

## **Policyholders Letter**

05 August 2024

Dear Sir or Madam

### **IMPORTANT INFORMATION ABOUT YOUR POLICY**

Our records show that you currently hold or previously held or made a claim under a policy or policies with Pinnacle Insurance Plc (“Pinnacle”), a UK insurance company, and that such policy or policies relate(s) to a risk or risks situated in the United Kingdom. Your policy may have been purchased through a third party with whom Pinnacle has an agreement to write certain business insurance policies.

We are writing to inform you that it is proposed that on 31 December 2024 Pinnacle will transfer (the “Proposed Transfer”) certain policy/policies to EIFlow Insurance Limited (“EIFlow”). EIFlow is a Gibraltar insurance company authorised by the Gibraltar Financial Services Commission (“GFSC”). It is permitted to carry on insurance business in the UK and subject to regulation by the UK Prudential Conduct Authority and Financial Conduct Authority as well as the GFSC.

On 8 September 2023 Pinnacle entered into a Business Transfer Agreement with EIFlow agreeing to transfer certain policies to EIFlow via the Proposed Transfer. This letter contains important information about the Proposed Transfer, to allow you time to consider whether you and/or your interested parties may be adversely affected by the Proposed Transfer.

The Proposed Transfer will be carried out by way of a legal process known as a ‘Part VII Transfer’ in accordance with the UK Financial Services and Markets Act 2000. This requires us to obtain approval from the High Court of England and Wales (the “Court”). Under the Proposed Transfer, the business to be transferred and the provider of the transferring policies will change from Pinnacle to EIFlow. It is a legal requirement for us to contact you as part of this process, and should you have any concerns regarding the Proposed Transfer and how it may affect you, you are entitled to make a written representation or objection to the Court or be heard at the Court hearing (either by appearing in person or by a legal representative) and this letter contains information on how to do so.

### **BACKGROUND TO PROPOSED TRANSFER**

In June 2022 a transaction (the “Transaction”) was completed that resulted in Pinnacle being under new ownership. Pinnacle underwrites pet insurance cover on a “direct-to-consumers basis” as well as via aggregators and other distribution partners (the “Pet Business”). In addition, Pinnacle operates a discontinued non-pet business in motor warranty and GAP, long-term business, credit and MGA motor and household lines.

Following completion of the Transaction, Pinnacle’s strategy is to focus solely on the Pet Business. As such, Pinnacle has decided to divest itself of all non-pet business. Accordingly, Pinnacle proposes to transfer its motor warranty and GAP business and MGA motor and household lines to EIFlow (the “Transferred Policies”).

If your policy or policies transfer(s) to EIFlow under the Proposed Transfer any renewals of such policy or policies which fall on or after 31 December 2024 will also be renewed with EIFlow on the relevant renewal date.

If you have been sent this letter because you are making or have made a claim under a policy with Pinnacle, then nothing in this letter should be deemed to be an acknowledgment or acceptance of the validity of your claim or of any liability of Pinnacle (or, following the Proposed Transfer, EIFlow) in relation to that claim (and, in particular, any reservation of rights which if issued shall remain fully reserved) or the validity of your policy (including where such policy has been voided). Any claim you may have under your policy with Pinnacle will continue against EIFlow once the Proposed Transfer takes effect.

**The Proposed Transfer (whether or not it goes ahead) will have no effect on:**

- **the terms and conditions of your cover;**
- **the amount of your premium;**
- **the existing direct debit for policies where premium is still being paid;**
- **the duration of your policy or policies;**
- **the way your policy is administered; or**
- **your ability to pursue or make any claim under your policy or policies, or the way any claims you have made or may make under your policy or policies are handled.**

The Independent Expert appointed for the Proposed Transfer has also confirmed that, in his opinion, the transfer will not materially adversely affect the financial security of the transferring policyholders.

**How are your interests being protected?**

The legal approval process for the Proposed Transfer to EIFlow is designed to help safeguard your interests.

