to the Transfer and the full report of the Independent Expert, can be downloaded from the Transfer website at www.downlandsliaability.com. Updates regarding the Transfer will be posted onto the website from time to time including any changes to the date of the Court hearing and a copy of any supplemental report prepared by the Independent Expert.

We would encourage any person to discuss with us any queries that they may have regarding the Transfer as soon as possible.

Yours faithfully

A handwritten signature in black ink, consisting of several overlapping loops and a central scribble, enclosed within a large, irregular oval shape.

David S Rooney
Managing Director of Downlands Liability Management Limited
For and on behalf of
Excess Insurance Company Limited