

Luxembourg, November 15th, 2024.

Dear Customer,

We would like to update you regarding the current status of FWU Life Insurance Lux S.A. (FLL). Please find attached the latest communication from the Commissariat aux Assurances (CAA), the supervisory authority in Luxembourg, which provides detailed information on the matter.

Given these developments, we would like to clarify the following points:

- FLL presented the short-term financing plan and works on clarifications requested by the CAA.
- FLL continues managing the current portfolio as per the agreed terms and legal framework.
- All payments by FLL are still suspended till the end of the suspension period. This includes payouts for surrenders, death claims, etc. These payout amounts will remain deposited on specific accounts until further notice.
- The CAA continues to freeze FLL's assets.
- FLL remains insolvent until it meets the regulatory requirements.
- FLL is working to resume premium collections in France and Italy, where certain banks have impeded them.
- FLL confirms that all premiums collected to date have been fully invested.

To stay informed, we encourage you to consult the following official resources:

- CAA's website: <https://www.caa.lu/fr/consommateurs/insolvabilite-de-fwu-life-insurance-lux-sa>
- Our official website: <https://www.forwardyou.com>

Sincerely,



Arnaud Chemla  
Dirigeant Agréé  
Chief Executive Officer & Chief Financial Officer



Uwe Meiers  
Daily Manager  
Chief Information Officer

▪ **English version**

On 19 July 2024, the insurance undertaking FWU Life Insurance Lux S.A. (the “**Undertaking**”) had informed the Commissariat aux Assurances (the “**CAA**”) that it no longer complied with the legal requirements relating to the coverage of the minimum capital requirement (the “**MCR**”), the solvency capital requirement (the “**SCR**”) and the coverage of insurance liabilities by eligible representative assets.

As a result, in accordance with Article 125 of the amended Law of 7 December 2015 on the insurance sector (the “**LSA**”), the Undertaking was required to submit to the CAA for approval a realistic short-term financing plan with a view to bring back, within three months of this finding, i.e. by 19 October 2024 at the latest, the eligible own funds to at least the level of the MCR or to reduce its risk profile to ensure compliance with the MCR.

On 22 October 2024, the Undertaking formally informed the CAA that it had regained compliance with the MCR coverage requirements.

However, a number of uncertainties remain concerning the assumptions underlying the Undertaking 's calculation of this ratio, in particular:

- the existence of tax liabilities in several European Union countries;
- the contractual right of reinsurers to terminate reinsurance treaties;
- the assessment of the cost of implementing a compensation plan for policyholders who have been subject to *mis-selling*.

These uncertainties are currently being analysed by the CAA, which could challenge the exact coverage rate of the MCR, even if, in any event, the measures taken by the Undertaking have enabled to redress the situation of under-coverage of the MCR.

As for the SCR, it must be covered within six months of the date of 19 July 2024, in accordance with Article 124(3) of the LSA, i.e. by 19 January 2025 at the latest. In view of the uncertainties described above, the CAA is not in a position to conclude on the coverage of the SCR as at the date of this publication.

Insurance liabilities must also be covered by eligible representative assets, in accordance with the requirements of article 117 of the LSA, by 19 January 2025 at the latest. In any case, the measures taken up to the date of this publication have not enabled to redress the situation regarding the coverage of insurance liabilities by eligible representative assets, in particular due to the difficulties in recovering intra-group receivables from FWU AG<sup>1</sup> and FWU Factoring GmbH.

The CAA is also awaiting a new solvency and financial condition report (the “**SFCR**”) from the Undertaking duly validated by its board of directors, in accordance with Articles 290 and seq. of Delegated Regulation (EU) 2015/35, as amended.

Finally, the CAA wishes to emphasise that the safeguard measures taken by it to ensure fair treatment of policyholders and beneficiaries of insurance are maintained (freezing of agreed accounts) and that the judicial proceedings for suspension of payment opened on 2 August 2024 remain in force.

---

<sup>1</sup> The CAA, in its capacity as supervisor of the FWU group, requested a solvency restoration plan from FWU AG, which did not comply with this request.