

14th January, 2021

To whom it may concern,

We are writing to you, in our capacity as the insurer of Italian risks, in order to satisfy relevant requirements under Italian insurance law.

As you may be aware, following the United Kingdom's withdrawal from the European Union, effective on 31 December 2020, The United Kingdom Freight Demurrage and Defence Association Limited ("UKFD&D") has become a third-country insurance undertaking. UKFD&D is no longer authorised to operate on a "freedom of services" basis in Italy and will, accordingly, be operating under a statutory "run off regime" with effect from 1st January 2021.

This means that after 1st January 2021 UKFD&D will not:

- underwrite new insurance contracts;
- renew or extend any existing insurance contracts relating to Italian risks; and/or
- require the payment of additional premium or accept new payments in respect of Italian risks, except for those provided for in an existing insurance contract.

UKFD&D will, in any event, ensure the proper performance of its existing insurance contracts and will continue to fulfil its contractual obligations to the insureds (including in relation to the management of claims and claims payments) under policies issued by it before 31st December 2020.

As previously advised to you, all new policies to be issued by UKFD&D in respect of EEA risks will now be issued by United Kingdom Freight Demurrage and Defence Insurance (Europe) Limited, a company authorised in Cyprus and authorised to operate in Italy on a "freedom of services" basis.

If you have any questions regarding the contents of this letter, please contact David Smith (david.smith@thomasmiller.com).

Yours faithfully,



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Daniel Evans, for and on behalf of
**The United Kingdom Freight Demurrage
and Defence Association Limited**