

**NOTICE OF INTENTION TO APPLY TO THE FEDERAL COURT OF
AUSTRALIA FOR CONFIRMATION OF A SCHEME FOR THE TRANSFER OF
THE INSURANCE BUSINESS OF PROGRESSIVE DIRECT INSURANCE
COMPANY TO THE HOLLARD INSURANCE COMPANY PTY LTD**

TAKE NOTICE that Progressive Direct Insurance Company ABN 28 140 389 528 (**PDIC**) and The Hollard Insurance Company Pty Ltd ABN 78 090 584 473 (**Hollard**) intend to make an application to the Federal Court of Australia in Sydney on 3 November 2017 at 9:30am, or on such later date or time as the Court appoints, for the confirmation of a Scheme to transfer PDIC's Australian insurance business to Hollard under Part III, Division 3A of the *Insurance Act 1973* (Cth) (the **Insurance Act**).

PDIC and Hollard are each authorised under the Insurance Act to carry on insurance business in Australia. PDIC is a registered foreign company under the Corporations Act 2001 (Cth), owned by its ultimate US parent, The Progressive Corporation, incorporated in Ohio, USA.

Under the Scheme, all of the rights, liabilities and obligations of PDIC under all contracts of motor vehicle insurance that it has issued, renewed, underwritten or assumed as insurer in Australia (motor vehicle being its only insurance business in Australia) will be transferred to Hollard and become the rights, liabilities and obligations of Hollard. Except for Hollard being substituted for PDIC as insurer, the transfer will not result in any change to the policy benefits or policy terms and conditions under policies issued or underwritten by PDIC. The rights, benefits, obligations and liabilities of the holders of policies issued by PDIC in Australia will be the same as if those policies had been issued by Hollard instead of PDIC.

Further, under the Scheme, Hollard will become entitled to all rights of PDIC to make claims against the following parties:

- (i) any person who has provided goods or services to PDIC (or its agent); and
- (ii) any person who has provided goods or services to a claimant under a policy issued by PDIC in Australia,

in either case where the goods or services were defective and either PDIC or Hollard suffers or incurs increased insurance loss in connection with the defect.

Before the proposed Scheme can be legally effective, it must be confirmed by the Federal Court of Australia under Division 3A of Part III of the *Insurance Act 1973* (Cth). If confirmed by the Court, the Scheme will become binding on all persons.

Policyholders affected by the Scheme may attend the Court hearing and request to be heard by the Court on the application for confirmation of the Scheme.

Any person who wishes to appear before the Court is requested to advise Lucy Terracall or Michelle Hocking of Clayton Utz, Lawyers, Level 18, 333 Collins Street, Melbourne, Victoria, 3000 (Ph. (03) 9286 6000) at least 7 days prior to the hearing date specified above.

You are not required to take any action if you have no objection to the Scheme.

Copies of the Scheme Document, Transfer Agreement and the Actuarial Report together with a supplementary letter prepared by Finity Consulting, upon which the Scheme is based, will be open for public inspection and may be obtained free of charge by any policyholder of PDIC between the hours of 9am and 5pm every day (except weekends and public holidays) for a period of at least 15 days from 3 October 2017 at the following locations:

New South Wales

Clayton Utz, Level 15,
1 Bligh Street, Sydney,
NSW, 2000

Victoria

Clayton Utz, Level 18,
333 Collins Street
Melbourne, VIC, 3000

Queensland

Clayton Utz, Level 28,
Riparian Plaza
71 Eagle Street, Brisbane
QLD, 4000

Western Australia

Clayton Utz, Level 27
QV.1 Building 250 St
Georges Terrace,
Perth, WA, 6000

South Australia

Finity Consulting, Level
30, Westpac House, 91
King William Street,
Adelaide, SA, 5000

Tasmania

AON, Level 2, 100
Melville Street, Hobart,
Tasmania, 7000

**Australian Capital
Territory**

Clayton Utz, Level 10
NewActon Nishi, 2
Phillip Law Street,
Canberra, ACT, 2601

Northern Territory

Clayton Utz, 17-19
Lindsay Street, Darwin,
NT, 0800

A copy of the Scheme Document, the Transfer Agreement and the Actuarial Report will also be available for inspection at the following website:

www.progressivehollardscheme.com Further enquiries can be made by calling Lucy Terracall or Michelle Hocking of Clayton Utz lawyers on (03) 9286 6000 during business hours (Melbourne time).

**THIS NOTICE HAS BEEN PREPARED BY PROGRESSIVE DIRECT INSURANCE COMPANY
AND THE HOLLARD INSURANCE COMPANY PTY LTD**

Dated: **26 September 2017**