

(In Liquidation)

14th October 2020

CBL Insurance Europe DAC (in liquidation) (“CBLIE”)

Dear Sir or Madam,

This letter is being sent to policyholders who have lodged a claim with CBLIE which has yet to be agreed, or who have an agreed unpaid claim, in both instances where CBLIE has contact details for those policyholders.

This letter is also being sent to all brokers, managing general agents, third party agents, intermediaries and policyholders who have placed business with CBLIE. All such brokers, managing general agents, third party agents and intermediaries are hereby requested to send this letter to each and every client who has or may have a claim against CBLIE.

Further to our letter dated 24th March 2020, we enclose the following:

1. notice of the Joint Liquidators’ application to the High Court of Ireland for Directions (“the Directions Application”) and;
2. notice of a meeting of the Company’s creditors (“the Creditors Meeting”) at which it will be determined by resolution whether or not a Committee of Inspection will be formed and who will be the members of the committee.

Directions Application

As previously advised in our letter in March 2020, we were advised and were of the view that it is necessary to seek Directions from the High Court to confirm that insurance policies written by CBLIE ceased to produce effects on the 20th February 2020. We can confirm that on 1 October 2020, the Joint Liquidators issued a Directions Application and the High Court gave directions in relation to service of the Directions Application at an initial hearing on Friday 2 October 2020. In accordance with those directions, we now enclose a notice of this application which provides further details in relation to the questions to be determined by the Court and your entitlement to be provided with a copy of the application and to make submissions to the Court.

Please note that the Directions Application will deal with how classes of claims are dealt with in the liquidation and accordingly you do not need to be individually represented nor will a failure to respond to the notice adversely impact your claim.

Creditors Meeting

As mentioned above, we are convening a meeting of creditors for the purposes of determining by resolution whether or not a Committee of Inspection will be formed and who will be the members of the Committee of Inspection. The meeting will also provide creditors with the opportunity to interact with the Joint Liquidators.

CBL Insurance Europe DAC (In Liquidation)

Company Registration Number 218234

Registered Office: 1 Stokes Place, St. Stephens Green, Dublin 2, D02DE03, Ireland

www.cblinsuranceeurope.com

The meeting will be held at 11.00am (GMT) on 1st December 2020.

The meeting will be held via Zoom given the current Covid-19 restrictions around travel within Europe. If you wish to attend please confirm to Colm Fitzpatrick by email: colm.fitzpatrick@kpmg.ie

Corporates and partnerships (but not individuals) will need to submit a proxy form which is enclosed or can be downloaded at <https://cblinsuranceeurope.com/>

Please note that there will be no opportunity to discuss your individual claim and your interests will not be adversely impacted should you choose not to attend.

The purpose of the Committee of Inspection is to assist the Joint Liquidators in the timely wind-up of CBLIE and to approve the Liquidators' remuneration and costs in due course. A maximum of five creditors can be appointed to the Committee. If you are interested in being on the Committee please let us know. If there are more than five nominations it may be necessary to have a vote where Creditors choose who should be elected.

Contact details

Correspondence or queries for the Joint Liquidators should be sent using the details below.

Post: CBL Insurance Europe DAC (in liquidation), KPMG Restructuring, 1 Stokes Place, St. Stephen's Green Dublin 2.

Email: policyqueries.cblie@kpmg.ie

Yours Sincerely,



Cormac O'Connor
Joint Liquidator



Kieran Wallace
Joint Liquidator

THE HIGH COURT

Record Number 2020/77 COS

IN THE MATTER OF CBL INSURANCE EUROPE DESIGNATED ACTIVITY COMPANY

AND IN THE MATTER OF THE INSURANCE ACT 1936

AND IN THE MATTER OF THE COMPANIES ACT 2014

NOTICE TO EACH POLICYHOLDER OR CREDITOR WHO HAS, OR MAY HAVE, A CLAIM AGAINST CBL INSURANCE EUROPE DESIGNATED ACTIVITY COMPANY (IN LIQUIDATION) (THE “COMPANY”)

Notice is hereby given that Counsel for the Joint Liquidators of the Company will on a date to be fixed by the High Court, apply in the above-mentioned proceedings pursuant to section 631(1) of the Companies Act 2014 (the “**Directions Application**”) for the determination of the following questions which have arisen in the winding-up of the Company:

