



Letter to Delegated Authority Solicitors

Private and confidential

11 December 2020

THIS LETTER CONTAINS INFORMATION THAT AFFECTS THE LEGAL RIGHTS OF POLICYHOLDERS AND REQUIRES YOUR IMMEDIATE ATTENTION

IMPORTANT INFORMATION ABOUT ELITE INSURANCE COMPANY LIMITED'S (IN ADMINISTRATION) DELEGATED AUTHORITY AFTER THE EVENT INSURANCE BUSINESS

Dear Sir or Madam

Elite Insurance Company Limited (in Administration) (“Elite” or “the Company”)

Elite was placed into Administration by the Supreme Court of Gibraltar on 11 December 2019 and we, Edgar Lavarello and Dan Schwarzmann, were appointed as Joint Administrators on the same date. The Administration is governed by the law of Gibraltar.

We are required to manage the Company for the benefit of current and future creditors as a whole, including its policyholders. Elite is insolvent and it will probably be a number of years before it can make any payments to policyholders or other creditors by way of a dividend distribution. While it is too early to estimate the timing or value of any distribution to creditors, it is unlikely that any policyholders or other creditors will be paid in full. For further information on the Administration and the role of the Administrators please see our website - www.pwc.co.uk/elite-insurance.

We are writing to you as Elite's records indicate that you or a prior solicitor firm arranged after the event (“ATE”) insurance cover for your clients under a delegated authority provided by Elite.

As of the 11 December 2020, all active ATE insurance policies underwritten by Elite which were arranged under a delegated authority provided by Elite have been ‘disclaimed’ by the Administrators in accordance with the Gibraltar Insolvency Act. This means that the contract entered into between policyholders and Elite has been terminated. Elite will not be entitled to collect premium that has not become due and payable by 11 December, but it also will not cover any claims that have not become due and payable by then either. Under Gibraltar's Insolvency Act, policyholders, and any other person whose rights are affected by the disclaimer, can submit a claim in Elite's administration for any loss or damage they suffered as a consequence of the disclaimer. For the avoidance of doubt, any premiums which were due and payable to Elite prior to the date of disclaimer remain due to Elite and should be paid as usual.

PricewaterhouseCoopers Limited, 327 Main Street, Gibraltar
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Registered in Gibraltar: Number 94799



We ask that you promptly inform all of your clients that have an ongoing legal case and ATE cover with Elite of the disclaimer.

We attach a list of the active policies recorded in Elite's database at the date of Administration as placed by you or a prior solicitor under delegated authority. This is unlikely to be a complete and accurate list and the Joint Administrators anticipate that many of these policies are not active, but that you will have the most up to date information in this respect.

When is the policy terminated?

All active ATE insurance policies underwritten by Elite which were arranged under a delegated authority provided by Elite have been disclaimed, in other words, terminated, with effect from (and including) 11 December 2020. A copy of the Notice of Disclaimer sealed by the Supreme Court of Gibraltar is enclosed with this letter and can also be found on our website. <http://www.pwc.co.uk/elite-insurance>.

Alternative options for policyholders

Policyholders, and any other person whose rights are affected by the disclaimer, should try to minimise any loss they might suffer as a result. This may include seeking alternative insurance cover for their case and we encourage you to assist your clients in finding such cover where appropriate.

FSCS eligibility

The Administrators are working and will continue to work closely with FSCS to determine the availability of FSCS protection, subject to their eligibility criteria, for claims arising prior to the date of disclaimer as well as for damages as a result of disclaimer.

Submitting claims

The Administrators will provide information in due course on how to submit a claim for damages. There is no requirement to submit such a claim immediately.

What should I do if I have any questions?

For further information about the Elite Administration, please visit the Administrator's website <https://www.pwc.co.uk/elite-insurance>. The website includes a frequently asked questions document which can be found here: (<http://pwc.com/content/pwc/uk/en/services/business-restructuring/administrations/elite-insurance/latest-news-and-update/important-information-for-after-the-event-policyholders/after-the-event-ate-insurance-disclaimer-faqs.html>)

You can contact us using the email address: UK_ATEELITE@pwc.com

Yours faithfully

A handwritten signature in blue ink, appearing to be a cursive or stylized script, located below the 'Yours faithfully' text.

Edgar Lavarello and Dan Schwarzmann
Joint Administrators acting as agents of the company and without personal liability
Elite Insurance Company Limited (In Administration)

Edgar Lavarello and Dan Yoram Schwarzmann (together the "Administrators") have been appointed as joint administrators by the Supreme Court in Gibraltar to manage the affairs, business and property of Elite Insurance Company Limited (the "Company"). The Administrators act as agents of the Company only and without personal liability. Edgar Lavarello is authorised to act as an insolvency practitioner by the Gibraltar Financial Services Commission in Gibraltar (IP Licence Number FSC0892FSA). Dan Schwarzmann is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales in England (IP Licence number 8912).

The Administrators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

The Company is authorised and regulated by the Gibraltar Financial Services Commission. Registered office: c/o PricewaterhouseCoopers Limited, 327 Main St, GX11 1AA, Gibraltar.

The Administrators may act as Data Controllers of personal data as defined by the General Data Protection Regulation 2016/679 and any applicable English and Gibraltar data protection laws (as applicable), depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP may act as a data processor on the instructions of the Administrators. Personal data will be kept secure and processed only for matters relating to the Administrators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the Administrators.



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