

Court File No:

**IN THE ROYAL COURT OF JERSEY
(Samedi Division)**

IN THE MATTER OF THE TRANSFER OF INSURANCE BUSINESS BY

AXA ART VERISICHERUNG AG, UK BRANCH

and

AXA CORPORATE SOLUTIONS ASSURANCE, UK BRANCH

to

XL INSURANCE COMPANY SE, UK BRANCH

(Pursuant to ARTICLE 27 of, and SCHEDULE 2 to, THE INSURANCE BUSINESS (JERSEY) LAW
1996)

SCHEME OF TRANSFER

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1. INTRODUCTION

1.1 Interpretation

The definitions and other provisions relating to interpretation set out in Schedule 1 apply throughout this Jersey Scheme, including the schedule.

1.2 Parties to the Scheme

- (a) AXA Art Versicherung AG is a company incorporated in and governed by the laws of Germany, with registered seat (*Sitz*) in Cologne and registered with the Commercial Register of the Local Court (*Amtsgericht*) of Cologne under registration number HRB 32170, whose registered office is at Colonia-Allee 10-20, 51067 Cologne, Germany (**AXA Art**). AXA Art is authorised and regulated by the BaFin and currently operates in the United Kingdom on a freedom of establishment basis with a passported branch regulated by the FCA and authorised to carry out a range of activities in the United Kingdom including classes of business 3, 7, 8, 9, 13 and 16 (**AXA Art UK Branch**).
- (b) AXA Art holds a Category A permit as defined under Article 5(2) of the Law with permissions, *inter alia*, to carry out contracts of general insurance in Jersey under classes of general business 03, 07, 08, 09, 13 and 16, as defined in Part 2 of Schedule 1 to the Law.
- (c) AXA Corporate Solutions Assurance is a *société anonyme* incorporated in and governed by the laws of France (registered number 399 227 354 RCS Paris), whose registered office is at 61 rue Mstislav Rostropovitch, 75832 Paris Cedex 17, France (**ACS**). ACS is authorised and regulated by the ACPR and operates in the United Kingdom on a freedom of establishment basis with a passported branch regulated by the FCA and authorised to carry out a range of activities in the United Kingdom including classes of business 1 to 17 and 18 (**ACS UK Branch**, and together with the AXA Art UK Branch, the **Transferors**).
- (d) ACS holds a Category A permit as defined under Article 5(2) of the Law with permissions, *inter alia*, to carry out contracts of general insurance in Jersey under classes of general business 01 to 18 as defined in Part 2 of Schedule 1 to the Law.
- (e) The Transferors each carry on general insurance business in the United Kingdom and in or from within Jersey (amongst other places).
- (f) XL Insurance Company SE is a Societas Europaea incorporated in England and Wales and now registered in Ireland with registered number 641686 and having its registered office at XL House, 8 St. Stephen's Green, Dublin 2, Ireland (**XLICSE**). XLICSE operates in the United Kingdom on a freedom of establishment basis with a passported branch regulated by the FCA and has permission to carry out contracts of general insurance in the United Kingdom under classes of business 1 to 18 (**XLICSE UK Branch** or the **Transferee** and together with the Transferors, the **Applicants**).

- (g) As at the Jersey Effective Date, it is expected that XLICSE will hold a Category A permit as defined under Article 5(2) of the Law with permissions, *inter alia*, to carry out contracts of general insurance in Jersey under classes of general business 01 to 18 as defined in Part 2 of Schedule 1 to the Law.
- (h) Each of the Transferors and the Transferee are members of the AXA XL Division.

1.3 **AXA Art Transferring Business**

- (a) The AXA Art UK Branch carries out general insurance business in Jersey. The AXA Art UK Branch is the UK establishment of AXA Art, a German domiciled risk carrier which carries out its business in Germany and through branches in Belgium, France, Italy, the Netherlands, Spain, Switzerland and the UK.
- (b) The AXA Art Jersey Transferring Business comprises the whole of the insurance business effected and/or carried out by the AXA Art UK Branch in or from within Jersey.
- (c) It is proposed that the AXA Art Jersey Transferring Business be transferred to the Transferee in accordance with this Jersey Scheme and that an order be sought for the sanction of this Jersey Scheme.

1.4 **AXA Art Cross Border Merger**

- (a) It is proposed that AXA Art (including the AXA Art UK Branch) is merged into XLICSE by way of the AXA Art CBM. Upon sanction of the Jersey Scheme, an order will be sought from the Irish High Court for the merger of AXA Art and XLICSE pursuant to the Irish Merger Regulations, whereupon AXA Art will be dissolved (including the AXA Art UK Branch).
- (b) The effect of the AXA Art CBM is that all of the assets and liabilities of AXA Art will be assumed by XLICSE and AXA Art (including the AXA Art UK Branch) will dissolve automatically at the time at which the AXA Art CBM becomes effective. Thereafter the business of AXA Art will be operated by XLICSE.
- (c) It is proposed that the AXA Art CBM takes effect at the same time as this Jersey Scheme.

