

3 March 2015

Dear Policyholder

We are writing to let you know about an important development regarding your annuity.

Transfer of your annuity to Canada Life

Equitable Life has reached an agreement to transfer its annuity business to Canada Life which includes your annuity policy. We anticipate this transfer will take place in 2015. In the meantime, the Equitable will continue to pay your annuity and you will notice no change. Once the transfer is complete, the responsibility for payment will pass to Canada Life.

In order to complete the transfer successfully, there are several important steps including the approval of the Regulators, the opinion of an Independent Expert appointed specifically to look after your interests, and the approval of the High Court.

As part of the transfer, we will share your personal data with Canada Life who will only use that data in the same way that we currently use it.

Why is the transfer happening?

As you know, the Equitable Life no longer sells new policies. One of the important issues we face is that the annuity business will remain open considerably longer than our with-profits business. This means we will have to pay for annuities long after the with-profits business closes. This is particularly important, as it is with-profits policyholders who financially support the non-profit annuities.

We have, therefore, concluded that the long term interests of all our policyholders are best served by transferring the payment obligations to Canada Life. This way, we can ensure that annuities will continue to be paid in the long term by an organisation that is one of the UK's leading annuity providers and is already making regular payments to over 400,000 annuitants.

You do not need to take any action. If you have any questions, please call us on 0845 6036771 or +44 [0] 1296 386242 if you are calling from overseas.

Yours sincerely



C M Wiscarson
Chief Executive

Helpful questions and answers overleaf

YOUR QUESTIONS ANSWERED

<p>Do I need to do anything now?</p>	<p>No. Equitable Life will continue to pay your annuity and handle the administration until the transfer expected later this year. Once the transfer is complete, the responsibility for the ongoing administration and payment of your policy will pass to Canada Life.</p>
<p>Will this transfer have any effect on my annuity?</p>	<p>In practical terms, the only thing which will change is who pays your annuity to you. At the moment Equitable Life pays your annuity. Following the transfer, Canada Life will be responsible for paying it.</p>
<p>Will this transfer cost me anything if I am a transferring annuitant?</p>	<p>No.</p>
<p>If I have unit-linked funds, will this transfer have any effect on my annuity?</p>	<p>Following the transfer, your annuity will be linked to the performance of funds with similar objectives. You will also be able to make one switch between funds free of charge.</p>
<p>Why does the transfer require a Court hearing?</p>	<p>In order to transfer annuities from one company to another, there is a strict legal process known as a “Part VII transfer”. This legal process is concluded by a hearing in the High Court so that proper consideration is given to whether the transfer is in the interests of all policyholders. We shall provide more details on the process in the months to come.</p>
<p>What if the Court does not approve the transfer?</p>	<p>If the Court does not sanction the transfer, it will not happen and then Equitable Life will continue to pay your annuity.</p>
<p>What will happen to my personal data?</p>	<p>Your personal data will remain with Equitable life until the transfer. It will then move to Canada Life as they will manage your policy. Prior to the transfer, some of your personal data will be passed to Canada Life to enable them to manage the underlying investments. For further information about how Equitable Life processes your personal data you can see our privacy policy at www.equitable.co.uk/privacy-policy/. For more information about how Canada Life will process your personal data, you can see their privacy policy at www.canadalife.co.uk/canada-life/PrivatePolicy.asp.</p>
<p>Who is Canada Life?</p>	<p>Canada Life is part of a group of companies owned by Great-West Lifeco Inc., a diversified financial services holding company headquartered in Winnipeg, Canada. Great-West Lifeco and its insurance subsidiaries have received strong ratings from major rating agencies.</p> <p>Canada Life began operations in the United Kingdom in 1903 and looks after the retirement, investment and protection needs of individuals and companies alike. The company offers protection, life cover, critical illness cover, and whole of life cover for groups and individuals; and retirement income planning, annuities, pension bonds, savings and investments, investment bonds, inheritance tax planning and offshore investments. Canada Life specialises in the management of annuities and is already making regular payments to over 400,000 UK annuitants.</p>
<p>If I want to discuss this letter with Equitable Life, who should I contact?</p>	<p>Please call us on 0845 6036771 or +44 [0] 1296 386242 if you are calling from overseas or email us at AnnuityTransferEnquiries@Equitable.co.uk. You can also have a look at our website www.equitable.co.uk where there is helpful information about this transfer.</p>