

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to what action to take, you should consult your stockbroker, solicitor, bank manager, accountant or other professional adviser, who, if you are taking advice in Ireland, is authorised or exempted under the Investment Intermediaries Act, 1995 of the European Communities (Markets in Financial Instruments) Regulations 2007 (as amended), or, if you are taking advice in the United Kingdom, is authorised under the Financial Services and Markets Act 2000 of the United Kingdom.

If you have sold or transferred all your ordinary shares in FBD Holdings plc, please forward this document and the Form of Proxy at once to the stockbroker or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.



FBD Holdings plc

(Incorporated in Ireland under registration number 135882)

Letter from the Chairman regarding Appointment of Directors

and

Notice of Extraordinary General Meeting

To be held on Wednesday 31 August 2016 at 11:00 a.m.
in The Irish Farm Centre, Old Naas Road, Bluebell Dublin 12



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16 August 2016

Letter from the Chairman to Shareholders in relation to an Extraordinary General Meeting

Dear Shareholder

Attached to this letter is a Notice for an Extraordinary General Meeting of the Company which will be held on 31 August 2016 at 11:00 a.m. in the Irish Farm Centre, Old Naas Road, Bluebell, Dublin 12.

In this letter, I want to explain to you the purpose of the meeting and to ask your support for the resolutions to come before it.

Purpose of this Extraordinary General Meeting. Why is it needed at all?

The Irish Stock Exchange's Listing Rule 6.9 (1) provides that "A listed company must ensure that at all times not more than one third of its board of directors is composed of persons who have been co-opted to the board."

Up until the announcement of the conditional appointments to the Board of Ms. Mary Brennan on 3 August 2016 and Ms. Orlagh Hunt on 12 August 2016, the Group could demonstrate compliance with this provision. Their addition to the Board means that five of eleven members of the Board would be persons who have been co-opted, that is to say persons appointed by the Directors, rather than shareholders. The purpose of the EGM is to give shareholders the opportunity to approve the appointments and the composition of the Board.

Background

(i) Board Reorganisation

On 29 February 2016, FBD Holdings plc ("FBD" or the "Group") announced changes to its governance arrangements which were approved by the Board on 26 February 2016. Central to these changes was the principle that the Group and its principal subsidiary, FBD Insurance plc, will have a board comprised of the same directors and that the dual board structure then in operation would be retired. We announced at that time that the structure would be implemented over the following months as appointments were made and the necessary regulatory approvals obtained.

The governance changes reflect FBD's business mix following the disposal of the Group's property and leisure joint venture during 2015. The Group's operations are now concentrated in its general insurance subsidiary, FBD Insurance plc and in its life, pensions and investment intermediary, FBD Financial Solutions.

(ii) Implementation Arrangements

On 29 February 2016, it was also announced that a number of Directors then in office, Ms. Emer Daly, Mr. Eddie Downey, Ms. Brid Horan and Mr. Ruairi O'Flynn had decided not to put themselves forward for re-election at the Annual General Meeting which was held on 29 April 2016. They ceased to hold office from the conclusion of the Annual General Meeting. This was for a variety of reasons including the regulatory limit in Ireland on the number of Directorships of financial undertakings which can be held by any individual.

On the same date as announcing the foregoing changes, we announced that Mr. Walter Bogaerts who at the time was an independent non-executive Director of FBD Insurance plc, would join the Group Board with immediate effect. He put himself forward for re-election at the Annual General Meeting and was duly re-appointed by shareholders.

We have since made a number of additional appointments which are summarised in the section following.

(iii) Appointments to the Board (in chronological order)

John O’Grady

On 14 April 2016 the Group announced the appointment of Mr. John O’Grady as an executive Director and as Chief Financial Officer both of the Group and of FBD Insurance plc to take effect from 1 July 2016.

Mr. O’Grady (aged 55) is a Chartered Accountant and an experienced insurance executive. He joined FBD from Liberty Insurance Limited where he held the role of Finance Director. Prior to his role in Liberty, Mr. O’Grady worked for Aviva and its predecessor companies in Ireland in various roles between 1989 and 2013, including Finance Director, Claims Director and Operations Director.

Dermot Browne

On 5 July 2016 the Group announced the appointment of Mr. Dermot Browne as an independent non-executive Director.

Mr. Browne (aged 54) is a Fellow of Chartered Accountants Ireland and holds a Bachelor of Commerce degree from University College Galway. Between 2007 and 2011, Mr. Browne held a number of senior executive roles in Aviva Ireland, including the position of CEO with responsibility for all Aviva businesses in Ireland across general insurance, health insurance and life assurance. Prior to this he was a senior executive with Eagle Star Life Assurance Company of Ireland (now Zurich Life) over a sixteen year period with responsibility for finance, sales, marketing and information technology. Between 2012 and 2015 he rejoined Zurich Group in a Global Strategy role based in Switzerland.

Mr. Browne has joined the Audit Committee and the FBD Insurance plc Reserving Committee.

David O’Connor

On 5 July 2016 the Group also announced the appointment of Mr. David O’Connor as an independent non-executive Director.