1.5 **ACS Transferring Business**

- (a) The ACS UK Branch carries out commercial lines property and casualty insurance in Jersey. The ACS UK Branch is the UK establishment of ACS, a French domiciled risk carrier which carries out its business in France and through its branches in Austria, Germany, Italy, Spain, Sweden, Switzerland, Hong Kong, Singapore and Australia.
- (b) The ACS Jersey Transferring Business comprises the whole of the insurance business effected and/or carried out by the ACS UK Branch in or from within Jersey.

- (c) It is proposed that the ACS Jersey Transferring Business be transferred to the Transferee in accordance with this Jersey Scheme and that an order be sought for the sanction of this Jersey Scheme.

1.6 ACS Cross Border Merger

- (a) It is proposed that ACS (including the ACS UK Branch) is merged into XLICSE by way of the ACS CBM. Upon sanction of the Jersey Scheme, an order will be sought from the Irish High Court for the merger with XLICSE pursuant to the Irish Merger Regulations, whereupon ACS (including the ACS UK Branch) will be dissolved.
- (b) The effect of the ACS CBM is that all of the assets and liabilities of ACS will be assumed by XLICSE and ACS will dissolve automatically on the date at which the ACS CBM becomes effective. Thereafter the business of ACS will be operated by XLICSE.
- (c) It is proposed that the ACS CBM takes effect at the same time as this Jersey Scheme.

1.7 Court Sanction

Each of the Transferors and the Transferee have agreed to be represented by Counsel on the hearing of the application to sanction this Jersey Scheme and have undertaken to be bound by this Jersey Scheme and to do all such acts and things as may be necessary or expedient to be executed or done by them for the purposes of giving effect to this Jersey Scheme.

2. TRANSFER OF ACS UK BRANCH INSURANCE BUSINESS

2.1 Transfer of ACS Jersey Transferring Business

On and with effect from the ACS Effective Date, the ACS Jersey Transferring Business shall by the Order and without any further act or instrument be transferred to and be vested in the Transferee in accordance with this Jersey Scheme.

2.2 Transfer of ACS Jersey Transferring Assets

- (a) On and with effect from the ACS Effective Date, the ACS Jersey Transferring Assets shall, by the Order and without any further act or instrument, be transferred to and be vested in the Transferee and the Transferee shall succeed to each ACS Jersey Transferring Asset as if it were the same person in law as the ACS UK Branch, subject to any Encumbrances affecting such ACS Jersey Transferring Assets.
- (b) The ACS UK Branch and the Transferee shall, as and when necessary or appropriate, execute and deliver all documents and perform all such other acts as may be reasonably required to effect or perfect the transfer to, and vesting in, the Transferee of any ACS Jersey Transferring Asset in accordance with the terms of this Jersey Scheme, including without limitation, obtaining any required consent or waiver.

- (c) The Transferee shall accept without investigation, requisition, or objection such title as the ACS UK Branch shall have at the ACS Effective Date to the ACS Jersey Transferring Assets and the ACS Jersey Transferring Business.

2.3 **Transfer of ACS Jersey Transferring Contracts**

- (a) On and with effect from the ACS Effective Date, the Transferee shall, by the Order and without any further act or instrument, be entitled to all the rights, benefits and powers, and be subject to all the obligations and liabilities of the ACS UK Branch whatsoever subsisting on the ACS Effective Date under or by virtue of the ACS Jersey Transferring Contracts and all such rights, benefits and powers shall be vested in the Transferee.
- (b) Every person who immediately prior to the ACS Effective Date is a holder of or party to a ACS Jersey Transferring Contract shall, from and after the ACS Effective Date, in substitution for any liability or obligation owed thereunder to the ACS UK Branch, be under the same liability or obligation to the Transferee and shall become entitled, to the exclusion of any rights which he may have had against the ACS UK Branch under any of the ACS Jersey Transferring Contracts, to the same rights against the Transferee as were available to him against the ACS UK Branch under such ACS Jersey Transferring Contract.
- (c) All premiums and other amounts attributable or referable to the ACS Jersey Transferring Contracts shall on and after the ACS Effective Date be payable to the Transferee and shall be receivable and received by the Transferee and every person who is a holder of or party to any of the ACS Jersey Transferring Contracts shall be liable to the Transferee for any outstanding, further or additional premiums or other sums attributable or referable to the ACS Jersey Transferring Contracts as and when the same become due and payable.
- (d) The Transferee shall be entitled to any and all defences, claims, counterclaims and rights of set-off under or in respect of the ACS Jersey Transferring Contracts which would have been available to the ACS UK Branch.
- (e) All references in any ACS Jersey Transferring Contract to the ACS UK Branch, the board of directors of ACS, or any other officers, employees or agents of ACS shall from and after the ACS Effective Date be read as references to the Transferee, the board of directors of the Transferee, or any other officers, employees or agents of the Transferee or, where appropriate, agents of the Transferee to which the administration carried on by the Transferee has been delegated. In particular, but without limitation, all rights and/or duties exercisable or expressed to be exercisable or responsibilities to be performed by the ACS UK Branch, the board of directors of ACS, or any other officers, employees or agents of the ACS UK Branch in relation to any of the ACS Jersey Transferring Contracts shall, from and after the ACS Effective Date be exercisable or required to be performed by the Transferee, the board of directors of the Transferee or any other officers, employees or agents of the Transferee.

