

Private and confidential



[www.phoenixlife.co.uk/transfer23](http://www.phoenixlife.co.uk/transfer23)



Helpline (freephone): 0800 856 4488  
From overseas: +44 (0) 1733 793287\*



Monday to Friday: 8:30am – 5:30pm (UK time)  
Not including bank holidays  
\* There may be a charge when dialling from overseas, please check with your phone provider.

Phoenix Transfer Team  
PO Box 79408  
London  
N17 1HQ

Dear Customer

## WE'RE PLANNING TO TRANSFER POLICIES TO PHOENIX LIFE LIMITED

We're writing to let you know about our plans to transfer all policies from three Phoenix Group companies to Phoenix Life Limited (Phoenix).

Your policy (or policies) is already with Phoenix and so will not move as part of the proposed transfer.

### What are our plans? Here are the key points

- Phoenix Life Assurance Limited (PLAL), Standard Life Assurance Limited (SLAL) and Standard Life Pension Funds Limited (SLPF) are planning to transfer all of their policies to Phoenix. We expect the transfer to take place on 27 October 2023.
- Phoenix, PLAL, SLAL and SLPF are all part of Phoenix Group.
- We're doing this because Phoenix Group would like to simplify the structure of its business.
- Phoenix will become a much larger company after the transfer and will issue new policies under a number of different brands, including the Standard Life brand.
- To make sure you're protected we're following a strict legal process involving the courts in England and Wales, in Scotland and in Jersey.
- There's more detail about the court processes at the end of this letter.

### Your policy and benefits

- Your policy will not move and you'll remain a policyholder of Phoenix.
- Your policy details and terms and conditions will remain the same. You won't notice any changes as a result of the transfer.
- There will be no change to your current benefits, any guarantees you may have or the way your bonuses are calculated as a result of the transfer.

In this letter, and the additional information we've provided on our website, you'll see that we refer to the proposed transfer as 'the Scheme' at times.

### **What will happen to your policy and benefits?**

If the Scheme goes ahead, your policy will not move and you'll remain a policyholder of Phoenix, who will continue to be responsible for your policy in the same way that it is now. There'll be no changes to the way we administer your policy as a result of the transfer. If you call with a question about your policy, you'll use the same phone number and will speak to the same team of people as you do now.

Financial security for your policy will continue to be maintained by Phoenix. Phoenix will continue to hold more capital than required by regulation in order to provide financial security even during difficult financial conditions.

### **If you have a with-profits policy**

**There will be no change to the value of your current benefits or the way future bonuses are calculated and applied to your policy as a result of the transfer.**

Your with-profits policy will continue to be part of the same fund as it is now and will continue to be managed in line with the Phoenix Principles and Practices of Financial Management (PPFM).

New with-profits funds will be created in Phoenix for the transferring policies from the PLAL and SLAL with-profits funds. Additional sections will be added to the PPFM to set out how these new with-profits funds will be managed. There will also be other changes to the PPFM as a result of the transfer.



You can find more detail about the updates and key changes to the PPFM on pages 6 and 7 of this letter.

### **If your policy invests in unit-linked funds**

If your policy also invests in unit-linked funds, or you have another policy that invests in unit-linked funds, then it will continue to be invested in the same unit-linked funds in the same way and by the same investment manager as now.

**The transfer will not change the number of units allocated to your policy, or the value of those units. Your policy will continue to be invested in the same funds as it is now.**

Currently, Phoenix has the right to wind up a unit-linked fund if its value falls below a threshold level. Following the transfer, the wind up threshold will be removed. Phoenix will then have the right to wind up a fund or close it to new investment so long as the change is made on terms that are fair to policyholders and policy terms and conditions don't prevent this.

If a fund is wound up or closed to new investment, an alternative fund will be made available. You'll have the right to choose a different fund if you prefer and switch investment free of charge.

## How are we protecting customers like you?

Our customers are important to us and we want to make sure your interests are protected. Before transferring the policies to Phoenix, we're following a rigorous process, which includes:



### **This letter explaining what's happening**

We're writing to you to inform you of our proposals. We explain what this means for you and give you the opportunity to ask questions, raise concerns or make an objection.



