

24 January 2019

Our ref:

Dear Policyholder

Policy number: 123456

Brexit: Important News - possible transfer of your policy

We have been investigating the effect the UK's withdrawal from the European Union (EU) will have on your policy. This letter explains more about our plans.

Current situation

We currently administer your policy under EU passporting rights, which means that we can conduct business in any EU country without specific authorisation from that territory. Once the UK leaves the EU on 29 March 2019, we may no longer be able to use those passporting rights.

What is the transition period?

The UK Government is working on agreeing with the EU a 'transition' or 'implementation' period which is currently expected to run from 29 March 2019 until 31 December 2020. During this transition period, we would expect to be able to continue to operate on the same basis as we do today.

What if the transition period is not agreed?

If the transition period is not agreed we need to take action in order to be able to accept payments into, and make payments from your policy. To do this, we are setting up a subsidiary company in Dublin to be known as Equitable Life Ireland DAC (ELI). We are proposing a transfer of your policy to ELI and we anticipate this will take place on 29 March 2019. ELI is in the process of obtaining authorisation from the Central Bank of Ireland to carry on insurance business, which will allow it to use passporting rights throughout the European Union.

What does this mean for me on a day to day basis if my policy is transferred to ELI?

While responsibility for your policy will pass to ELI, you will notice no change to how your policy is managed and serviced day to day and you can contact us in the same way as you do today.

How does the transfer to ELI affect the terms of my policy?

The terms of your policy will remain unchanged.

Will I still be protected by the UK Financial Services Compensation Scheme?

You may currently have the benefit of the UK Financial Services Compensation Scheme (FSCS) which in certain cases, provides compensation in the event of an insurer's insolvency. Following the proposed transfer, you would no longer have access to FSCS. Further information is provided within the enclosed Guide to the Transfer and the Independent Expert's report.

How will the transfer to ELI affect the proposals set out in the 2 July letter?

In our 2 July letter, we detailed our proposals to transfer policies to Reliance Life. The effect of the proposed transfer to ELI upon these proposals is explained on page 5 of the enclosed guide.

How will the transfer to ELI happen?

In order to complete the transfer to ELI, we are required to make an application to the High Court of England and Wales (the Court). We will follow a UK legal process known as a Part VII transfer, as set out in the Financial Services and Markets Act 2000. The Court will take into account any representations of potential adverse effect or objections raised by policyholders, as well as the views of the Independent Expert, the Financial Conduct Authority and the Prudential Regulation Authority.

This process would conclude with a hearing at the Rolls Building, Fetter Lane, London EC4A 1NL. This is planned to take place on 27 March 2019. If the Court approves the transfer, and provided the transition period has not been agreed before the hearing on 27 March, it is expected to become effective on Friday 29 March 2019.

What protection is there for policyholders?

Policyholders are protected in a number of ways:

- The Independent Expert has been appointed to provide an opinion on how the proposed transfer is likely to affect policyholders. He has concluded that the proposed transfer will not have a material impact on the security of benefits of transferring policyholders. His full report can be found on our website and a summary is enclosed.
- The Equitable Life Assurance Society and ELI have reviewed this proposal with their regulators, the Prudential Regulation Authority, the Financial Conduct Authority and the Central Bank of Ireland. The UK regulators will provide the Court with reports setting out their views on the transfer.
- The Court will only approve the transfer if it is satisfied that the proposals meet all the necessary legal requirements.
- You have the right to object or make a representation that you may be adversely affected.

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

To help you consider what this proposal means to you, we have included a guide, which provides more information. You have the right to raise an objection and be heard by the Court. You can object in writing or by telephone to Equitable Life Assurance Society, as well as in person at the Court. More details about this can be found on page 8 of the guide.

What if the transition period is agreed?

Your policy will continue to be invested with Equitable Life Assurance Society when the UK leaves the EU on 29 March 2019.

Next Steps for the transfer to ELI

If there is any other person with an interest in your policy (such as joint holders, beneficiaries, assignees or trustees), kindly make them aware of the proposed transfer as soon as possible.

You do not need to do anything else unless you have any concerns about the proposed transfer or wish to raise an objection. If you have concerns regarding the proposed transfer and how it may affect you, you have the right to be heard by the Court. You can object by telephoning or writing to Equitable Life Assurance Society, as well as in person at the Court hearing. More details about this can be found on page 8 of the guide.

We have also published the relevant documents relating to the transfer on our website www.equitable.co.uk/brexit-Irish or you can get copies by calling +44 (0) 1296 386242. If you have any queries about the transfer, do call us on the above number or write to us at:

- **Post:** The Equitable Life Assurance Society, Walton Street, Aylesbury, HP21 7QW, Buckinghamshire, United Kingdom
- **Email:** Brexitqueries@equitable.co.uk

The enclosed guide includes more information about the transfer to ELI and will help you consider what this proposal means to you and **we strongly recommend that you read this**. Following the Court hearing, we will place a notice on our website to advise of the decision.

Yours sincerely



Simon Small
Chief Executive

Enclosures:

- Guide to the transfer
- Summary of the Part VII transfer
- Summary Independent Expert's report
- Copy of the legal notice of the Part VII application