2.4 **Transfer of ACS Jersey Transferring Liabilities**

On and with effect from the ACS Effective Date, the ACS Jersey Transferring Liabilities shall, by the Order and without any further act or instrument, be transferred to and become liabilities of the Transferee and shall cease to be liabilities of the ACS UK Branch.

2.5 **Guarantees**

All references in any guarantee, letter of credit or similar security, which covers all or part of the ACS Jersey Transferring Business, to the ACS UK Branch defaulting in the payment of sums due and payable in respect of any ACS Jersey Transferring Policies or any other liability of the ACS Jersey Transferring Business, shall be read and construed as references to such a default before the ACS Effective Date by the ACS UK Branch and after the ACS Effective Date by the Transferee in respect of such ACS Jersey Transferring Policies or such liability and the obligations of the respective guarantor or provider of security under such guarantee, letter of credit or security shall continue in full force and effect.

2.6 **Mandates and other instructions**

- (a) Any mandate or other instruction in force on the ACS Effective Date (including, without limitation, any instruction given to a bank by its customer in the form of a direct debit or standing order) and providing for the payment by a bank or other intermediary of premiums payable under or in respect of any of the ACS Jersey Transferring Policies shall, on and from the ACS Effective Date, take effect as if it had provided for and authorised such payment to the Transferee.
- (b) Any mandate or other instruction in force on the ACS Effective Date in respect of any of the ACS Jersey Transferring Policies as to the manner of payment of any benefit or other amount by the ACS UK Branch shall, on and from the ACS Effective Date, continue in force as an effective authority to the Transferee.

2.7 **Continuity of Proceedings**

- (a) On and with effect from the ACS Effective Date, any judicial, quasi-judicial, arbitration proceedings or any complaint or claim to any ombudsman or other proceedings for the resolution of a dispute or claim which are:
 - (i) current, pending or threatened or any other claims or complaints which may be brought in the future including those not yet in contemplation by or against the ACS UK Branch in connection with the ACS Jersey Transferring Business; or
 - (ii) commenced by or against the ACS UK Branch in connection with the ACS Jersey Transferring Business after the ACS Effective Date,

shall be continued by or against the Transferee and the Transferee shall be entitled to all defences, claims, counterclaims, settlement, right of subrogation and rights of set-off and any other rights that would have been available to the ACS UK Branch in relation to any such proceedings.

- (b) In any event, the Transferee in its absolute discretion, may determine to discontinue after the ACS Effective Date any such proceedings which have been brought by the ACS UK Branch.
- (c) Without prejudice to the Transferee's rights under paragraph 2.7(a), on and with effect from the ACS Effective Date, any award, order or judgment made by any applicable court, ombudsman, arbitrator or competent authority against the ACS UK Branch in connection with the ACS Jersey Transferring Business will be recognised and accepted by the Transferee and shall be enforceable against the Transferee without the need for any further award, order or judgment of any court or other body.
- (d) For the avoidance of doubt, nothing in paragraphs 2.7(a) or 2.7(b) shall entitle the Transferee to raise any defence, claim, counterclaim, settlement, right of set-off or any other right that would not have been available to the ACS UK Branch.

2.8 **Records and Data Protection**

- (a) On and from the ACS Effective Date:
 - (i) title, possession and control to and of the records relating to the ACS Jersey Transferring Business, including any personal data processed in connection with the ACS Jersey Transferring Business in respect of which the ACS UK Branch is the controller, shall be transferred to the Transferee, and those personal data may be processed by and on behalf of the Transferee to the same extent that they were processed by and on behalf of the ACS UK Branch before the ACS Effective Date for all purposes in connection with the ACS Jersey Transferring Business, including, in particular, administration of the ACS Jersey Transferring Contracts and all matters relevant or incidental thereto;
 - (ii) the Transferee shall become the controller in place of the ACS UK Branch in respect of the personal data transferred to the Transferee under paragraph 2.8(a)(i);
 - (iii) any information or request for consent made or made available to, or consent obtained or request or other notice received from, any data subject by or on behalf of the ACS UK Branch in connection with the ACS Jersey Transferring Business will be deemed to have been made or made available to, obtained or received by the Transferee; and
 - (iv) the Transferee shall owe the ACS Jersey Transferring Policyholders and other persons the same duties of confidentiality and privacy, and they shall have the same corresponding rights as against the Transferee, as those which the ACS UK Branch owed to them, and they had as against the ACS UK Branch, in connection with the ACS Jersey Transferring Business immediately before the ACS Effective Date.