Mr. O’Connor (aged 58) is a Fellow of both the Institute of Actuaries and the Society of Actuaries in Ireland. He commenced his career in New Ireland Assurance before joining Allianz Ireland in 1988 to set up its non-life actuarial function. He was a member of Allianz Executive Management Board and held a number of senior management positions there prior to joining Willis Towers Watson in 2003 to set up its Property and Casualty consultancy unit in Dublin.

Mr. O’Connor has joined the Risk Committee and the FBD Insurance plc Reserving Committee.

Mary Brennan

On 3 August 2016 the Group announced the appointment, subject to shareholder approval, of Ms. Mary Brennan as an independent non-executive Director.

Ms. Brennan (aged 50) is a Chartered Director and a Fellow of Chartered Accountants Ireland. In a career spanning over 30 years, Ms. Brennan has worked internationally in audit in a number of publicly listed companies, including Elan plc and Occidental Petroleum Corp. She is currently a non-executive Director of BNP Paribas Ireland where she also chairs the Audit Committee, and is an experienced non-executive Director of a number of life and non-life reinsurance companies.

Ms. Brennan will also join the Audit Committee.

Orlagh Hunt

On 12 August 2016 the Group announced the appointment, subject to shareholder approval, of Ms. Orlagh Hunt as an independent non-executive Director.

Ms. Hunt (aged 43) is a Fellow of the Chartered Institute of Personnel Development and is a human resources executive with extensive financial services experience in firms such as Allied Irish Banks plc, RSA Group and Axa Life Insurance, as well as with a number of FMCG and retail companies.

Ms. Hunt will also join the Remuneration Committee.

Why are all of the new Directors being put forward for appointment?

The Board has adopted the practice that all Directors continuing in office will submit themselves for re-election at each Annual General Meeting. This was done for the first time in 2011 and every year since.

In keeping with the core principles underpinning the above practice, the Directors recently resolved that, since an EGM is required in any event to ensure adherence to the Listing Rules, all of the Directors appointed since the Annual General Meeting should be put to shareholders for re-election by way of an Ordinary Resolution, and not just Ms. Brennan and Ms. Hunt the addition of whom triggered the requirement for the EGM in the first place.

We believe that this provides a valuable opportunity for shareholders to endorse the appointments made by the Group, a key component in the implementation of the governance changes committed to by FBD earlier this year.

What will be the Composition of the Board and its Committees following the EGM?

Assuming the resolutions tabled before the EGM are passed, the Board and Committees will be made up of the following:

Name	Non-Exec	Independent	Board Committee Composition			
			Audit	Nomination	Risk	Remuneration
Michael Berkery ¹	Yes	No		Chair	Member	
Walter Bogaerts	Yes	Yes	Member		Chair	Member
Mary Brennan	Yes	Yes	Member			
Dermot Browne	Yes	Yes	Member			
Sean Dorgan ²	Yes	Yes	Chair	Member		Chair
Liam Herlihy	Yes	Yes		Member		
Orlagh Hunt	Yes	Yes				Member
Fiona Muldoon	No	No				
David O'Connor	Yes	Yes			Member	
John O'Grady	No	No			Member	
Padraig Walshe	Yes	No				

Notes

¹ Michael Berkery is Chairman and has indicated that he will retire from the Board at the Annual General Meeting in 2017.

² Sean Dorgan is the Senior Independent Director.

Form of Proxy

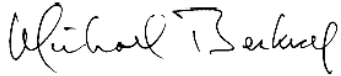
Those shareholders unable to attend the meeting in person may appoint a proxy to attend, speak and vote on their behalf. The appointment may be submitted by post by completing the Form of Proxy enclosed with this circular, and returning it to the Company's Registrar, Computershare Investor Services (Ireland) Limited, PO Box 954, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland. Your Form of Proxy may also be submitted through the internet. Instructions on how to do this are set out on the Form of Proxy itself. CREST members who wish to appoint a proxy of proxies via the CREST electronic proxy appointment service should refer to footnote 5 on page 8 of that document.

All Proxy appointments must be received by the company's Registrar not less than 48 hours before the time appointed for the Meeting. The submission of a Form of Proxy will not prevent you attending and voting at the Meeting should you wish to do so.

Recommendation

The Directors are satisfied that the resolutions set out in the Notice of the Extraordinary General Meeting (the “Notice”) are in the best interests of the Company and its shareholders. Accordingly the Directors unanimously recommend that you vote in favour of each of the resolutions set out in the Notice, as they intend to do in respect of all of the ordinary shares which they own or control in the capital of the Company.

Yours faithfully,

A handwritten signature in black ink that reads "Michael Berkery". The signature is written in a cursive style with a large initial 'M' and a distinct 'B'.

