

Private & Confidential

“ Our With-Profits Policyholders have had their say on the Proposal and I now encourage you to think about the future and make your investment choice. ”



Simon Small,
Chief Executive

Rec Num

November 2019

Ref: Client Reference Number

Salutation

OUTCOME OF THE VOTES

My thanks to everyone who took the time to vote on our Proposal. I can now confirm that the Proposal on the Scheme and the Change to the Articles were passed at the Policyholders' Meeting and EGM. Full details of the outcome of the votes can be found on our website www.equitable.co.uk

The next steps are:

- ▶ The High Court Hearing starting on 22 November 2019, where we ask for formal approval to implement the changes. We will publish confirmation of the outcome of this hearing on our website.
- ▶ Assuming we receive High Court approval, the Proposal will take effect on 1 January 2020. The Uplift will be applied to your policy as soon as practicable after 1 January and more details about this can be found in the questions and answers at the end of this letter. Most Equitable policies will be transferred to Utmost Life and Pensions but your policy will remain with Equitable Life, which will become a subsidiary of Utmost Life and Pensions

TIME TO MAKE YOUR INVESTMENT CHOICES

If the Proposal goes ahead on 1 January 2020, your With-Profits Policy will be converted to a Unit-Linked Policy. Many of you have already made a decision about which Unit-Linked fund(s) to invest in, but if you haven't, we encourage you to now make your choice.

The Investment Choice Pack that we sent to you in August provides more information on the funds available with Utmost. You can also get further information from our website at www.equitable.co.uk or Utmost's website at www.utmost.co.uk



What you need to do if you haven't made an investment choice yet

- ▶ Read the information in the Investment Choice Pack about your options.
- ▶ Decide if you want any information or investment advice – see below for details of where to go for help.
- ▶ Complete and return your Investment Choice Form to us.

For your choice to be effective from 1 January 2020, we need to receive your instructions by 13 December 2019. If you have lost your Investment Choice Form, please call on +44 1296 386 242 and we will send a replacement.

What happens if you don't make a choice

If you do not make a choice and the Proposal goes ahead, your Policy would be invested in a secure cash investment. In the following six months, it would gradually move to the Automatic Investment Option – you can read more about this option in the Investment Choice Pack and on our website.

Where to get help in making your investment choice

- ▶ We have arranged for a specialist company, JLT, to provide information free of charge and they can be reached on +44 1296 386 242.
- ▶ You can ask a financial adviser to give you advice. The Equitable may pay a contribution of up to £355 towards this if the financial adviser is:
 - an appropriately authorised and UK regulated financial adviser who is based in the UK; or
 - based in a country you reside in with a parent company in the UK regulated by the FCA.

If the Proposal is approved by the High Court, the next communication you receive will be in the New Year. This letter will confirm the final Uplift applied to your Policy and details of your new Unit-Linked investments. If you have any questions in the meantime, you can contact us on +44 1296 386 242.

Yours sincerely



Simon Small, Chief Executive

“ We are looking forward to all Equitable policyholders joining us so we can secure your future together. ”



Stephen Shone
Chief Executive, Utmost Life and Pensions



What our policyholders are asking us

Q What is the investment performance of Utmost funds?

A If the Proposal is approved by the High Court, the current Equitable Life Unit-Linked funds are going to be renamed and become Utmost Life and Pensions funds. You can find factsheets containing past performance data for these funds on our website at www.equitable.co.uk/unit-linked-funds/factsheets

After the Implementation Date, these funds will be invested jointly between Aberdeen Standard Investments (the Equitable's current investment manager) and JP Morgan Asset Management.

Q Will Utmost apply a bid/offer spread to With-Profits Policies that are converted to Unit-Linked?

A If the Proposal is approved by the High Court and With-Profits Policies are converted to Unit-Linked Policies, no bid/offer spread will apply to the conversion. The Unit-Linked funds have a single price, so no bid/offer spread will apply on an ongoing basis to new premiums paid into Unit-Linked Policies.

Q Will the Annual Management Charge (AMC) be taken out of my savings?

A Utmost will continue to deduct the AMC from the current range of Equitable funds in exactly the same way as the Equitable do now. The AMC is taken into account when the Unit Price is calculated each day. The level of charges can be found on the Utmost website www.utmost.co.uk

Q When will Utmost Life and Pensions be able to tell me the new Uplifted value?

A Utmost Life and Pensions will need to carry out work to ensure that all policies are valued and set up correctly at the Implementation Date. Although this work is likely to take around two weeks to complete, the Uplift will be applied as at 1 January 2020. You will be able to contact us from 1 January and we expect to be able to provide you with a policy value from mid-January. Alternatively, you can wait until you receive a letter in the New Year, which will confirm the new Unit-Linked value and provide details of what Unit-Linked investment(s) you have chosen.



What our policyholders are asking us

Q If the Proposal is approved by the High Court will I have the same options to take my savings as I do today?

A If Equitable becomes a subsidiary of Utmost Life and Pensions, your options to take savings will be the same as they are today.

Q Will Brexit affect the amount of Uplift I get if the Proposal is approved?

A It is clear that Brexit has caused some volatility in the investment markets and we have taken steps to protect the assets in the With-Profits Fund from this volatility. We have made use of derivatives which act like an insurance protection against movements in the market. These movements could be caused by a variety of reasons with Brexit being one of them.

If you have any other queries about the Proposal, the Transfer to Utmost or Unit-Linked investments, you may find the answer on our website at www.equitable.co.uk. You can also call our helpline on +44 1296 386 242.

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