- (b) No consent from the individual policyholders of the ACS Jersey Transferring Policies or other individuals shall be required as a result of the transfer of personal data from the ACS UK Branch to the Transferee under paragraph 2.8(a)(i).
- (c) Terms defined in EU General Data Protection Regulation 2016/679 have the same meanings when used in this paragraph 2.8.

3. TRANSFER OF AXA ART UK BRANCH INSURANCE BUSINESS

3.1 Transfer of AXA Art Jersey Transferring Business

On and with effective from the AXA Art Effective Date, the AXA Art Jersey Transferring Business shall by the Order and without any further act or instrument be transferred to and be vested in the Transferee in accordance with this Jersey Scheme.

3.2 Transfer of AXA Art Jersey Transferring Assets

- (a) On and with effect from the AXA Art Effective Date, the AXA Art Jersey Transferring Assets shall, by the Order and without any further act or instrument, be transferred to and be vested in the Transferee and the Transferee shall succeed to each AXA Art Jersey Transferring Asset as if it were the same person in law as the AXA Art UK Branch, subject to any Encumbrances affecting such AXA Art Jersey Transferring Assets.
- (b) The AXA Art UK Branch and the Transferee shall, as and when necessary or appropriate, execute and deliver all documents and perform all such other acts as may be reasonably required to effect or perfect the transfer to, and vesting in, the Transferee of any AXA Art Jersey Transferring Asset in accordance with the terms of this Jersey Scheme, including without limitation, obtaining any required consent or waiver.
- (c) The Transferee shall accept without investigation, requisition, or objection such title as the AXA Art UK Branch shall have at the AXA Art Effective Date to the AXA Art Jersey Transferring Assets and the AXA Art Jersey Transferring Business.

3.3 Transfer of AXA Art Jersey Transferring Contracts

- (a) On and with effect from the AXA Art Effective Date, the Transferee shall, by the Order and without any further act or instrument, be entitled to all the rights, benefits and powers, and be subject to all the obligations and liabilities of the AXA Art UK Branch whatsoever subsisting on the AXA Art Effective Date under or by virtue of the AXA Art Jersey Transferring Contracts and all such rights, benefits and powers shall be vested in the Transferee.
- (b) Every person who immediately prior to the AXA Art Effective Date is a holder of or party to a AXA Art Jersey Transferring Contract shall, from and after the AXA Art Effective Date, in substitution for any liability or obligation owed thereunder to the AXA Art UK Branch, be under the same liability or obligation to the Transferee and shall become entitled, to the exclusion of any rights which he may have had against the AXA Art UK Branch under any of the AXA Art Jersey Transferring

Contracts, to the same rights against the Transferee as were available to him against the AXA Art UK Branch under such AXA Art Jersey Transferring Contract.

- (c) All premiums and other amounts attributable or referable to the AXA Art Jersey Transferring Contracts shall on and after the AXA Art Effective Date be payable to the Transferee and shall be receivable and received by the Transferee and every person who is a holder of or party to any of the AXA Art Jersey Transferring Contracts shall be liable to the Transferee for any outstanding, further or additional premiums or other sums attributable or referable to the AXA Art Jersey Transferring Contracts as and when the same become due and payable.
- (d) The Transferee shall be entitled to any and all defences, claims, counterclaims and rights of set-off under or in respect of the AXA Art Jersey Transferring Contracts which would have been available to the AXA Art UK Branch.
- (e) All references in any AXA Art Jersey Transferring Contract to the AXA Art UK Branch, the board of directors of AXA Art, or any other officers, employees or agents of AXA Art shall from and after the AXA Art Effective Date be read as references to the Transferee, the board of directors of the Transferee, or any other officers, employees or agents of the Transferee or, where appropriate, agents of the Transferee to which the administration carried on by the Transferee has been delegated. In particular, but without limitation, all rights and/or duties exercisable or expressed to be exercisable or responsibilities to be performed by the AXA Art UK Branch, the board of directors of AXA Art, or any other officers, employees or agents of the AXA Art UK Branch in relation to any of the AXA Art Jersey Transferring Contracts shall, from and after the AXA Art Effective Date be exercisable or required to be performed by the Transferee, the board of directors of the Transferee or any other officers, employees or agents of the Transferee.

3.4 Transfer of AXA Art Jersey Transferring Liabilities

On and with effect from the AXA Art Effective Date, the AXA Art Jersey Transferring Liabilities shall, by the Order and without any further act or instrument, be transferred to and become liabilities of the Transferee and shall cease to be liabilities of the AXA Art UK Branch.

