

Proposed transfer of the private medical insurance business of Aetna Insurance Company Limited to the AWP P&C SA, an Allianz entity.

## Answers to frequently asked questions (FAQs)

The guide is available to download at [www.aetnainternational.com/en/about-us/insurance\\_business\\_transfer/uk\\_insurance\\_business\\_transfer.html](http://www.aetnainternational.com/en/about-us/insurance_business_transfer/uk_insurance_business_transfer.html)

## Introduction

This guide contains information regarding the proposal to transfer the insurance and reinsurance business of Aetna Insurance Company Limited to AWP P&C SA (“**Allianz**”), an Allianz Partners SAS group company, who shall allocate the business in full to its UK branch (the “**Transfer**”).

Within the guide you will find:

- Information on what we are doing and why
- Information on the process we are following
- Information on what the Transfer means for you, including how to raise concerns
- Information on the court hearings
- Details of where to go for further information

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## What’s happening

### Q 1.1 What are the proposed changes?

A Aetna Insurance Company Limited (“AICL”) is proposing to transfer its private medical insurance business (excluding any business written by AICL’s Singapore branch) to Allianz, a French insurance company and an Allianz group company, using an insurance business transfer scheme. The business will be allocated to the UK branch of Allianz.

### Q 1.2 Why are these changes happening?

A On 24 March 2022, Aetna International LLC (“Aetna International”) announced that we plan to wind down our non-Americas insurance business. This means that in the Europe, Middle East, Africa and Asia Pacific regions, we will no longer issue new or renewal policies.

We also announced that we have signed a preferred partnership deal with AWP Health & Life SA - Irish Branch, operating under the registered business name of Allianz Partners (“Allianz Partners”) covering the majority of our business outside the Americas. This agreement means that we are introducing our customers to Allianz Partners at renewal, to support continuity of coverage for our members wherever possible.

In addition to the preferred partnership deal with Allianz Partners we are also proposing to transfer all of our remaining private medical insurance business (other than business written by AICL’s Singapore

branch) to Allianz to conclude the exit of our non-Americas insurance business.

### **Q 1.3 What is this process called?**

A The Transfer will be carried out by way of a court process known as a Part VII Transfer. The process is described further throughout these FAQs.

### **Q 1.4 Who is AICL?**

A AICL is a wholly-owned subsidiary of Aetna International. AICL forms a part of Aetna International's 'rest of world' (i.e. non-Americas) operations. Aetna International is a part of the CVS Health Corporation group of companies.

### **Q 1.5 Who Is AWP P&C SA?**

A AWP P&C SA ("**Allianz**") is a French entity and is operating in the UK through its UK Branch. It is an Allianz Partners SAS group company. The UK branch is regulated by both the Financial Conduct Authority (the "FCA") and the Prudential Regulation Authority (the "**PRA**"). Allianz's main lines of business in the UK are roadside assistance, health, automotive, and travel (including missed event, travel delay and hotel cancellation) insurance. Allianz is a global insurer and serves clients on a worldwide basis.

### **Q 1.6 What is being transferred?**

A The insurance and reinsurance liabilities of AICL are being transferred to Allianz. This includes all insurance policies underwritten by AICL (excluding any policies written by AICL's Singapore branch), including any endorsements or amendments thereto, under which there is still potential liability for claims. Information on what this means for you is in section 2.

### **Q 1.7 When will the Transfer take place?**

A If the High Court approves the Transfer, we expect the Transfer to take place on 1 December 2023 (the “**Effective Date**”). Please see section 4 for details of the court hearing. If there are any changes to the process (such as the dates of the court hearings or the time of the Transfer), we will provide details on our website at [http://www.aetnainternational.com/en/about-us/insurance\\_business\\_transfer/uk\\_insurance\\_business\\_transfer.html](http://www.aetnainternational.com/en/about-us/insurance_business_transfer/uk_insurance_business_transfer.html)

### **Q 1.8 Why are you writing to me?**

A As part of the Part VII Transfer process, we’re legally required to inform you about the proposed Transfer and provide you with the opportunity to object. Our records show that you (or someone you represent) have an interest in one or more AICL policies that will be included within the transfer to Allianz. This could be because you (or someone you represent):

- took out a policy directly with AICL;
- took out an AICL policy through a broker; or
- are dealing or have dealt with AICL or one of its brokers, healthcare providers or claims administrators in relation to a claim in respect of a policy.