### **A review by an Independent Expert**

We've appointed an Independent Expert to review the likely effect our proposals will have on policyholders. The Independent Expert is an experienced actuary, qualified to review transfers of this nature, and he has prepared a report on the transfer. In his report, he says that the implementation of the Scheme will not have a material adverse impact on customers. You can find the full report and a summary of the report on our website. Section 6 of the Scheme Guide on our website also has a summary of the Independent Expert's report.

### **Consulting with our regulators**



We've consulted with our UK regulators, the Prudential Regulation Authority and the Financial Conduct Authority, and the Jersey Financial Services Commission to ensure they have no objections to our proposals.



### **Asking for Court approval**

We'll only go ahead with the transfer of policies forming part of the business carried on in or from within Jersey if we receive approval from the High Court of England and Wales, the Scottish Court of Session and the Royal Court of Jersey.

If the Courts give their approval, we expect the transfer to take place on 27 October 2023.



More information about the Court process and Jersey Scheme is at the end of this letter, including details of each of the Court hearings.

After the Court hearings, we'll place a notice on our website and add a recorded message to our helpline to confirm the Courts' decisions.



Section 2 of the Scheme Guide on our website has full details of the process we're following, including more information about the Court of Session. You can find this at [www.phoenixlife.co.uk/transfer23](http://www.phoenixlife.co.uk/transfer23).

### **Your right to object**

You have the right to raise your concerns or to object if you believe you may be adversely affected by the proposed transfer. The relevant Court will take customers objections into account in reaching its decision.



You can find more detail on how to raise your concerns or object at the end of this letter. You'll also find information on how we'll let the relevant Court, and our regulators, know of any objections we receive.

### **Need more information?**

You'll find more information on our website at [www.phoenixlife.co.uk/transfer23](http://www.phoenixlife.co.uk/transfer23).

Please take the time to carefully read the Scheme Guide (which includes a summary of the Independent Expert's report) and the 'Your Questions Answered' booklet, which give you more detail about the proposed changes. You'll also find the full UK and Jersey Scheme documents and the full report from the Independent Expert.

If you'd like copies of any of these documents, please contact us and we'll send them to you free of charge.

You can also see, or get copies of, the Jersey Scheme document, the Jersey court application and the Independent Expert's report at the following offices: Mourant Ozannes (Jersey) LLP, 22 Grenville Street, St Helier, Jersey JE4 8PX. Opening hours are Monday to Friday, 9am to 5pm. These will be available up to the date of the Jersey court hearing, which is 17 October 2023.

### **What do you need to do?**

It's important that you let anyone else with an interest in your policy know about our proposals. This might include a nominated beneficiary, a trustee in bankruptcy, an executor, a personal representative, or an assignee.

We suggest you keep this letter with your original policy documents.

### **Received more than one letter?**

If you also have a policy with PLAL then we'll have sent you a letter to explain how the transfer affects that policy.

## Any questions?

If you have any questions, are unsure about how the proposed transfer may affect your policy, or want clarification and would like us to talk you through our proposals, please get in touch.

Our helpline will be available until 5:30pm on 4 October. Please call your usual customer service team after this date.



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Phoenix Transfer Team

PO Box 79408

London

N17 1HQ

Please make sure to include your reference, which you'll find at the top of this letter.

Our customers are important to us and this proposal marks the next stage of our journey to provide the best service we can.

Yours sincerely

Andy Briggs  
Chief Executive  
Phoenix Life

**If you would like this information in large print, braille or audio please call us on 0800 856 4488.**

## YOUR WITH-PROFITS POLICY

Your policy is not being transferred. It will remain with Phoenix Life Limited (Phoenix) and will continue to be part of the same with-profits fund as it is now.

No other policies will be transferred into any of the Phoenix with-profits funds. New with-profits funds will be set up in Phoenix to accept the with-profits policies which are transferring from Phoenix Life Assurance Limited (PLAL) and Standard Life Assurance Limited (SLAL).

**There will be no change to the value of your benefits or the way bonuses are calculated and applied to your policy.**

### **The Phoenix Principles and Practices of Financial Management (PPFM)**

The with-profits funds in Phoenix will continue to be managed in line with the Phoenix PPFM. The PPFM describes in detail how the Phoenix with-profits funds are managed and how bonuses are determined.