3.5 Guarantees

All references in any guarantee, letter of credit or similar security, which covers all or part of the AXA Art Jersey Transferring Business, to the AXA Art UK Branch defaulting in the payment of sums due and payable in respect of any AXA Art Jersey Transferring Policies or any other liability of the AXA Art Jersey Transferring Business, shall be read and construed as references to such a default before the AXA Art Effective Date by the AXA Art UK Branch and after the AXA Art Effective Date by the Transferee in respect of such AXA Art Jersey Transferring Policies or such liability and the obligations of the respective guarantor or provider of security under such guarantee, letter of credit or security shall continue in full force and effect.

3.6 **Mandates and other instructions**

- (a) Any mandate or other instruction in force on the AXA Art Effective Date (including, without limitation, any instruction given to a bank by its customer in the form of a direct debit or standing order) and providing for the payment by a bank or other intermediary of premiums payable under or in respect of any of the AXA Art Jersey Transferring Policies shall, on and from the AXA Art Effective Date, take effect as if it had provided for and authorised such payment to the Transferee.
- (b) Any mandate or other instruction in force on the AXA Art Effective Date in respect of any of the AXA Art Jersey Transferring Policies as to the manner of payment of any benefit or other amount by the AXA Art UK Branch shall, on and from the AXA Art Effective Date, continue in force as an effective authority to the Transferee.

3.7 **Continuity of Proceedings**

- (a) On and with effect from the AXA Art Effective Date, any judicial, quasi-judicial, arbitration proceedings or any complaint or claim to any ombudsman or other proceedings for the resolution of a dispute or claim which are:
 - (i) current, pending or threatened or any other claims or complaints which may be brought in the future including those not yet in contemplation by or against the AXA Art UK Branch in connection with the AXA Art Jersey Transferring Business; or
 - (ii) commenced by or against the AXA Art UK Branch in connection with the AXA Art Jersey Transferring Business after the AXA Art Effective Date,shall be continued by or against the Transferee and the Transferee shall be entitled to all defences, claims, counterclaims, settlement, right of subrogation and rights of set-off and any other rights that would have been available to the AXA Art UK Branch in relation to any such proceedings.
- (b) In any event, the Transferee in its absolute discretion, may determine to discontinue after the AXA Art Effective Date any such proceedings which have been brought by the AXA Art UK Branch.
- (c) Without prejudice to the Transferee's rights under paragraph 3.72.7(a), on and with effect from the AXA Art Effective Date, any award, order or judgment made by any applicable court, ombudsman, arbitrator or competent authority against the AXA Art UK Branch in connection with the AXA Art Jersey Transferring Business will be recognised and accepted by the Transferee and shall be enforceable against the Transferee without the need for any further award, order or judgment of any court or other body.
- (d) For the avoidance of doubt, nothing in paragraphs 2.72.7(a) or 3.72.7(b) shall entitle the Transferee to raise any defence, claim, counterclaim, settlement, right of set-off or any other right that would not have been available to the AXA Art UK Branch.

3.8 **Records and Data Protection**

- (a) On and from the AXA Art Effective Date:
 - (i) title, possession and control to and of the records relating to the AXA Art Jersey Transferring Business, including any personal data processed in connection with the AXA Art Jersey Transferring Business in respect of which the AXA Art UK Branch is the controller, shall be transferred to the Transferee, and those personal data may be processed by and on behalf of the Transferee to the same extent that they were processed by and on behalf of the AXA Art UK Branch before the AXA Art Effective Date for all purposes in connection with the AXA Art Jersey Transferring Business, including, in particular, administration of the AXA Art Jersey Transferring Contracts and all matters relevant or incidental thereto;
 - (ii) the Transferee shall become the controller in place of the AXA Art UK Branch in respect of the personal data transferred to the Transferee under paragraph 3.8(a)(i);
 - (iii) any information or request for consent made or made available to, or consent obtained or request or other notice received from, any data subject by or on behalf of the AXA Art UK Branch in connection with the AXA Art Jersey Transferring Business will be deemed to have been made or made available to, obtained or received by the Transferee; and
 - (iv) the Transferee shall owe the AXA Art Jersey Transferring Policyholders and other persons the same duties of confidentiality and privacy, and they shall have the same corresponding rights as against the Transferee, as those which the AXA Art UK Branch owed to them, and they had as against the AXA Art UK Branch, in connection with the AXA Art Jersey Transferring Business immediately before the AXA Art Effective Date.
- (b) No consent from the individual policyholders of the AXA Art Jersey Transferring Policies or other individuals shall be required as a result of the transfer of personal data from the AXA Art UK Branch to the Transferee under paragraph 3.8(a)(i).
- (c) Terms defined in EU General Data Protection Regulation 2016/679 have the same meanings when used in this paragraph 3.8.