You have the right to object to the Transfer, if you believe the proposed Transfer would adversely affect you. Please read Section 2.4 for more information. Objections can only be made until the court hearing on 27 October 2023.

### **Q 1.9 Is the proposed Transfer different to the information I received introducing me to Allianz?**

A Yes. We announced to customers last year that AICL was not going to continue providing private medical insurance and that we would arrange an introduction to Allianz Partners, where appropriate, if customers wanted to renew their policy with them at their policy expiry date. The proposed Transfer will transfer any outstanding liabilities under policies that AICL had already underwritten before 11:59 p.m. on 31 October 2022 to Allianz, who will deal with any queries and pay valid claims under the policies after the Effective Date.

## What this means for you

### Q 2.1 How does this affect my policy or claim?

A The Transfer will change the insurance company responsible for handling claims under your policy. Broadly, the Transfer will transfer the rights and obligations under the policies from AICL to Allianz, an Allianz Partners SAS group company. This means that you will contact Allianz if you need to make a claim or have a question about your policy or a claim.

There will be no change to what you are able to claim for under the terms and conditions of your policy after the Transfer has taken place. We will endeavour to ensure that administration and service levels will not be affected by the proposed Transfer and are working closely with Allianz to prepare for the Transfer to ensure you receive a similar level of service from Allianz after the Transfer.

All claims, under the transferred policies, which are currently being dealt with by AICL will be handled by, or on behalf of, Allianz. You will not need to take any action, as we will arrange the Transfer. If you have a claim that is being dealt with by AICL at the time of the proposed Transfer, we will let you know how to contact Allianz if you have a query about your claim.

### Q 2.2 Which of my policies are transferring?

A All of your policies written or underwritten by AICL, other than those written by AICL's Singapore branch, will transfer to Allianz.

### Q 2.3 What should I do next?

A We recommend that you read the accompanying letter and this guide in full which includes a copy of the summary of the Independent Expert report, summary Scheme document and a copy of the Legal Notice.

You can find more information about the proposed Transfer, including summaries and full versions of both the Scheme document and the Independent Expert's report, on our website at [www.aetnainternational.com/en/about-us/insurance\\_business\\_transfer/uk\\_insurance\\_business\\_transfer.html](http://www.aetnainternational.com/en/about-us/insurance_business_transfer/uk_insurance_business_transfer.html).

If you represent someone, or if there is anyone else, with an interest in, or entitlement to, the benefits under your policy (such as any members of the policy and their dependants), please make them aware of the proposed Transfer as soon as possible and provide them with the communications pack you have been sent.

**If you do not have any concerns about the proposed Transfer and do not wish to object to it, you do not have to take any further action.**

#### **Q 2.4 What should I do if I have any concerns or want to object?**

A If you believe the proposed Transfer would adversely affect you and/or any of your dependants, you are entitled to object. You can contact us by email, telephone or post (details in section 6) and we will pass your objection to all relevant parties including the High Court, the PRA, the FCA and the Independent Expert, who will also consider your objection.

You also have the right to raise an objection at the court hearing on 27 October 2023 either in person, by written representation or by legal representation. Objections can only be made up until this date. If the date or time changes, we will post the updated details on our website at [http://www.aetnainternational.com/en/about-us/insurance\\_business\\_transfer/uk\\_insurance\\_business\\_transfer.html](http://www.aetnainternational.com/en/about-us/insurance_business_transfer/uk_insurance_business_transfer.html).

If you want to make a written representation direct to the High Court, please address your letter to: The High Court of Justice of England and Wales, 7 Rolls Buildings, Fetter Lane, London EC4A 1NL, including the Part VII Transfer number CR-2023-001842 as a reference. Please also send a copy to us.