New sections will be added to the PPFM. These will set out how the new with-profits funds for the business transferring from PLAL and SLAL will be managed.

There will be some other updates to the PPFM as a result of the changes to be made by the Scheme, including those summarised below.

If the transfer is approved, the updated PPFM will come into effect on the date the transfer happens. You can find a copy of the draft updated PPFM on our website at [www.phoenixlife.co.uk/transfer23](http://www.phoenixlife.co.uk/transfer23).

### **Key changes which affect Phoenix with-profits policies**

#### **1. With-profits fund closure requirements**

Over time, the size of the with-profits funds is expected to reduce. Currently, Phoenix must close a with-profits fund if the value of with-profits business falls below a particular value or threshold.

The Scheme will update the way closure thresholds are defined to align with current regulation and increase the threshold each year in line with inflation.

Following the Scheme, when the threshold value is reached this will trigger consideration of closure rather than trigger a requirement to close and allow Phoenix to delay closure of a with-profits fund if it is in the best interests of customers.

Where a fund does close, the Scheme will require with-profits policies to be treated in a way which is fair and in the best interests of customers by allowing Phoenix to carry out one or more of the following:

- transfer the policies to another Phoenix with-profits fund, where those policies will be able to participate in profits in that fund; and/or
- convert the with-profits benefits to unit-linked benefits in the Phoenix unit-linked funds; and/or
- convert the policy so that future bonuses are fixed and guaranteed.

Should a fund be closed at any point, Phoenix will inform customers of what this means for them.

## **2. Policies with benefits in the NPI With-Profits Fund**

The Non-Profit Fund in Phoenix contains some with-profits policies that were originally sold by NPI Limited. The with-profits benefits of these policies are currently allocated to the NPI With-Profits Fund in Phoenix, which then invests them in the Pearl With-Profits Fund in PLAL.

After the transfer, these with-profits benefits will invest directly in the Pearl With-Profits Fund set up in Phoenix, removing the involvement of the NPI With-Profits Fund.

This change will have no impact on customers. The with-profits benefits of these policies are currently invested in the Pearl With-Profits Fund and this will continue following the transfer. Communications customers receive after the transfer will refer to the Pearl With-Profits Fund instead of the NPI With-Profits Fund.

## **3. SPI With-Profits Fund certificate**

Currently, the Phoenix Board produces annual certificates confirming that the SPI With-Profits Fund has been operated in line with terms that were agreed in a previous scheme in 2009. Under the new Scheme, the Board will no longer be required to produce these certificates.

The checks required to provide the certificates will continue to be carried out alongside the annual PPFM compliance exercises required by the Financial Conduct Authority. The results of the annual compliance with PPFM exercise are reviewed by the With-Profits Committee and made available to policyholders, in an annual report from the Board, on the company's website.

## **The Phoenix With-Profits Committee**

The Phoenix With-Profits Committee has a key role in ensuring that the with-profits funds are correctly managed. The responsibilities of the With-Profits Committee are set out in its Terms of Reference and include:

- reviewing bonus recommendations;
- reviewing ongoing compliance with the PPFM; and
- considering issues that may have an impact on treating customers fairly.

On, and following the transfer, the Terms of Reference for the Phoenix, PLAL and SLAL With-Profits Committees will be combined and aligned. At the same time, the Scheme will amend the requirement to refer changes to the Terms of Reference to the regulators so that not all changes will need the regulators' approval. Material changes will still require certification by the Phoenix Chief Actuary and With-Profits Actuaries that the proposed change does not have an adverse effect on the reasonable expectations of policyholders.

Membership of the Phoenix With-Profits Committee and the Committee's responsibilities for the with-profits fund your policy is invested in will not change as a result of the transfer.

These changes will have no impact on customers.

### **We'd like to reassure you that following the transfer:**

- **There will be no change to the value of your benefits.**
- **There will be no change to the way your bonuses are calculated and applied to your policy.**
- **There will be no change to any guarantees you may have on your policy.**

# The Jersey Scheme

If you took your policy out as part of the business carried on in or from within Jersey, your policy is covered under a separate Scheme: **The Jersey Scheme**.

