

TO ALL MEMBERS

29 May 2020

Dear Sirs

NOTICE TO MEMBERS

On behalf of the board of the club, I am pleased to announce a new chapter in the history of the club with the bringing 'in-house' of the club's management team.

This announcement follows a review, undertaken by the board over the past six months, of the club's long-term strategic requirements. With the full support of Charles Taylor, the board of the club has concluded that it is in the membership's best interests to adopt a new operating model for the club.

Under the future model, the club's core management will consist of exactly the same individuals and teams as at present, but within the club itself, instead of within an independent management company. So the club will undertake its own management functions, comprising executive management, underwriting, risk management, claims handling, finance and other core activities, all run by the same teams who currently manage the club today. However, some important support functions will continue to be provided by Charles Taylor.

The transition to this new operating model will begin in July 2020 and conclude in August 2021, subject to regulatory approvals. Both the club and Charles Taylor are focused on taking all necessary steps to ensure a seamless transition so that members will continue to receive the same high quality insurance cover backed by exceptional standards of service from the teams they know and trust.

As part of the transition, an advance team of 10-20 senior staff from Charles Taylor will be employed by the club to lead the build of the new operating model. The transfer of the advance team will provide the club with an executive team to oversee day-to-day management, with the remaining operations outsourced to Charles Taylor until conclusion of the transition. After the transition, Charles Taylor will continue, for the foreseeable future, to provide the club with market-leading professional support services for information technology, investment management and internal audit.

A press release containing additional information can be found [here](#).



The future of our club is bright and we are confident that the new operating model will meet the strategic needs of the club in the decades to come. We are always by your side.

If you have any questions with respect to this announcement, please do not hesitate to contact me or Jeremy Grose (jeremy.grose@charlestaylor.com).

Yours faithfully

Cesare d'Amico
Chairman