You do not have to inform anyone in advance, but if you do intend to make representations (either in writing or by telephone) or to appear at the hearing (either in person or using legal representation), we ask that you also let us know before 20 October 2023 so that we can ensure the High Court is made aware.

You can find our contact details on the front of the letter or at the end of this guide – please quote the reference number shown at the top of the letter.

#### **Q 2.5 Will I receive a new policy schedule or updated terms and conditions?**

A No, your existing policy documents will not change. Your policy terms and conditions will not be affected by this change.

#### **Q 2.6 What if I have a general question about my policy or claim?**

A Please continue to contact your usual AICL representative or Aetna member services for general questions about your policy or claim until the Effective Date. You can use the telephone number given in the accompanying letter or at the end of this guide if you have any questions about the proposed

Transfer. If the proposed Transfer goes ahead, we will let you know how to contact Allianz by posting this information on our website. We will also write to you with Allianz's contact details if you have submitted a claim and it is still being processed.

**Q 2.7 Will I still have access to the Financial Ombudsman Service?**

A Yes, existing rights are not affected. The Financial Ombudsman Service provides consumers with a free, independent service for resolving disputes with financial firms.

**Q 2.8 Will I still be covered by the Financial Services Compensation Scheme ("FSCS")?**

A Yes, existing rights are not affected. To the extent eligible, policyholders from the UK (and Channel Islands) will continue to be covered by the FSCS.

**Q 2.9 Why have I received more than one letter about the proposed Transfer?**

A If you hold more than one policy with AICL, you may receive notification of the proposed Transfer for each policy. You may also receive separate notification of the proposed Transfer from your broker, or if you have a claim being dealt with by AICL at the moment.

## More about the Transfer

**Q 3.1 How will the Transfer be carried out?**

A The Transfer will be carried out using an insurance business transfer scheme under Part VII of the Financial Services and Markets Act 2000, subject to approval by the High Court in the UK. Section 4 of this guide includes some important information regarding the court hearings.

**Q 3.2 Who will pay for the Transfer?**

A The Transfer will be paid for by AICL. There is no cost to policyholders.

**Q 3.3 How are my interests protected?**

A Your interests and the interests of other policyholders and claimants are protected by the legal process AICL and Allianz are required to follow:

- We are writing to tell you what is proposed and to give you an opportunity to raise any concerns before the Transfer takes effect. You can object if you think you and/or any of your dependants would be adversely affected by the Transfer.



- We've appointed an Independent Expert who has been approved by the PRA in consultation with the FCA. The Independent Expert has reviewed the terms of the Transfer and produced a report for the High Court. This report concludes that the proposed Transfer:
  - will not materially adversely affect the security of benefits to policyholders of either AICL or Allianz; and
  - will not materially adversely impact on service standards experienced by the policyholders of either AICL or Allianz.
- We will seek approval for the Transfer from the High Court in the UK. The High Court will only approve the Transfer if it is satisfied it is appropriate in all circumstances. The High Court will take into account the opinions of the PRA and FCA, the opinion of the Independent Expert and any representations made by AICL and Allianz policyholders who are concerned that they would be adversely affected by the Transfer.
- We have been in close consultation with the PRA and FCA, our industry regulators, who will assess the proposed Transfer. Each is expected to provide a report to the High Court.

#### **Q 3.4 Who is the PRA?**

A The PRA is part of the Bank of England and is responsible for the prudential regulation and supervision of deposit takers, insurers and designated investment firms in the UK. The PRA has objectives to promote the safety and soundness of the firms it regulates and to contribute to the securing of an appropriate degree of protection for those who are or may become policyholders.

#### **Q 3.5 Who is the FCA?**

A The FCA was established on 1 April 2013, taking over responsibility for conduct and relevant prudential regulation from the Financial Services Authority. It is an independent public body funded entirely by the firms it regulates. It is accountable to the Treasury, which is responsible for the UK's financial system, and to Parliament.