The Jersey Scheme has a different court process, which is explained below. The content of this letter, the content in the enclosed booklets, and the information on our website, applies to you.

## The Jersey Court process

To carry out the transfer under the Jersey Scheme we've applied for approval from the Royal Court of Jersey. The Royal Court of Jersey will only approve the transfer if it is satisfied, having considered the views of the Independent Expert, that the proposals meet all the necessary legal requirements and have no material adverse effect on policyholders.

The hearing at the Royal Court of Jersey is expected to be at 9am on 17 October 2023 at the Royal Court of Jersey, Royal Court House, Royal Square, St Helier, Jersey JE1 1BA.

## What needs to happen before the Jersey Court hearing?

Before the hearing at the Royal Court of Jersey there will be two other Court hearings.

### Scottish Court of Session

Before we transfer any policies to Phoenix we need approval from the Scottish Court of Session to make changes to three previous transfer schemes involving the SLAL policies. The Court of Session hearing is expected to take place at the Court of Session, Parliament House, Parliament Square, Edinburgh, EH1 1RQ, on 3 October 2023.

### High Court of England and Wales

To transfer the UK policies we need the High Court to approve this transfer, and to approve the replacement of a number of previous Phoenix and PLAL transfer schemes. This hearing is expected to take place at the High Court of Justice of England and Wales, The Rolls Building, 7 Rolls Buildings, Fetter Lane, London EC4A 1NL on 5 October 2023

**We'll only go ahead with the hearing at the Royal Court of Jersey if we receive approval from both the Court of Session and the High Court.**

The date of any of the court hearings could change. If they do, we'll place a notice on our website.

## What happens if we don't receive approval from the Royal Court of Jersey?

If we don't receive approval from the Royal Court of Jersey then the Jersey business won't transfer to Phoenix.

## When will the Jersey policies transfer?

If all of the Courts give their approval, we expect the transfer to take place on 27 October 2023.



## How to object

If you have concerns about the proposed transfer and feel you may be adversely affected, you have the right to raise an objection. You can object to the Jersey Scheme and/or the UK Scheme.

### **If you'd like to object to the Jersey Scheme**

Your objection will be presented to the Royal Court of Jersey, who will take the objections received into consideration when reaching its decision.

You can raise your concerns or object to the Jersey Scheme in the following ways.

#### **1. By calling our helpline, writing to us or completing the online form**

Please let us know if you have any concerns about the Jersey Scheme. If we can't address your concerns and you'd like to raise an objection, we'll make the Royal Court of Jersey, the Independent Expert and our regulators aware of your objection before the hearing.

#### **2. By attending the Court hearing and presenting your objection in person**

If you'd like to, you can attend the hearing at the Royal Court of Jersey, either in person or through a legal representative. You can also make written representations direct to the Royal Court of Jersey. Please send your letter to: The Royal Court of Jersey, Royal Court House, Royal Square, St Helier, Jersey JE1 1BA including **2023/062** as a reference. Please also send a copy to us.

We'll share any objections to the Jersey Scheme with the High Court for them to take into consideration when deciding whether to approve the transfer. The Court of Session might also take into account objections to the Jersey Scheme. So we may also share your objection with the Court of Session if required.

### **If you'd like to object to the UK Scheme**

Your objection will be presented to the High Court, who will take the objections received into consideration when reaching its decision.

You can raise your concerns or object to the UK Scheme in the following ways.

#### **1. By calling our helpline, writing to us or completing the online form**

Please let us know if you have any concerns about the UK Scheme. If we can't address your concerns and you'd like to raise an objection, we'll make the High Court, the Independent Expert and our regulators aware of your objection before the hearing.

#### **2. By attending the High Court hearing and presenting your objection in person**

If you'd like to, you can attend the High Court hearing or you can ask a representative to do this for you. Your representative does not need legal training and could be a friend or relative, but they will need the permission of the Court to speak on your behalf.

In deciding whether to give its approval, the Court of Session might take into account any objections to the UK Scheme. So we may also share your objection with the Court of Session if required.

Please raise any concerns or objections with us as soon as possible and preferably before 8 September 2023.

If you or a representative wish to present your objection at either of the court hearings, please let us know so we can contact you if there are any changes to the dates of the hearings.