1. Does a contract of insurance to which the Company was party at the date of the commencement of the winding-up (the “**Relevant Date**”) and which has not terminated automatically according to its own terms, cease to have effect and/or otherwise terminate as a result of the commencement of the winding-up of the Company, and the withdrawal of the Company’s authorisation to carry out the business of an insurance undertaking?
2. Having regard to the provisions of section 75(1) of the Bankruptcy Act 1988:
 - (a) Are claims under policies of insurance liabilities that arise from an “*obligation incurred*”; or liabilities based on a “*wrong*”?
 - (b) If claims under insurance policies are provable based on an “*obligation incurred*”, what is the relevant date (i.e. the date of entry into the contract or the date of the occurrence of the insured event)?
 - (c) If liabilities are provable on condition they relate to a claim that arises from a “*wrong*” that occurred before the Relevant Date, is it sufficient that the wrong or insured event occurred before the Relevant Date, without more?
 - (d) If the wrong / event is not sufficient, what more must be proved for the claim to be provable in the liquidation within the meaning of section 75(1)?

3. How should the Joint Liquidators treat claims which may be made under policies which relate to events which have not occurred before the Relevant Date, but which may occur and be notified to the Company at some point in the future?
4. Having regard to the provisions of the Solvency II Regulations:
 - (a) what is the scope of an "insurance claim" for the purposes of Regulation 277(1)?
 - (b) does a claim for unearned premia that arises as a result of the Company no longer being "on risk" under insurance contracts entered before the Relevant Date owing to the commencement of the winding up (whether the contract is terminated/ frustrated/ cancelled/ or otherwise ceases to produce effects) rank as an "insurance claim" for the purposes of Solvency II?
 - (c) Is every claim that is made under an insurance policy which gives rise to a provable debt in the liquidation, an "insurance claim" for the purposes of Regulation 277(1) of the Solvency II?
5. An Order pursuant to section 640 of the Companies Act 2014;
6. Such further or other Orders as to this Honourable Court shall seem fit; and
7. An Order providing for the costs of this application to be costs in the Liquidation.

WHICH APPLICATION will be grounded on the proceedings already had herein, the affidavit of Cormac O'Connor sworn on 29 September 2020 and the exhibit thereto, the affidavit of Grace Armstrong sworn on 2 October 2020 and the exhibits thereto, such further or other evidence as may be adduced, the nature of the case and the reasons to be offered.

PURSUANT TO AN ORDER dated 2 October 2020 the High Court directed, *inter alia*, that all brokers, managing general agents, third party agents and, intermediaries and all policyholders for whom the Joint Liquidators have addresses, should be notified of the Joint Liquidators' application which has been listed for further directions by the Court on Friday 27 November 2020 at 11am.

The Court also directed that any person wishing to participate in the Directions Application should notify McCann FitzGerald, solicitors for the Joint Liquidators, of their intention to do so, on or before 5pm on Friday 20 November 2020.

Any such parties will be provided with a copy of the Directions Application (including an *ex parte* docket, affidavit and exhibit). Correspondence should be addressed by email to grace.armstrong@mccannfitzgerald.com or by post to McCann FitzGerald, Riverside One, Sir John Rogerson's Quay, Dublin 2 marked for the attention of Grace Armstrong.

Dated this 14th day of October 2020

McCann FitzGerald
Solicitors for the Joint Liquidators
Riverside One
Sir John Rogerson's Quay
Dublin 2

THE HIGH COURT

Record No. 2020/77 COS

IN THE MATTER OF CBL INSURANCE EUROPE DESIGNATED ACTIVITY COMPANY
AND IN THE MATTER OF THE INSURANCE ACT 1936
AND IN THE MATTER OF THE COMPANIES ACT 2014

NOTICE TO CREDITORS

Meeting of Creditors

The Joint Liquidators have decided to summon a meeting of creditors of CBL Insurance Europe DAC (in liquidation) (the “**Company**”) and the purpose of the meeting is to determine by resolution:

- (a) Whether or not a committee of inspection (the “**Committee**”) is to be appointed: and
- (b) Who are to be the members of the Committee, if so appointed. The proposed members of the Committee are (1) the United Kingdom’s Financial Services Compensation Scheme, (2) LBC Holdings Europe Limited and (3) Ronan Ryan (a former employee of the Company).

