



Private and confidential

15 September 2020

THIS LETTER CONTAINS INFORMATION THAT AFFECTS YOUR LEGAL RIGHTS

IMPORTANT INFORMATION ABOUT FRENCH CONSTRUCTION POLICIES

Dear Sir or Madam

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

Why you have received this letter

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. 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 because Elite’s database indicates that you may hold an Elite insurance policy covering construction defects in France or you may be a potential claimant under one of these policies. Elite provided such policies:

- to homeowners for Dommages-ouvrage (DO) insurance; and
- to contractors for Responsabilité Civile Décennale (RCD) insurance.

Elite also provided some cover under the following policy types:

- Responsabilité Civile Professionnelle (RCP);
- Constructeur non réalisateur (CNR), which is a type of RCD insurance;
- Tout Risque Chantier (TRC);
- Constructeur De Maison Individuelle (CMI); and
- Garantie Financière d’Achèvement (GFA).

All French construction insurance policies of the types described above provided by Elite, have been ‘disclaimed’ by the Administrators in accordance with the Gibraltar Insolvency Act. This means that the insurance contract you entered into with Elite or the policy provided by Elite under which you made a claim, has been terminated. 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.

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When is the policy terminated?

All French construction insurance policies provided by Elite have been disclaimed, in other words, terminated with effect from **(and including) 15 September 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 - www.pwc.co.uk/elite-insurance.

Alternative options for policyholders or claimants

Policyholders, claimants and any other person whose rights are affected by the disclaimer, should try to minimise any loss they might suffer as a result.

We expect that some policyholders or claimants who have claims will be able to get paid more quickly and potentially in full if they make a claim against someone else, i.e. another party involved in the construction or those parties' insurers. To minimise any loss caused by the disclaimer of policies, we strongly encourage policyholders or claimants to do this if they can.

- **Under a DO policy**

You may wish to seek alternative insurance cover and you also have the right to send your claim directly to the builders responsible for your building works and/or their RCD insurers.

You do not need to make a claim under the DO policy before making a claim against the RCD insurers.

- **Under an RCD policy**

You may be able to obtain alternative insurance cover or seek recovery from other responsible parties and insurers where multiple constructors are jointly and severally liable for the claim.

You do not need to make a claim under the RCD policy before doing this.

Where Elite is the only insurer, an alternative path to recovery may not be available.

- **Under a different French construction policy**

Policyholders with RCP, CNR, TRC, CMI or GFA cover should attempt to minimise their loss which may include, but is not limited to, seeking alternative insurance cover or seeking recourse from other responsible parties.

Does this affect previously agreed but unpaid claims?

The disclaimer does not affect claims under Elite policies which have been agreed but not paid by Elite before 15 September 2020. Elite cannot pay these claims at the moment and it is unlikely that any dividend distribution will be paid to policyholders or claimants for a number of years. However, policyholders, the insureds with such claims and/or other claimants should consider whether they can get paid more quickly and potentially in full using one of the alternative options mentioned above.

Submitting claims

The Administrators are currently assessing Elite's business and financial position. We will contact you in due course and tell you how you can submit a claim for damages against Elite in the Administration. Unfortunately, due to the complexity of Elite's situation and the uncertainty of Elite's financial position we cannot currently tell you when that will be.

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: <https://www.pwc.co.uk/services/business-restructuring/administrations/elite-insurance/elite-insurance-faqs.html>

You can also:

- contact our helpline +44 (0)207 129 8661
- send any request in relation to relevant claims under the policies to the following email addresses:

[For contracts written through SFS to: Elite-insurance.fr@armourrisk.com.](mailto:Elite-insurance.fr@armourrisk.com)

[For contracts written through EISL, ProFirst or UBI to: gestion@acsservices.eu](mailto:gestion@acsservices.eu)

Note that Armour Risks and ACS Solutions are service providers to Elite only and are not liable with respect to any claims under the French construction insurance policies provided by Elite of the types described in this letter above.

Correspondence or queries for the Administrators should be sent to uk_elite@pwc.com.

For and on behalf of Elite Insurance Company Limited



Edgar Lavarello and Dan Schwarzmann
Joint Administrators
Acting as agents of the Company and without personal liability

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 FSC 0001 IPA). 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.