Michael Berkery
Chairman

NOTICE OF EXTRAORDINARY GENERAL MEETING

FBD Holdings plc

(Incorporated in Ireland under registration number 135882)

NOTICE IS HEREBY GIVEN that an Extraordinary General meeting of the Company will be held at The Irish Farm Centre, Old Naas Road, Bluebell, Dublin 12 Ireland on 31 August 2016 at 11:00 a.m. for the following purposes:

To consider and, if thought fit, to pass the following **ordinary resolutions**:

1. That Ms. Mary Brennan be appointed as a Director of the Company
2. That Mr. Dermot Browne be re-appointed as a Director of the Company
3. That Ms. Orlagh Hunt be appointed as a Director of the Company
4. That Mr. David O'Connor be re-appointed as a Director of the Company
5. That Mr. John O'Grady be re-appointed as a Director of the Company

BY ORDER OF THE BOARD



Conor Gouldson
Company Secretary
FBD Holdings plc
FBD House, Bluebell, Dublin 12
D12 Y0HE
Ireland

16 August 2016

Notes:

- 1. Conditions for participating in the EGM** Every shareholder, irrespective of how many FBD Holdings plc shares he/she holds, has the right to attend, speak, ask questions and vote at the EGM. Completion of a form of proxy will not affect your right to attend, speak, ask questions and/or vote at the meeting in person. The right to participate in the EGM is subject to the registration of the shares prior to the record date for the meeting (the “Record Date”) – see Note 3 following.
- 2. Appointment of proxy** If you cannot attend the EGM in person, you may appoint a proxy (or proxies) to attend, speak, ask questions and vote on your behalf. For this purpose a Form of Proxy has been sent to all registered shareholders. A proxy need not be a member of the Company. You may appoint the Chairman of the Company or another individual as your proxy. You may appoint a proxy by completing the Form of Proxy, making sure to sign and date the form at the bottom and return it in the pre-paid envelope provided to the Company’s Registrar, Computershare Investor Services (Ireland) Limited, P.O. Box 954, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland to be received no later than 48 hours before the time appointed for the meeting. If you are appointing someone other than the Chairman as your proxy, then you must fill in the details of that person in the box located underneath the wording “I/We hereby appoint the Chairman of the Meeting OR the following person” on the Form of Proxy.

Alternatively, you may appoint a proxy via CREST, if you hold your shares in CREST, or you may do so electronically, by visiting the website of the Company’s Registrar at [ww.eproxyappointment.com](http://www.eproxyappointment.com). You will need your shareholder reference number, control number and your PIN number, which can be found on the Form of Proxy.

To appoint one or more proxies or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by the issuer’s agent (ID number 3RA50) not later than 29 August 2016 at 11:00 a.m. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer’s agent is able to retrieve the message. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5) (a) of the Companies Act, 1990 (Uncertificated Securities) Regulations 1996.

If you appoint the Chairman or another person as a proxy to vote on your behalf, please make sure to indicate how you wish your votes to be cast by ticking the relevant boxes on the Form of Proxy.

Completing and returning a Form of Proxy will not preclude you from attending and voting at the meeting should you so wish.

- 3. Record date for EGM** Pursuant to Section 1095 of the Companies Act, 2014 and regulation 14 of the Companies Act, 1990 (Uncertificated Securities) Regulations 1996, entitlement to attend and vote at the meeting and the number of votes which may be cast thereat will be determined by reference to the Register of Members of the Company at close of business on the day which is two days before the date of the meeting. Changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting.
- 4. How to exercise your voting rights** As a Shareholder, you have several ways to exercise your right to vote:
 - By attending the EGM in person;
 - By appointing the Chairman or some other person as a proxy to vote on your behalf;
 - By appointing a proxy via the CREST System if you hold your shares in CREST.

In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other registered holder(s) and, for this purpose, seniority will be determined by the order in which the names stand in the register of members.
- 5. Right to ask questions** Pursuant to section 1107 of the Companies Act 2014, shareholders have a right to ask questions related to items on the EGM agenda and to have such questions answered by the Company subject to any reasonable measures the Company may take to ensure the identification of shareholders.

- 6. Voting rights** As at 16 August 2016 being the date of this Circular, the Company's issued share capital consists of 35,461,206 Ordinary Shares of €0.60 each, 3,532,292 8% Non-Cumulative Preference Shares of €0.60 each, 1,340,000 14% Non-Cumulative Preference Shares of €0.60 each and 13,169,428 "A" Ordinary Shares of €0.01 each. Of the 35,461,206 Ordinary Shares of €0.60 each in issue, 813,084 are held as treasury shares and have no voting rights. The "A" Ordinary Shares of €0.01 each in issue have no voting rights either. Accordingly, the total number of shares in issue in the Company having voting rights, of one vote per share, at 16 August 2016 is 39,520,414.
- 7. How to request/inspect documentation relating to the meeting** Should you not receive a Form of Proxy, or should you wish to be sent copies of any documents relating to the meeting, you may request these by telephoning the Company's Registrar on +353 1 447 5101 or by writing to the Company Secretary either by post at FBD House, Bluebell, Dublin 12, D12 Y0HE, Ireland or by e-mail to company.secretary@fbd.ie.
- 8. Further information** This EGM notice and Circular, details of the total number of shares and voting rights at the date of giving this notice, the documents to be submitted to the meeting, copies of any draft resolutions and a copy of the Form of Proxy are available on the Company's website at www.fbdgroup.com.