

Future of the Society's international businesses

In his letter of 21 February Chris Headdon set out details of the deal that had been struck with the Halifax Group involving the acquisition of the Society's operating assets in return for a payment of up to £1bn sterling.

At that time, the future of the Society's international operations had not been decided and was under consideration. The purpose of my writing to you is to let you know the outcome of those considerations.

After intensive investigation and careful thought, the Halifax decided that the Society's international operations did not have a strategic fit within their group and hence were excluded from the sale, which went ahead on 1 March 2001.

Please note, however, that the payment from the Halifax of up to £1bn sterling will strengthen the with-profits fund and allow a greater investment freedom from which international with-profits policyholders will benefit.

The Society remains closed to new business and in the absence of a buyer the role of the sales and sales support staff has ceased to exist. As a result the staff from our Offshore Development Branch will be redeployed elsewhere within the group.

I am mindful, however, of the need to provide a continuing high-quality service to our existing clients in respect of their policies held with the Society, which will continue to operate in exactly the same way as was previously the case. Therefore I can now provide you with a new telephone and fax number for our International Client Servicing Centre which will be your new point of contact:

International Client Servicing Centre telephone number +44 (0) 1296 386242
International Client Servicing Centre fax number +44 (0) 1296 386243

Those living in the Channel Islands may still wish to use the following local numbers:

Guernsey telephone number +44 (0) 1481 728200
Guernsey fax number +44 (0) 1481 724200

Our office hours are Monday to Friday 8:45 a.m. to 4:45 p.m. British Standard Time, outside of these hours you will be able to leave a message.

Our address in Guernsey remains unchanged, as follows:

The Equitable Life Assurance Society
Albert House
South Esplanade
St. Peter Port
Guernsey
Channel Islands
GY1 1AW

Furthermore, you can e-mail us at info@equitable-int.com. Our international website still provides daily fund prices for those with unit-linked assets and there is a sophisticated charting facility available at www.equitable-int.com.

It is disappointing that we have not been able to find a partner through whom it would be possible to continue to transact new international business. However, the Society will, of course, continue to accept premiums and contributions for existing policies and will continue to pay benefits as they fall due, in addition to providing attractive returns on existing policies.

Yours sincerely

Tom Ingham-Clark
Branch Manager
Offshore Development Branch