4. **JERSEY EFFECTIVE DATE**

4.1 **AXA Art Effective Date and ACS Effective Date**

- (a) Subject to paragraphs 4.1(c) to 4.1(e), this Jersey Scheme shall:
 - (i) in respect of the ACS Jersey Transferring Business, become operative on 22.57 GMT 31 December 2019 or such other time and date as may be specified in the Order (**ACS Effective Date**); and

- (ii) in respect of the AXA Art Jersey Transferring Business, become operative on 22.58 GMT 31 December 2019 or such other time and date as may be specified in the Order (**AXA Art Effective Date** and together with the ACS Effective Date the **Jersey Effective Date**).
- (b) Unless this Jersey Scheme shall be becomes operative:
 - (i) on or before 1 July 2020; or
 - (ii) such later date as the Court may allow upon the application of the Transferors and the Transferee,

this Scheme shall lapse.
- (c) Notwithstanding paragraph 4.1(a)(ii), this Jersey Scheme shall not become operative in respect of the AXA Art Jersey Transferring Business, on the AXA Art Effective Date unless prior thereto the Irish Companies Regulation Office has issued the AXA Art Merger Certificate certifying an effective date for the AXA Art CBM which is the same as the AXA Art Effective Date.
- (d) Notwithstanding paragraph 4.1(a)(i), this Jersey Scheme shall not become operative in respect of the ACS Jersey Transferring Business, on the ACS Effective Date unless prior thereto the Irish Companies Regulation Office has issued the ACS Merger Certificate certifying an effective date for the ACS CBM which is the same as the ACS Effective Date.
- (e) The Transferors and the Transferee shall each provide the JFSC with:
 - (i) sufficient prior written notice of any application to delay the Effective Date pursuant to paragraph 4.1(b)(ii); and
 - (ii) written notice within five (5) days of becoming aware that:
 - (A) the Irish Companies Registration has not issued the AXA Art Merger Certificate or has issued the AXA Art Merger Certificate but which does not provide for an effective date which is the same as the AXA Art Effective Date.
 - (B) the Irish Companies Registration has not issued the ACS Merger Certificate or has issued the ACS Merger Certificate but which does not provide for an effective date which is the same as the ACS Effective Date.
- (f) In the event that the ACS Effective Date or AXA Art Effective Date is delayed the Transferors and the Transferee will (as relevant):
 - (i) update their websites to include a notification of the revised Effective Date;

- (ii) send written notice to any policyholders who have raised objections or attended the hearing of the Court to sanction this Scheme of the revised Effective Date;
- (iii) if requested by the JFSC, arrange for a further supplemental report of the Independent Expert to be produced, based, to the extent applicable, on any updated relevant information available; and
- (iv) make such other appropriate notifications and advertisements as may be requested by the JFSC.

4.2 **Effect of Jersey Scheme**

The transfer and vesting of an asset or liability relating to any part of the AXA Art Jersey Transferring Business or the ACS Jersey Transferring Business shall not:

- (a) invalidate or discharge any contract, security or other thing; or
- (b) require further registration in respect of any security or charge; or
- (c) constitute a breach of, or default under, or require any obligation to be performed sooner or later than would otherwise be the case under any instrument or contract or arrangement to which any of, or all of, the Transferor is a party or is bound; or
- (d) entitle any party to a contract or arrangement to which any of, or all of, the Transferor is a party to terminate such contract or arrangement when, in the absence of this transfer, that party would not otherwise be entitled to terminate it; or
- (e) save as provided elsewhere in this Jersey Scheme, confer any greater or lesser rights or benefits, or impose any greater or lesser obligations, under a contract on any party to such contract to which any of, or all of, the Transferors is a party where such greater or lesser rights, benefits or obligations would not otherwise have been conferred or imposed.

5. **MODIFICATIONS OR ALTERATIONS**

5.1 The Transferors and the Transferee may consent for and on behalf of all other persons connected, to any amendment, modification or addition to this Jersey Scheme or to any further condition or provision affecting the Jersey Scheme which, prior to its sanction of this Jersey Scheme the Court may approve or impose.

5.2 At any time after the sanction of this Jersey Scheme, the Transferees and the Transferor shall be at liberty to apply jointly to the Court for approval to amend its terms, provided that in any such case:

- (a) the JFSC shall be notified of and have the right to be heard at any hearing of the Court at which such application is considered; and

(b) such application shall be accompanied by a certificate from an independent actuary to the effect that in his or her opinion the proposed amendment will not materially adversely affect the interests of the holders of the ACS Jersey Transferred Policies and the AXA Art Jersey Transferred Policies; and

(c) to the extent any such variation affects any right, obligation or interest of the Transferors, the Transferors have consented thereto.

5.3 If such approval is granted, the Transferee may amend the terms of this Jersey Scheme in accordance with such consent.

6. **SUCCESSORS AND ASSIGNS**

This Jersey Scheme will bind and enure to the benefit of the successors and assigns of each of the Transferee and the Transferors.

7. **GOVERNING LAW**

This Jersey Scheme shall be governed by and construed in accordance with Jersey law.

Dated this ___ day of _____ 2019.

