

Hamburg, 24 July 2017

Dear members and business partners

Since the foundation of **unisonBrokers** 12 years ago, we have been growing and strengthening our global network continuously expanding our range of services for our members and looking for innovative solutions.

To ensure the further growth and an even stronger market position of our global network, we decided to enter into a strategic alliance with a strong experienced partner taking a significant step forward in the development of the **unison** network.

At our Independence Day Conference held in Berlin last month, we were pleased to announce our strategic partnership with Steadfast Group. The announcement of this new partnership has been well received by our members.

As the program and the tight schedule of the conference did not allow us enough time for all questions and answers, we have provided detailed information below to allow all of you and especially those members who were not attending the last IDC in Berlin to understand and appreciate the value to **unisonSteadfast** members moving forward.

Who are Steadfast?

Steadfast, established in 1996, has grown to become the largest general insurance broking network and the largest underwriting agency group in Australia and New Zealand. At present, the network provides services to over 352 broker businesses across Australia, New Zealand, Singapore and also has an office in London. The Steadfast model has been to work together in strong partnership, with strong management to build on what they already have. This has proved successful ensuring Steadfast the leading position in the Australian market: Steadfast network brokers and underwriting agencies generated billings of more than AUD\$7.25 billion for the 12 months ended 30 June 2016. In addition, Steadfast operates as a co-owner and consolidator through its equity interests in a number of broker businesses, underwriting agencies and other complimentary businesses.

Steadfast network brokers benefit from:

- Support and collective scale of a large industry leading organisation, while at the same time having the ability to remain independently owned, operated and locally based
- Significant buying power, flexibility and influence when negotiating with insurers and other Strategic Partners on claims, bespoke policy wordings and market competitive pricing
- Elevates smaller business to compete against the larger corporate broker via their range of products and services

Access to these services and support systems is what gives Steadfast network brokers a competitive edge in an ever-changing market.

Who are unisonSteadfast and what has changed?

As announced in Berlin, **unisonBrokers** has been renamed **unisonSteadfast** following the transaction of a non-controlling stake by Steadfast. The organisation will operate unchanged from its existing model as **unisonBrokers**, however, it will be further enhanced by Steadfast's expertise and success in providing products and services to support the network and facilitate access to new markets.

Steadfast's MD & CEO, Robert Kelly, and COO, Samantha Hollman, will join the **unisonSteadfast** Supervisory Board. Former Managing Director of Munich Re Australia, Heinrich Eder will also join the **unisonSteadfast** Supervisory Board. These three representatives will sit alongside the existing 3 Supervisory Board members.

What is not changing?

Leadership – Wolfgang Mercier will continue to run the organisation for at least another 10-12 years as the company's CEO. Rolf Diekhoff will continue overseeing the operative side of the business in his function as a Director. In the next years, my daughter Muriel Mercier will be gradually involved in the management decisions and tasks of our company to take over a position in the management of the network in the future.

Team – Our dedicated team is here for you doing their best to provide the best possible service. You will be able to reach us under the same phone numbers as before. Your e-mails sent to “**unisonBrokers**” will be automatically forwarded to the new “**unisonSteadfast**” address. **unisonSteadfast** is planning to gradually increase its staff numbers in connection with the expansion of the service range in the future.

Business Model – **unisonSteadfast** will keep the business model of **unisonBrokers**. Your membership agreements with **unisonBrokers** will remain in force and will be only amended by our new company name. Our services will remain and will be expanded by the new range of services made available to our members through the new strategic partnership.

Our values and the culture of the unison network – **unisonSteadfast** will continue living the strong values based on partnership, commitment, fairness and expertise. We believe that these values and the unique culture of the entire **unison** community have been crucial for our organisation since the foundation of the company and view them as being always connected with the success of the **unison** network.

What are the benefits for our members?

unisonSteadfast will give its broker network the opportunity to benefit from Steadfast's experience in providing products and services to support the network's growth.

The strategic relationship will enhance benefits to **unisonSteadfast** brokers by extending our service package to give the following new possibilities and opportunities for brokers.

- **New markets** - London market access + Steadfast underwriting agency access (23 agencies covering 72 niche products). Benefit from increased occupation appetite, greater leverage in terms of technology and claims processes, increased commission, multi jurisdiction capabilities.
- **Market impact** - achieve more market influence and power. Develop new partnerships with insurers and look to see how we can grow our businesses. Consideration will be made to implementing exclusive policy wordings to the network, increased commissions, and a marketing & administration support which help fund the roll out of services back to the network. This model developed by Steadfast has achieved great success and support for Steadfast in Australia and New Zealand and more recently in the launch in Singapore. Steadfast will support **unisonSteadfast** in establishing this model in the European and other markets, which will allow the **unison** network to gain more power on a global scale.
- **Services** - Steadfast offers its network a range of 150+ services that assist their brokers build their businesses and compete against the large brokers. These services will be reviewed for appropriateness per jurisdiction and implemented where possible. **unisonSteadfast** can benefit from the wide range of exclusive services which will be made available to its members.

As with the existing Steadfast model in Australia, New Zealand and Singapore, services aren't compulsory, they are delivered to the network and the brokerages choose whether to use them for their businesses. Nothing is compulsory.

- **Equity/succession pathway** - opportunity for brokers to sell part of or all of their business to realise some of your capital potential now, but continue to own, work and drive the business forward. Steadfast has an acquisition model applied to their network and we would consider how an acquisition model could be rolled out to the **unison**Steadfast membership in concert with **unison**. Brokers that become equity brokers will not be treated any differently to non-equity brokers in the network. This is how Steadfast operates their existing model in Australia, New Zealand and Singapore.

What next?

We will be working together with Steadfast to find out what services/products we can implement that will help brokers across the jurisdictions.

A number of meetings for a business planning are organized for August to determine what the short term and long term deliverables can be. We will continue to keep you informed of initiatives as they develop.

On a more personal note

It was not an easy decision for us, and especially for me as a founder of the network, to leave behind our **unison**Brokers name. For over ten years, our **unison**Brokers network has represented a reliable and trusted partner with strong traditional values and a very special spirit. Our commitment to these values and the unique spirit of the **unison** community will continue to be the foundation for our organisation.

I strongly believe that our new strategic partnership will elevate **unison** to a new level with respect to the quality and performance and will allow our network to become even more powerful in the international insurance market.

We are excited by the opportunities that lay ahead for the **unison**Steadfast network. I thank you for your loyalty and would be most pleased if you would also accompany us on our path to a successful future.

Should you have any questions about our strategic partnership or require further information, please feel free to contact me directly.

Yours sincerely



Wolfgang Mercier
President & CEO
unisonSteadfast AG