

1 December 2015

Dear Trustee

IMPORTANT INFORMATION ABOUT YOUR UNIT-LINKED INVESTMENT

In October, we wrote to let you know that we were undertaking a review of our unit-linked business. We have now completed that review and wish to share with you our conclusions.

The Equitable Life is in run-off and so becomes smaller each day as policyholders retire. In consequence, the income we receive from the charges levied on our unit-linked funds is insufficient to cover the costs of actually running that business. We propose to address this in two ways:-

First, we will reduce the number of funds that we currently administer; and

Second, we will adjust the annual management charge to more fairly reflect the specific costs associated with running different types of fund. This will bring the charges more into line with other providers. The table attached shows the new charges that will come into effect on 1 April 2016.

We hope that the questions and answers overleaf provide helpful background. We shall write to you again to explain your members' options if they are affected by the fund reductions. We shall also keep our website www.equitable.co.uk up to date with what we are changing.

Yours sincerely



Sonia Sahnán
Head of Customer Service

Equitable Life fund	Current fund charges	Fund charges from 01/04/2016
European	0.50%	0.75%
Far Eastern	0.50%	0.75%
FTSE 100 Tracker	0.50%	0.50%
FTSE All-Share Tracker	0.50%	0.50%
Fund of Investment Trusts	0.50%	0.75%
Gilt & Fixed Interest	0.50%	0.50%
High Income	0.50%	1.00%
International Growth	0.50%	0.75%
Managed	0.50%	0.75%
Money	0.50%	0.50%
North American	0.50%	0.75%
Pelican	0.50%	0.75%
Property	0.50%	1.00%
Smaller Companies	0.50%	1.00%
Special Situations	0.50%	1.00%

Questions and Answers

Q1: Why are you changing the Annual Management Charges?

A1: The charges for our unit-linked funds have not changed for 20 years and are not enough to cover the costs of running that business. We are changing the charges so they more fairly reflect the actual cost of running each fund.

Q2: When will you be closing the funds?

A2: We will be closing funds in phases during 2016. If your members are invested in a fund which is closing, we will write to you 60 days in advance to let you know what your members' options are. You may receive more than one letter from us, depending on the number of funds your members are invested in.

Q3: What are my members' options if their fund is closing?

A3: Your members' options will be to:

- Switch their investments into other Equitable unit-linked funds of their choosing; or
- Move their investments to another provider
- If they choose neither of the above options, we will automatically switch them to a fund which we consider most similar to their existing fund.

We will write to you 60 days prior to the closure of the funds to ask for your members' specific instructions.

Q4: What happens next?

A4: Members may wish to speak to an Independent Financial Adviser to discuss which fund best meets their needs. A Financial Adviser will inform them of the fee that they charge for this service.