SCHEDULE 1 Interpretation

1. In this Jersey Scheme, unless inconsistent with the subject or context, the following expressions bear the meanings respectively set opposite them:

ACS CBM means the cross-border merger of ACS into XLICSE implemented in accordance with Chapter II, Title II of Directive (EU) 2017/1132 of the European Parliament and of the Council of 14 June 2017, as implemented in Ireland by the Irish Merger Regulations and as implemented in France by articles L 236-25 seq. and R 236-13 seq. of the French Commercial Code and the legislation and regulations of the French Commercial Code incorporated by reference in these articles.

ACS Effective Date means the time and date when this Scheme shall become operative in accordance with paragraph 4.1(a)(i).

ACS Jersey Transferring Assets means all assets and property comprised in or relating to the ACS Jersey Transferring Business including (without limitation):

1. all rights, benefits and powers of the ACS UK Branch under or by virtue of the ACS Jersey Transferring Contracts; and
2. all rights and claims (present or future, actual or contingent) against any third party in relation to the ACS Jersey Transferring Business or arising as a result of the ACS UK Branch having carried on the ACS Jersey Transferring Business;
3. all goodwill and any other intangible assets associated with the ACS Jersey Transferring Business;
4. all rights and claims (present, future, actual or contingent) against any third party in relation to the ACS Jersey Transferring Business or arising as a result of the ACS UK Branch having carried on the ACS Jersey Transferring Business.

ACS Jersey Transferring Business means the whole of the general insurance business effected and/or carried out by the ACS UK Branch in

or from within Jersey immediately prior to the ACS Effective Date including without limitation, all rights, benefits and powers of the ACS UK Branch under or by virtue of the ACS Jersey Transferring Policies and the ACS Jersey Transferring Assets and all liabilities and obligations of the ACS UK Branch, under and by virtue of the ACS Jersey Transferring Liabilities.

ACS Jersey Transferring Contracts

means each ACS Jersey Transferring Policy, Third Party Administration Agreement, Distribution Agreement and any other contract, in whole or in part, insofar as it relates to the ACS Jersey Transferring Business.

ACS Jersey Transferring Liabilities

means all debts, liabilities and obligations whatsoever of the ACS UK Branch in respect of the ACS Jersey Transferring Business including (without limitation):

1. all debts, liabilities and obligations whatsoever under or by virtue of the ACS Jersey Transferring Contracts or otherwise attributable to the ACS Jersey Transferring Business;
2. all debts, liabilities and obligations arising as a result of the ACS UK Branch having carried on the ACS Jersey Transferring Business; and
3. all Tax Liabilities which are attributable to such ACS Jersey Transferring Business or the transfer thereof (pursuant to the Jersey Scheme or otherwise) or arising as a consequence of the provisions of this Jersey Scheme whensoever incurred,

but excluding:

1. any other liabilities relating to taxation; and
2. any other liabilities excluded under the terms of the Jersey Scheme.

ACS Jersey Transferring Policies

means all policies (including all constituent parts of a policy) written by the ACS UK Branch or transferred to the ACS UK Branch prior to the ACS Effective Date comprised in the ACS Jersey Transferring Business under which any liability remains unsatisfied or

	outstanding at the ACS Effective Date.
ACS Jersey Transferring Policyholder	means each person who is a holder of a ACS Jersey Transferring Policy.
AXA Art Effective Date	means the time and date when this Scheme shall become operative in accordance with paragraph 4.1(a)(ii).
AXA Art Jersey Transferring Assets	<p>means all assets and property comprised in or relating to the AXA Art Jersey Transferring Business including (without limitation):</p> <ol style="list-style-type: none"> 1. all rights, benefits and powers of the ACS UK Branch under or by virtue of the AXA Art Jersey Transferring Contracts; and 2. all rights and claims (present or future, actual or contingent) against any third party in relation to the AXA Art Jersey Transferring Business or arising as a result of the ACS UK Branch having carried on the AXA Art Jersey Transferring Business; 3. all goodwill and any other intangible assets associated with the AXA Art Jersey Transferring Business; 4. all rights and claims (present, future, actual or contingent) against any third party in relation to the AXA Art Jersey Transferring Business or arising as a result of the ACS UK Branch having carried on the AXA Art Jersey Transferring Business.
AXA Art Jersey Transferring Business	means the whole of the general insurance business effected and/or carried out by the AXA Art UK Branch in or from within Jersey immediately prior to the AXA Art Effective Date including without limitation, all rights, benefits and powers of the AXA Art UK Branch under or by virtue of the AXA Art Jersey Transferring Policies and the AXA Art Jersey Transferring Assets and all liabilities and obligations of the AXA Art UK Branch, under and by virtue of the AXA Art Jersey Transferring Liabilities;
AXA Art Jersey Transferring	means each AXA Art Jersey Transferring Policy, Third Party Administration Agreement, Distribution

