

Appleby (Guernsey) LLP  
Advocate A C Williams  
[DATE]

**IN THE ROYAL COURT OF GUERNSEY  
ORDINARY DIVISION**

**IN THE MATTER OF NORDBEN LIFE AND PENSION INSURANCE CO. LIMITED AND  
MONUMENT INTERNATIONAL LIFE ASSURANCE COMPANY LIMITED (collectively  
the Applicants)**

**AND**

**IN THE MATTER OF SECTIONS 44, 47 AND 48 OF THE INSURANCE BUSINESS  
(BAILIWICK OF GUERNSEY) LAW, 2002, AS AMENDED**

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**APPLICATION**

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**NORDBEN LIFE AND PENSION INSURANCE CO. LIMITED** (the **Transferor**) of Old Bank Chambers, La Grande Rue, St Martin, Guernsey, GY4 6RT and **MONUMENT INTERNATIONAL LIFE ASSURANCE COMPANY LIMITED** of 2nd Floor, St. George's Court, Upper Church Street, Douglas, Isle of Man, IM1 1EE (the **Transferee**), **APPLY TO THE COURT** for orders and a direction under Sections 44, 47 and 48 of the Insurance Business (Bailiwick of Guernsey) Law, 2002, as amended (the **Insurance Business Law**) **IN THE FOLLOWING CIRCUMSTANCES**

**WHEREAS:**

1. This application (**Application**) relates to the proposed scheme for the transfer of the whole of the "*long term business*" (as defined in Schedule 5 to the Insurance Business Law) of the Transferor to the Transferee. The scheme for which sanction is sought from the Royal Court of Guernsey (**Court**) pursuant to this Application is herein referred to as the **Scheme** and references to the **Business** have the meaning given in the Scheme document.
2. There is a concurrent Isle of Man application for the Scheme, being the territory in which the Transferee is located, for which a claim form was filed with the High Court of Justice in the Isle of Man on 12<sup>th</sup> September 2022 asking the High Court of Justice of the Isle of Man to sanction the Scheme pursuant to section 21 and Schedule 2 to the Insurance Act 2008 of the Isle of Man (the **IOM Application**).

3. The Transferor is a non-cellular company incorporated in Guernsey with company number 14861 and is licensed by the Guernsey Financial Services Commission (**Commission**) to carry out long term and general international and domestic insurance business in or from within the Bailiwick of Guernsey under the Insurance Business Law with Commission reference 34950.
4. The Transferee is a company incorporated in the Isle of Man with Company number 027082C and is authorised by the Isle of Man Financial Services Authority (“**IOMFSA**”) to carry on long term insurance business in or from the isle of Man. The Transferee was incorporated in the Isle of Man on 4 July 1985 and was formerly known as Equity & Law International Life Assurance Company Limited but changed its name to Axa Equity & Law International Life Assurance Company Limited in 1993. Thereafter it changed its name to Old Mutual International (Isle of Man) Limited on 10 March 1997, followed by Aberdeen International (IOM) Life Assurance Limited on 14 February 2002 and then to LCL International Life Assurance Company Limited on 6 April 2005 before most recently changing its name to Monument International Life Assurance Company Limited in 17 February 2021.
5. Both the Transferor and Transferee are wholly owned subsidiaries of Monument Re Limited, a company having its registered office at Crown House, 4 Par-la-Ville Road, Hamilton, HM08 Bermuda (**Monument Re**). Monument Re acquired the issued share capital of the Transferor on 27 June 2019 and the issued share capital of the Transferee on 15 February 2021.
6. The transfer of the whole of the Transferor’s long-term insurance business to the Transferee constitutes an intragroup transfer of business and forms part of a process of rationalising the business of Monument Re’s subsidiaries across the Crown Dependencies to provide economies of scale and consistency of service.
7. It is proposed that the legal transfer of the Business from the Transferor to the Transferee will proceed pursuant to the Scheme, subject to the approval being granted by this Court and the High Court of Justice of the Isle of Man.
8. The transfer of the Business is proposed pursuant to the terms of the Scheme in accordance with the provisions of:
  - 8.1 Section 44(1) of the Insurance Business Law, which requires the sanction of the Court to any scheme whereby long-term insurance business is transferred:
    - (a) if either the transferor body or the transferee body is licensed under the Insurance Business Law;
    - (b) in respect of any policy comprised in that business written under Guernsey law; or
    - (c) in respect of any policy comprised in that business issued to a person resident in the Bailiwick of Guernsey; and
    - (d) Section 48(1)(a) of the Insurance Business Law.

9. Approximately 5,976 policies of the Transferor (as at 31<sup>st</sup> December 2021) are to be transferred pursuant to the Scheme.

**AND WHEREAS:**

10. The purpose of the Scheme is to implement, with the sanction of the Court, the transfer of the business, assets and liabilities relating to the Business that is required to be sanctioned by the Court under Section 44(1) of the Insurance Business Law.

**AND WHEREAS:**

11. Sanction of the Court under Section 44(1) of the Insurance Business Law depends upon the Court being satisfied either that the Transferee is licensed under the Insurance Business Law (Section 46(a)(i) of the Insurance Business Law) or that the Transferee is licensed to carry on the relevant insurance business in the country outside the Bailiwick of Guernsey where the Transferee is to undertake its obligations under the policies transferred to it (Section 46(a)(ii) of the Insurance Business Law).

