

**Important information – proposed transfer of your Credit Card Protection policy to Hallmark General Insurance Company Ltd ABN 82 008 477 647 and Hallmark Life Insurance Company Ltd ABN 87 008 446 884**

Dear Policyholder,

This letter provides information about two proposed Schemes to transfer the insurance business, which includes your Credit Card Protection policy co-issued by St Andrew's Insurance (Australia) Pty Ltd ABN 89 075 044 656 (**St Andrew's Insurance**) and St Andrew's Life Insurance Pty Ltd ABN 98 105 176 243 (**St Andrew's Life**) to:

- (a) the insurance business of St Andrew's Insurance to Hallmark General Insurance Company Ltd ABN 82 008 477 647 (**Hallmark General**); and
- (b) the insurance business of St Andrew's Life to Hallmark Life Insurance Company Ltd ABN 87 008 446 884 (**Hallmark Life**)

(the **Proposed Transfers**).

Each of the Proposed Transfers must be approved by the Federal Court of Australia before they are implemented.

### **Background**

In May 2023, Hallmark General and Hallmark Life were acquired by the St Andrew's Group. The Proposed Transfers are being undertaken by the St Andrew's Group to consolidate the business.

Hallmark General is an APRA authorised general insurer and has been operating in Australia since 1970. Hallmark Life is an APRA registered life insurer and has been operating in Australia since 1965. Both Hallmark General and Hallmark Life do not currently issue new policies. However, Hallmark General and Hallmark Life intend to seek APRA's approval to resume issuing new insurance policies.

St Andrew's Insurance and St Andrew's Life have not sold any new policies since 31 March 2021 and 17 October 2019, respectively. From that time, each insurer has only conducted insurance business for the purpose of managing contracts of insurance it had entered into before that time (the **Transferring Policies**).

### **How are your interests being protected?**

There are no changes to the terms and conditions of your policy, including the level of cover, or the service you are entitled to as a Policyholder affected by the Scheme (**Policyholder**).

The impact of each Proposed Transfer on Policyholders will be a key consideration for the Court when it is exercising its discretion as to whether to confirm, amend or reject the Schemes. In that regard:



*Scheme to transfer the insurance business of St Andrew's Life to Hallmark Life (the **Life Scheme**):*

- (a) an actuarial report has been prepared by the Appointed Actuaries of Hallmark Life and St Andrew's Life, David Millar and Stephen Jones, for the benefit of the Court (**Joint Actuarial Report**);
- (b) an independent report on the likely impact of the Life Scheme on St Andrew's Life Policyholders, has been prepared by David Goodsall from Synge & Noble for the benefit of the Court (**Independent Life Insurance Actuarial Report**);

*Scheme to transfer the insurance business of St Andrew's Insurance to Hallmark General (the **GI Scheme**):*

- (c) an independent report on the likely impact of the GI Scheme on St Andrew's Insurance Policyholders has been prepared by David Goodsall from Synge & Noble for the benefit of the Court (**Independent General Insurance Actuarial Report**);

*Consultation with APRA:*

- (d) there has been ongoing consultation between St Andrew's Insurance, St Andrew's Life and APRA on each Scheme and the impact on Policyholders;

*Rights of Affected Policyholders and APRA to be heard on each application:*

- (e) a Policyholder has the right to attend the Court hearing to request to be heard on the application for confirmation of the Schemes;
- (f) APRA has the right to attend the Court hearing and be heard on the application for confirmation of the Schemes; and

*Court must confirm each Scheme before it can take effect:*

- (g) each Scheme must be confirmed by the Court before it can take effect.

In considering whether to confirm St Andrew's Insurance's and St Andrew's Life's respective applications for the proposed Schemes, the Court will take into account the opinion of APRA, the independent actuary, the Appointed Actuaries and any representations made by Policyholders who are concerned that they may be adversely impacted if the Schemes were to take effect – in addition to submissions made by St Andrew's Life, Hallmark Life, St Andrew's Insurance and Hallmark General.

### **Important documents for you to consider**

**Enclosed** with this letter are two Scheme Summaries that have been approved by APRA. They set out important information on how the Scheme, if confirmed by the Court, will operate.

Hallmark General and Hallmark Life intend to seek APRA approval to resume issuing new insurance policies. In considering whether to approve the application, APRA will need to be satisfied that Hallmark General and Hallmark Life hold sufficient capital to support the issuing of new insurance policies. This issue is explored in the Actuarial Reports and reference is made to it in the Scheme Summary.

We believe it is important that you give careful consideration to the Scheme Summary as it considers the likely impact of the Scheme on your rights and interests as a Policyholder.

### **What do you need to do?**

You do not have to take any further action unless you have concerns about or wish to object to the Proposed Transfers.

If you need to make a claim under your policy, you can contact Hallmark on the same phone number or email address found in your insurance policy documents. If you have an existing claim, the Proposed Transfers will not affect the outcome of your claim.

### **About the Court hearing**

A Policyholder has the right to attend the Court hearing and request to be heard on the application (i.e., make submissions to the Court if they believe the Schemes may give rise to detriment to Policyholders). If you wish to attend the Court, the hearing will be held on 30 July 2024 at the Federal Court of Australia, located at 184 Phillip Street, Sydney, New South Wales, 2000.

In the event that you intend to be heard at the hearing, kindly contact our lawyers as follows:

### **DLA Piper Australia**

(Attention: Ms Natalie Caton)  
Level 22  
1 Martin Place  
Sydney NSW 2000  
Telephone No: (07) 3246 4161  
Email: [natalie.caton@dlapiper.com](mailto:natalie.caton@dlapiper.com)

### **How to obtain further information**

A full copy of the GI and Life Schemes, the Joint Actuarial Report, the Independent Actuarial Report, the Notices of Intention and the enclosed Scheme Summaries (**Scheme Documents**), can be found at [www.standrews.com.au](http://www.standrews.com.au)

Further, you can call St Andrew's Group Head office on 1300 737 211 during the hours of 8.30am to 7.00pm Monday to Friday AEST or write to us at PO Box 7395, Cloisters Square WA 6850 or via email at [schemedocument@standrews.com.au](mailto:schemedocument@standrews.com.au) if you have any questions regarding the Schemes and its effect on your policy.

You may also request for free copies of the Scheme Documents or make any further enquiries using the contact details provided above.

**If you would like this information in large print please call us on 1300 737 211.**

We look forward to continuing to support you.

Yours sincerely,

Matthew Way  
Chief Executive Officer  
St Andrew's Australia Services