Contracts	Agreement and any other contract, in whole or in part, insofar as it is relates to the AXA Art Jersey Transferring Business.
AXA Art Jersey Transferring Liabilities	<p>means all debts, liabilities and obligations whatsoever of the AXA Art UK Branch in respect of the AXA Art Jersey Transferring Business including (without limitation):</p> <ol style="list-style-type: none"> 1. all debts, liabilities and obligations whatsoever under or by virtue of the AXA Art Jersey Transferring Contracts or otherwise attributable to the AXA Art Jersey Transferring Business; 2. all debts, liabilities and obligations arising as a result of the AXA Art UK Branch having carried on the AXA Art Jersey Transferring Business; and 3. all Tax Liabilities which are attributable to such AXA Art Jersey Transferring Business or the transfer thereof (pursuant to the Jersey Scheme or otherwise) or arising as a consequence of the provisions of the Jersey Scheme whensoever incurred, <p>but excluding:</p> <ol style="list-style-type: none"> 4. any other liabilities relating to taxation; and 5. any other liabilities excluded under the terms of the Jersey Scheme.
AXA Art Jersey Transferring Policies	means all policies (including all constituent parts of a policy) written by the AXA Art UK Branch or transferred to the AXA Art UK Branch prior to the AXA Art Effective Date comprised in the AXA Art Jersey Transferring Business under which any liability remains unsatisfied or outstanding at the AXA Art Effective Date.
AXA Art Jersey Transferring Policyholder	means each person who is a holder of an AXA Art Jersey Transferring Policy.
Court	means the Royal Court of the Island of Jersey.

Distribution Agreement	means an agreement between a Transferor and a third party distributor to the extent relating to the distribution of ACS Jersey Transferring Policies and AXA Art Jersey Transferring Policies (as applicable).
Encumbrance	means any charge, mortgage, pledge, security assignment, lien, option, restriction, right of first refusal, right of pre-emption, third party right or interest, any other encumbrance or security interest of any kind and any other type of preferential arrangement (including, without limitation, title transfer and retention agreements) having a similar effect.
FCA	means the UK Financial Conduct Authority or such other successor UK conduct regulatory authority thereof.
FSMA	means the Financial Services and Markets Act 2000.
Independent Expert	means Philip Tippin of KPMG LLP, the independent expert appointed to report on the terms of the Scheme pursuant to section 109 of FSMA, or any successor appointed to report on the same.
Irish Merger Regulations	means the European Communities (Cross-Border Mergers) Regulations 2008 (as amended).
Jersey Effective Date	means the date upon which this Jersey Scheme becomes effective in accordance with its terms.
JFSC	means the Jersey Financial Services Commission.
Law	means the Insurance Business (Jersey) Law 1996.
Merger Certificate	means a Merger Certificate issued by a notary in accordance with the Irish Merger Regulations.
Order	means an order made by the Court pursuant to Schedule 2 of the Law sanctioning this Jersey Scheme and any order (including any subsequent order which is ancillary thereto) in relation to this Jersey Scheme made by the Court pursuant to Paragraph 9 of Schedule 2 to the Law.
Tax Liabilities	means all liabilities to or in respect of taxation, duties and other imports which are attributable to the ACS Jersey Transferring Business and the AXA Art Jersey

Transferring Business incurred prior to the Effective Date.

Third Party Administration Agreement

means an agreement between a Transferor and a third party administrator to the extent relating to the administration of the AXA Art Jersey Transferring Policies or the ACS Jersey Transferring Policies.

2. In this Jersey Scheme, unless the subject or context requires otherwise expressions used in this Jersey Scheme which have meanings under the Insurance Business Law shall bear those meanings.
3. In this Jersey Scheme:
 - (a) "**property**" and "**asset**" include (without limitation) property, assets, rights (including, without limitation, contingent rights as to the repayment of tax) and powers of every description (whether present or future, actual or contingent) and includes property held on trust and securities, benefits, powers of any description and any interest whatsoever in any of the foregoing;
 - (b) "**liabilities**" includes (without limitation) duties and obligations of every description (whether present or future, actual or contingent);
 - (c) "**transfer**" includes (as the context may require) "assign", "assignment" and "assignment", "dispose", "disposal", "novate", "novation", "convey" and "conveyance";
 - (d) any reference to the singular shall include a reference to the plural and vice versa and any reference to the masculine shall include a reference to the feminine;
 - (e) any reference in this Jersey Scheme to an enactment, a statutory provision or any subordinate legislation shall be deemed to include a reference to that enactment, statutory provision or subordinate legislation as amended, replaced or re-enacted from time to time and to any instrument or order made from time to time under such enactment, statutory provision or subordinate legislation;
 - (f) any reference to this Jersey Scheme shall include the Schedules to it and (unless inconsistent with the subject or context) references in this Jersey Scheme to paragraphs, parts or Schedules are to paragraphs of, parts of or the Schedules to this Jersey Scheme; and
 - (g) any reference to writing shall include any mode of reproducing words in a legible and non-transitory form.