12. The Transferee is not licensed under the Insurance Business Law. However, the Transferee will undertake its obligations in respect of the Business in the Isle of Man where it is authorised by the IOMFSA and will have the permissions necessary to carry on the long-term insurance business transferred to it under the Scheme.

**AND WHEREAS:**

13. Pursuant to Section 45(2)(a) of the Insurance Business Law, an independent actuary, Mike Claffey of Milliman Limited of 7 Grand Canal Street Lower, Dublin 2, D02 KW81, Ireland, who is a Fellow of the Society of Actuaries in Ireland (**Independent Actuary**), has prepared a report on the terms of the Scheme dated 7<sup>th</sup> September 2022 (**IA's Report**) and which confirms (at page 50) that the implementation of the Scheme will not have a material adverse effect on:

- 13.1 the security of benefits under the policies of the Transferor and the Transferee;
- 13.2 the reasonable expectations of the policyholders of the Transferee and the Transferor (**Policyholders**) with respect to their benefits;
- 13.3 the standards of administration, service, management and governance that apply to the Transferor and Transferee policies; and
- 13.4 that the arrangement with regard to the costs of the Scheme are fair to all Policyholders.

**AND WHEREAS:**

14. Section 45(3)(b) of the Insurance Business Law requires that, except where the Commission otherwise consents, a statement (**Policyholder Communication**):
- 14.1 setting out the terms of the Scheme;

- 14.2 containing a summary of the IA's Report; and
- 14.3 stating that copies of that report are available for purchase at an address in Guernsey;
- 14.4 unless the Commission exercises its discretion to relieve the obligation in whole or in part, the Policyholder Communication must be sent to:
- (a) each of the Policyholders; and
  - (b) every member of the Applicants.
15. The Policyholder Communication was sent to each of the Policyholders on 7<sup>th</sup> October 2022 other than:
- (a) Policyholders for whom current contact details are not known as at a date as close as possible to the Mailing Date; and
  - (b) Policyholders in respect of whom a notification has been received before the Mailing Date notifying the death of the Policyholder and in respect of which a notification of the appointment of a personal representative has not been provided,

these exceptions being made in accordance with the derogation granted by the Commission in accordance with their discretion provided under Section 45(3) of the Insurance Business Law.

16. In accordance with the requirements of Sections 45(3)(a) and (d) of the Insurance Business Law, a notice of this Application containing the prescribed information was published in La Gazette Officielle on Tuesday 11<sup>th</sup> October 2022 and again on Thursday 13<sup>th</sup> October 2022.
17. In accordance with the requirements of Section 45(3)(c) of the Insurance Business Law, copies of this Application, the IA Report, and the Policyholder Communication sent out to the Policyholders were served on the Commission on [XX].
18. In accordance with the requirements of Section 45(3)(e) of the Insurance Business Law, copies of this Application (as updated from time to time) and the IA Report have been made available for inspection (and for collection, free of charge) at all reasonable times at the offices of Appleby (Guernsey) LLP, Hirzel Court, Hirzel Street, St Peter Port, Guernsey, GY1 3BN for at least the statutory prescribed period.

**AND WHEREAS:**

19. The Commission has confirmed by letter dated [XX] that:
- (a) the Commission does not intend to exercise its right pursuant to section 45(4) of the Insurance Business Law to attend the hearing of the Application;
  - (b) in accordance with section 46(a)(ii) of the Insurance Business Law, the Transferee is licensed to carry on insurance business of the descriptions concerned; and

- (c) in accordance with section 46(b)(ii) of the Law, the Commission and IOMFSA, being the relevant supervisory authorities in the territories concerned, have been notified of the Scheme, and have confirmed no objection is held to the transfer.

**AND WHEREAS:**

20. The Commission has requested that the Transferor and Transferee seek an order of the Court requiring that the existing arrangements entered into between the Transferor and Zedra Trust Company Limited (**Zedra**) under which assets (**Policyholder Assets**) are held in trust for the purposes of satisfying liabilities to Policyholders in accordance with the conditions imposed on the Transferor’s licence (**Trust**) be maintained by an equivalent arrangement after the transfer envisaged by the Scheme.

**FOR ORDERS AND DIRECTIONS THAT:**

1. An order be made pursuant to section 44(1) of the Insurance Business Law sanctioning the Scheme;
2. An order be made under section 48(1)(a) of the Insurance Business Law providing for the transfer to the Transferee of the undertaking and property and liabilities of the Transferor as set out in the Scheme;
3. Pursuant to section 47 of the Insurance Business Law a direction that notice of the making of such (above) orders be published once in La Gazette Officielle, specifying a period of not less than 28 days commencing on the date of publication of the notice and ending on [XX], during which period Policyholders affected by the Scheme may exercise any right which they may have to cancel their policy; and
4. An order be made pursuant to section 48(1)(e) of the Insurance Business Law that the Transferor and Transferee enter into arrangements whereby the Transferee becomes the beneficiary of the Trust and that thereafter the Transferee is obliged to ensure that the Policyholder Assets are the subject of equivalent arrangements with Zedra or another suitable trustee regulated under the laws of the jurisdiction in which that trustee conducts its business whilst liabilities remain.

**THE WHOLE** in accordance with the first affidavit of [XX] affirmed on [XX].

Dated this                  day of    2022

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**Advocate A C Williams**  
 Advocate for the Applicants