

1. Delta Lloyd and consumer organisations enter into collective settlement regarding unit-linked insurance

On 10 September 2008 the Delta Lloyd group (a large Dutch insurer) and two foundations representing about 200,000 policyholders — 'Verliespolis' and 'Woekerpolisclaim' — announced that they had entered into a collective settlement agreement under which Delta Lloyd will reimburse part of the cost paid by consumers for unit-linked insurance policies. The value of the settlement is about €300 million. The agreement makes a distinction between four different categories of policyholder, for each of which a specific percentage of the cost of the relevant policy will be reimbursed. The percentages start at 2.45% and go up to 3.5%. The agreement has been submitted to the foundation members for their approval.

Delta Lloyd CEO Niels Hoek stated at a press conference: "Delta Lloyd is pleased by the outcome of the negotiations. This agreement is expensive, but from the perspective of continuity and social responsibility a necessity in order to gain further trust for the insurance sector as a whole".

The Foundation Woekerpolisclaim has announced that the settlement will not be submitted for approval to the Amsterdam Court of Appeal; policyholders who do not wish to be bound by the settlement are free to initiate individual proceedings.

Verliespolis and Woekerpolisclaim are presently conducting settlement negotiations with Fortis over the same issues. In addition, in September 2007 Woekerpolisclaim initiated three test cases before Kifid (the Dutch Financial Services Complaints Institute) against Rabobank, one of the largest intermediaries in unit-linked insurance in the Netherlands. Kifid provides alternative dispute resolution services for disputes in the financial sector.

In meantime AEGON - another big Dutch insurer - announced in September 2008 that it has reduced the price of a number of unit-linked insurance products and that clients who in retrospect paid too high a price for these products will be compensated for this when the policy expires. According to Aegon, the measure is comparable to the Delta Lloyd settlement and will cost the company approximately EUR 140 million.

2. Vedior: court approval sought for collective settlement

On 1 February 2008, a collective settlement was announced between Vedior, the Dutch shareholders' association (VEB) and a special purpose vehicle (SUVS) set up to represent Vedior shareholders who sold their shares on the morning of 30 November before the issuance of a press release regarding the merger talks between Vedior and Randstad. On 6 October 2008, a petition was filed with the Amsterdam Court of Appeal for an order declaring the settlement fair and binding on an opt-out basis. Approximately 2000 shareholders are entitled to participate in the settlement, the amount of which is €4,250,000.

3. Vie d'Or: court approval sought for collective settlement

In 1993 life insurance company Vie d'Or was declared bankrupt. In 1994 the Vie d'Or Foundation was established to represent the interests of the 11,000 former policyholders who suffered damage as a result of the bankruptcy. After protracted litigation against the Dutch Central Bank and Deloitte, among others, which included a 2006 Supreme Court decision holding that the Dutch Central Bank and Deloitte were not liable, the parties reached a final settlement for €45 million in 2008. It is notable that the Dutch Insurers' Association, which was not a party to the litigation, agreed to contribute €6,500,000 toward the settlement in order to improve the image of, and confidence in, the sector.

On 3 July 2008 the parties filed a petition with the Amsterdam Court of Appeal to have the settlement declared fair and binding on an opt-out basis. The agreement includes a clause cancelling the settlement if more than 1,100 policyholders opt out.

4. Icesave: motion to start collective action

Lured by a higher interest rate (5%), many Dutch municipalities and provinces and a large number of private Dutch citizens opened new saving accounts at Icesave last June. Only a few months later, in October 2008, Icesave's parent company, Landsbanki, announced that Icesave would not be able to meet its obligations. The Dutch Minister of Finance promised the private citizens in question that their savings would be guaranteed by DNB (the Dutch central bank) for up to €100,000. On 22 October a member of the Dutch Parliament, Mr. Frans Weekers, from the Liberal Party introduced a motion to request the Dutch government to start a collective action against the government of Iceland on the grounds of failed supervision. The Dutch government has not yet responded to this motion.

5. Legislative measures to facilitate collective settlements

On 3 October 2008 the Dutch Minister of Justice announced plans to launch legislation aimed at making it easier and more attractive to enter into a collective settlement in a mass damage case. The measures being considered include making it possible to seek court involvement at a relatively early stage in the negotiations and for the lower court to submit preliminary questions to the Dutch Supreme Court on an expedited basis.