

26 October 2015

Dear Policyholder

We wrote to you on 3 March 2015 to let you know that Equitable Life has agreed to transfer its non-profit annuity business to Canada Life. We confirm that all your Equitable Life annuities will be included in the transfer.

We have enclosed a guide which provides important details about the proposed transfer. We strongly recommend that you read this, particularly Appendix 1 in the guide, which covers the Jersey Scheme and the Guernsey Scheme.

How the transfer happens

In order to complete the transfer to Canada Life, it is necessary for us to make an application to the High Court using a legal process known as a Part VII transfer, as set out in the Financial Services and Markets Act 2000.

For policyholders, even those not resident in Jersey or Guernsey, whose policy is part of the business carried on, in or from these islands, it is also necessary to make a similar application to the Royal Courts in Jersey and in Guernsey. This legal process concludes with hearings at the Royal Courts and their details are described in the enclosed questions and answers.

If the Royal Courts each approve the transfer, the Jersey and Guernsey schemes are expected to become effective on 19 February 2016. In the run up to that date, the Equitable will continue to pay your annuity and you will notice no change. Once the transfer is complete, the responsibility for the administration and payment of your transferred annuity will pass to Canada Life. From then onwards, your relationship will be with Canada Life for the transferred annuity rather than the Equitable.

Protection for policyholders

Policyholders are protected in several ways. Importantly, the enclosed guide will help you understand our proposal, so you can consider if you may be adversely affected. Should this be the case, you have the right to object, as explained later.

In order to assist the High Court and the Royal Courts, Mr Nicholas Dumbreck, partner of the Actuarial consultancy Milliman, has been appointed as an Independent Expert to provide an opinion on how the proposed transfer is likely to affect policyholders. This is a standard requirement for a Part VII transfer. A summary of Mr Dumbreck's conclusions are included in the attached Scheme Summary. His full report can be found on our website.

We are also consulting with our regulators, the Prudential Regulation Authority and the Financial Conduct Authority, about the proposed transfer. They will both provide the High Court with reports containing their views on the transfer. Confirmation is also sought from the Jersey Financial Services Commission and the Guernsey Financial Services Commission that they have no objection to the proposed scheme.

The Royal Courts will only approve the transfer if they are each satisfied that the proposals meet all the necessary legal requirements and it is appropriate in all circumstances in their respective jurisdictions.

What if I consider that I may be adversely affected by the transfer?

If you believe that you may be adversely affected, you have the right to raise an objection and be heard by the High Court and the Royal Courts, depending on whether you are a Jersey or Guernsey policyholder. The details of how to go about this, either in writing or by telephone to Equitable Life, as well as in person to the courts are set down on Appendix 1 of the guide.

What should I do next?

We strongly recommend that you read the enclosed documents. If there is any other person with an interest in your annuity (for example, joint holders, assignees or trustees), kindly make them aware of the proposed transfer as soon as possible.

If you have other types of policy with the Society, you may well receive a similar letter. We consider it important that all Equitable policyholders, no matter what type of investment they hold, should be aware of our transfer proposal.

You do not need to do anything else at this stage unless you believe that you may be adversely affected as referred to earlier in this letter.

Following the High Court and Royal Court hearings in Jersey and Guernsey, we will place a notice on our website to advise of the decision.

We have also published the relevant documents relating to the transfer on our website www.equitable.co.uk or you can get copies by calling the number below.

Yours faithfully



Chris Wiscarson
Chief Executive

Helpful Questions and Answers

Where will the court hearings take place?	<p>UK Scheme at the Rolls Building, Fetter Lane, London, EC4A 1NL on 8 February 2016</p> <p>Jersey Scheme at the Royal Court of Jersey, Royal Court Building, Royal Square, St Helier, Jersey JE1 1JG on 12 February 2016 at 9.00am.</p> <p>Guernsey Scheme at the Royal Court of Guernsey, The Royal Court House, St Peter Port, Guernsey, GY1 2NZ on 12 February 2016 at 9.30am.</p>
How can I contact the Society about the transfer?	<p>By phone: from UK 0330 159 1530 from overseas +44 [0] 1296 386242</p> <p>By email: AnnuityTransferEnquiries@Equitable.co.uk</p> <p>By letter: The Equitable Life, Walton Street, Aylesbury HP21 7QW.</p>