The FCA aims to make markets work well – for individuals, for businesses (large and small) and for the economy as a whole. It does this by regulating the conduct of around 50,000 businesses. It is the prudential supervisor for 48,000 firms and sets specific standards for around 18,000 firms.

Its aims are to:

- secure an appropriate degree of protection for consumers;
- protect and enhance the integrity of the UK financial system; and
- promote effective competition in the interests of consumers.

### **Q 3.6 Who is the Independent Expert?**

A The Independent Expert is Brian Morrissey. Brian, a senior actuary in KPMG Ireland, is a Fellow of the Society of Actuaries in Ireland, Fellow of the Institute and Faculty of Actuaries and a Fellow of Society of Actuaries in the US.

He has been approved to act in the role of Head of Actuarial Function by the Central Bank of Ireland; he has a Reviewing Actuary certificate issued by the Institute and Faculty of Actuaries in the UK. He has also been approved to act in the role of Reserving Actuary/Loss Reserve Specialist/Appointed Actuary to a large number of Employee Benefit captives in Bermuda and the US.

### **Q 3.7 What is the role of the Independent Expert?**

A Brian has been appointed to report his opinion on the likely effect of the proposed Transfer on policyholders. His report is impartial, based on a thorough scrutiny of the proposed Transfer and the businesses of AICL and Allianz, each of whom has provided him with access to key staff and private and public information he has requested.

The Independent Expert's appointment has been approved by the PRA (following consultation with the FCA), and independence is one of the criteria that was used to assess his suitability. His overriding duty of responsibility is to the Court, and not to AICL or Allianz.

### **Q 3.8 What does the Independent Expert think about the Transfer?**

- A Brian has concluded that, provided the proposed Scheme operates as intended:
- the security of benefits to policyholders of AICL and Allianz will not be materially adversely affected by the implementation of the Scheme on the Effective Date; and
  - the Scheme will not materially adversely impact on the service standards experienced by the policyholders of AICL and Allianz.

## **The court hearing**

### **Q4.1 Why is there a court hearing?**

A To carry out the Transfer, we are following a process set out in Part VII of the UK Financial Services and Markets Act 2000. This requires the approval of the Transfer by the High Court.

### **Q 4.2 When and where will the court hearing take place?**

A It will take place on 27 October 2023 at The High Court of Justice of England and Wales, 7 Rolls Buildings, Fetter Lane, London EC4A 1NL. The hearing may be held virtually – we will update the website at [http://www.aetnainternational.com/en/about-us/insurance\\_business\\_transfer/uk\\_insurance\\_business\\_transfer.html](http://www.aetnainternational.com/en/about-us/insurance_business_transfer/uk_insurance_business_transfer.html) in advance of the hearing to confirm whether it will be held virtually or in person.

#### **Q 4.3 What will happen at the court hearing?**

A The Court will consider whether it is appropriate to allow the Transfer to proceed, having regard to all the circumstances. The judge will review the witness statements and evidence provided by AICL and Allianz, and consider the reports of the Independent Expert and the PRA and FCA.

Time may be allocated to hear any representations made (whether in writing, by telephone or in person) by any person who believes that they would be adversely affected by the Transfer. The judge must decide whether or not it is appropriate to approve the Transfer, taking all of the evidence into account. If the judge decides to approve the Transfer, then a Court Order is made which means the Transfer will come into effect at a time specified in the Court Order.

#### **Q 4.4 Is there an opportunity to vote on the proposed Transfer?**

A There is no opportunity to vote on the proposed Transfer. However, if you consider you and/or any of your dependants may be adversely affected by the Transfer, you may contact us or make representations to the High Court. See question 2.4 for more information.

#### **Q 4.5 How will you let me know about any changes to the court hearing?**

A If there are any changes to the process (such as the dates of the court hearings or the time of the Transfer), we will provide details on our website.