Due to the COVID-19 outbreak, the Creditors’ Meeting will not be physically held, but the Company’s creditors will be entitled to attend and vote at a Zoom meeting. The Meeting will take place at 11 a.m. (GMT) on 1st December 2020. If you wish to attend the Zoom meeting, please confirm this by email to Colm Fitzpatrick at KPMG, colm.fitzpatrick@kpmg.ie by no later than 5pm on the 17th November 2020.

In addition, forms of general and special proxies are enclosed with this notice. Completed proxies to be used at the meeting must be scanned and submitted by email the same address.

Please note that full details of (1) the requirements to identify attendees at the meeting, (2) the procedure for communicating questions and comments during the meeting and (3) the procedure for voting on resolutions proposed during the meeting will all be available on the Company’s website at <https://cblinsuranceeurope.com/>. Any party who has complied with the requirements specified on the website to identify him/herself will then be provided with details of the virtual meeting.

If you have any questions, please contact a member of our team on +353 1 410 1797 or by email at policyqueries.cblie@kpmg.ie.

Dated: 14th October 2020



Signed:

Kieran Wallace



Cormac O’Connor
Joint Liquidators, CBL Insurance Europe Designated Activity Company (in liquidation)

THE HIGH COURT

Record No. 2020/77 COS

IN THE MATTER OF CBL INSURANCE EUROPE DESIGNATED ACTIVITY COMPANY

AND IN THE MATTER OF THE INSURANCE ACT 1936

AND IN THE MATTER OF THE COMPANIES ACT 2014

GENERAL PROXY

I/We, _____,

of _____

a creditor hereby appoint _____

to be my/our general proxy to vote at the meeting of creditors to be held in the matter on the 1st of December 2020 or at any adjournment thereof.

Dated: _____ October 2020

Signed: _____

Notes:

- (1) The person appointed general proxy may in a winding up by the Court be the Liquidator or such other person as the creditor may appoint and in a voluntary winding up may be the Liquidator or if there is no Liquidator, the chairman of the meeting or such other persons as the creditor may appoint. The proxy form should be altered accordingly.
- (2) If a firm, sign the firm's trading name and add "by A.B. a partner in the said firm". If the appointor is a corporation, then the form of proxy must be under its common seal and under the hand of some officer duly authorised in that behalf and the fact that the officer is so authorised must be so stated.
- (3) The proxy form when signed must be lodged by the time and at the address stated for that purpose in the notice convening the meeting at which it is to be used.

THE HIGH COURT

Record No. 2020/77 COS

IN THE MATTER OF CBL INSURANCE EUROPE DESIGNATED ACTIVITY COMPANY

AND IN THE MATTER OF THE INSURANCE ACT 1936

AND IN THE MATTER OF THE COMPANIES ACT 2014

SPECIAL PROXY

I/We, _____,

of _____

a creditor hereby appoint _____

to be my/our proxy at the meeting of creditors to be held on the 1st of December 2020 or at any adjournment thereof to vote for/against the resolution (a) that a Committee of Inspection be appointed in accordance with Section 666 of the Companies Act 2015 and, if so resolved, (b) that [•] be appointed to the Committee of Inspection in the notice convening the said meeting.

Dated: _____ October 2020

Signed: _____

Notes:

- (1) The person appointed proxy may in a winding up by the Court be the Liquidator or such other person as the creditor may appoint and in a voluntary winding up may be the Liquidator or if there is no Liquidator, the chairman of the meeting or such other persons as the creditor may appoint. The proxy form should be altered accordingly. A creditor or contributory may give a special proxy to any person to vote at any specified meeting or adjournment there on all or any of the following matters:
 - (a) for or against the appointment or continuance in office of any specified person as Liquidator or as a member of the committee of inspection;
 - (b) on all questions relating to any matter, other than those above referred to, arising at any specified meeting or adjournment thereof.
- (2) If a firm, sign the firm's trading name and add "by A.B. a partner in the said firm". If the appointor is a corporation, then the form of proxy must be under its common seal and under the hand of some officer duly authorised in that behalf and the fact that the officer is so authorised must be so stated.
- (3) The proxy form when signed must be lodged by the time and at the address stated for that purpose in the notice convening the meeting at which it is to be used.