- The Court must approve the Proposed Transfer for it to go ahead. The Court will consider whether the Proposed Transfer will adversely affect you as a policyholder and whether it is appropriate to approve the Proposed Transfer.
- The Court hearing is due to take place on 9 December 2024 at the High Court of Justice, 7 Rolls Building, Fetter Lane, London, EC4A 1NL, United Kingdom.
- You have the right to attend the Court hearing that will consider the Proposed Transfer and to present any objections or concerns that you may have directly, or appoint legal counsel to attend on your behalf. If you want to telephone or write to us rather than appear in person, we will present in writing any objections received from you to the Court on 2 December 2024. If you decide to write to us you are kindly requested to do so as soon as possible and preferably no later than 1 December 2024.
- Any change to the date of the Court hearing will be announced on our website: <https://www.cardifpinnacle.com/Pinnacle-Part-VII>.
- Subject to Court approval, it is expected that the relevant policies will transfer to EIFlow on 31 December 2024.
- Any change to the date of the Proposed Transfer will be announced on our website <https://www.cardifpinnacle.com/Pinnacle-Part-VII>.
- An Independent Expert has been appointed to write a report for the Court. He has assessed the impact of the Proposed Transfer and has concluded that it will not materially adversely affect any group of policyholders.

- Pinnacle has consulted closely with its regulators, the Financial Conduct Authority and the Prudential Regulation Authority. The UK regulators are entitled to make their own representations to the Court and we expect them to do so.
- EFlow, as a company incorporated in Gibraltar, is subject to the Gibraltar General Data Protection Regulation 2016 (“Gibraltar GDPR”) and your personal data will be processed in a manner compliant with Gibraltar GDPR.

### **What should you do?**

Please carefully read the information we have included with this letter.

We have enclosed a booklet containing:

- “Questions and Answers” about the Proposed Transfer;
- a summary of the legal document that sets out the terms of the Proposed Transfer (the “Scheme Document”);
- a summary of the Independent Expert’s report; and
- a copy of a legal notice setting out details of the Court hearing for the Proposed Transfer, (the “Communication Pack”).

### **How to make your views known**

**If you are comfortable with the Proposed Transfer and the information contained in this letter, you do not need to take any further action.**

However, should you need any further information or if you have any questions or concerns about the Proposed Transfer or consider that you may be adversely affected then please contact us as soon as possible and preferably no later than 1 December 2024. You can:

- call the following dedicated helpline, free of charge when calling from the UK, on: + 44 (0)800 731 7001

The helpline will not be available outside the hours of 09:00 to 17:30 London time weekdays or on bank holidays and public holidays in the United Kingdom. Callers during those times (or at times when nobody is able to answer the call) will be able to leave a message and request that their call is returned; or

- write to us at:

Pinnacle Insurance Plc  
Pinnacle House,  
A1 Barnet Way,  
Borehamwood,  
Hertfordshire  
WD6 2XX  
United Kingdom

- e-mail us at: [PinnaclePart7@bnpparibascardif.co.uk](mailto:PinnaclePart7@bnpparibascardif.co.uk)

Please note that the dedicated helpline is for enquires about the Proposed Transfer only. If you have any general questions about your policy, please call your usual broking contact or the person from whom you purchased your policy.

Pinnacle will make a record of any concerns or objections and communicate these to the Court, our regulators and the Independent Expert.

For your convenience, this information is also available on the Cardiff Pinnacle website <https://www.cardifpinnacle.com/Pinnacle-Part-VII>, together with full copies of the documents that comprise the Communication Pack, the Scheme Document and the Independent Expert's report. All updates and details about the progress of the Proposed Transfer, including any supplemental Independent Expert's report that may be prepared prior to the Court hearing, will also be posted on this website and will be available from the same address.

If you are aware of anyone else who has an interest in and/or is entitled to claim under your policy, please inform them of the Proposed Transfer and pass on the information contained in this letter and booklet. We will reimburse you any costs incurred with this process with details of your expenses.

Yours sincerely,

Matthew Lorimer

Pinnacle Insurance Plc, General Counsel