#### **Q 4.6 How will I find out if the High Court has approved the Transfer?**

A We will announce the outcome of the Court process on the Aetna International website at [www.aetnainternational.com/en/about-us/insurance\\_business\\_transfer/uk\\_insurance\\_business\\_transfer.html](http://www.aetnainternational.com/en/about-us/insurance_business_transfer/uk_insurance_business_transfer.html) following the court hearing due on 27 October 2023 Any changes or information on the progress of the Transfer will be announced on the Aetna International website at [www.aetnainternational.com/en/about-us/insurance\\_business\\_transfer/uk\\_insurance\\_business\\_transfer.html](http://www.aetnainternational.com/en/about-us/insurance_business_transfer/uk_insurance_business_transfer.html) . You should check this website for any changes or updates.

If the application is successful then the Transfer should take place on the Effective Date. You will see the Allianz brand on communications you receive about your policy after this date, and you should contact Allianz after this date for any enquiries about your policy. If the Transfer is not approved by the Court, your policy will remain with AICL.

We will also update our website at [www.aetnainternational.com/en/about-us/insurance\\_business\\_transfer/uk\\_insurance\\_business\\_transfer.html](http://www.aetnainternational.com/en/about-us/insurance_business_transfer/uk_insurance_business_transfer.html) with details about how to contact Allianz if you need to make a claim or have a query about a claim.

## Additional information

### Q5.1 Where can I find out more?

A If, after reading this guide and supporting documents, you want to find out more about the proposed Transfer, please visit our website at [www.aetnainternational.com/en/about-us/insurance\\_business\\_transfer/uk\\_insurance\\_business\\_transfer.html](http://www.aetnainternational.com/en/about-us/insurance_business_transfer/uk_insurance_business_transfer.html) . You will find:

- sample letters
- this guide
- the Legal Notice
- a summary of the Scheme plus a copy of the full Scheme document
- a summary of the Independent Expert's report plus a copy of the Independent Expert's full report.

We will update our website as new information becomes available, for example the Independent Expert's supplementary report, so please check back regularly.

If you have any questions or concerns about this document or the accompanying letter and its enclosures or the proposed Transfer, please contact us using the details in Section 6 below.

### Q 5.2 How will you keep me informed?

A If the High Court approves the Transfer, or if there are any changes to the process (such as the dates of the court hearings or the date of the Transfer), we will update our website.

### Q 5.3 Can I receive the communication pack in other formats?

A If you would prefer paper copies of the documents on the website, or an alternative format such as large print, please contact us. You can find our contact details on the front of the accompanying letter or at the end of this guide – please quote the reference number shown at the top of the letter.

### Q 5.4 Who do I contact once the Transfer has been completed?

A If the proposed Transfer goes ahead, we will let you know how to contact Allianz by posting this information on our website. We will also write to you with Allianz's contact details if you have submitted a claim and it is still being processed.

## Contact us

### We're here to help

If you have any questions not answered above, or if you want to object to the Transfer, you can contact us using the following details. Equally, if you would prefer paper copies of the documents on the website, or an alternative format such as large print, please let us know – please quote the reference number shown at the top of the accompanying letter.

Until the Transfer takes effect, please continue to use your normal contact details for general questions about your policy or claim, as shown on your policy documents. Please email us or call us using the contact details shown here for questions about the proposed Transfer.

**Email:** [europeservices@aetna.com](mailto:europeservices@aetna.com)

**Website:** [www.aetnainternational.com/en/about-us/insurance\\_business\\_transfer/uk\\_insurance\\_business\\_transfer.html](http://www.aetnainternational.com/en/about-us/insurance_business_transfer/uk_insurance_business_transfer.html)

### Telephone:

Toll free from the UK 0800-085-2596

From outside the UK (Toll) +44-203-788-3288

For toll-free calling from other countries, please refer to <https://www.business.att.com/collateral/access.html> to find the number for the country you're dialling from. When prompted during the call, please enter the access code 855-491-9150 and follow the instructions.

Please visit <http://www.aetnainternational.com/ai/en/about-us/legal/regional-entities> for more information, including a list of relevant entities permitted to carry on or administer insurance business in their respective jurisdictions.

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