

**Our reference: FM18**

## **Simplifying our business: the transfer of Abbey Life policies to Phoenix Life Limited**

We are writing to let you know about our plans to transfer the business of Abbey Life Assurance Company (Abbey Life) to Phoenix Life Limited (Phoenix) and what this means for you.

### **The key points**

- We are planning to transfer all business in Abbey Life, including your policy(ies), to Phoenix. Abbey Life and Phoenix are both companies within the Phoenix Group.
- We have applied to the High Court of England and Wales (High Court) for permission to transfer the business. If the High Court gives that permission, we expect the transfer to take place on 31 December 2018.
- Abbey Life has a small number of policies that may have been issued to people resident in the Bailiwick of Guernsey, so we are also making a similar application to the Royal Court of Guernsey for approval to transfer these policies.
- If approved by the Royal Court of Guernsey, we expect the transfer to take place on 31 December 2018 (the same date as the transfer under the UK scheme).
- Your policy details and terms and conditions will remain the same and any payments you make or receive will not change.
- You will start to see the 'Phoenix Life' name and logo on any letters we send to you.

In this letter and the enclosed leaflets, we refer to the proposed changes as 'the Scheme'. The Guernsey scheme is on substantially the same terms as the UK scheme (as set out in section 4 of the enclosed Scheme guide, except that the court processes in respect of the Guernsey scheme are as set out in this letter) and is conditional on the approval of the UK scheme.

### **What will happen to my policy benefits?**

Your policy benefits will not change. No changes will be made to your terms and conditions as a result of the transfer. Any payments you make will not change and any payments you receive will continue to be paid by Phoenix in the same way as they are currently paid by Abbey Life.

If you invest in unit-linked funds, the Scheme will not change the way in which the funds are managed, the fund manager, the charges that apply or the way the unit prices are calculated. For unit-linked funds other than the Hill Samuel range and the Target range, the Scheme will allow the division, merger or closure of unit-linked funds and the modification of their investment objectives to permit investment in reasonably similar assets. These changes are designed to reflect good market practice and are consistent with the approach Abbey Life would expect to take in its current management of its unit-linked funds. The proposed changes will not override your existing policy terms and conditions.

Financial security for your policy will be maintained by Phoenix. Phoenix holds more capital than required by regulation so that it can continue to provide financial security during extreme financial conditions.

## What changes will I see?

The way we service your policy will not change and you can continue to contact us in the same way. However, you will see changes to our name from January 2019.

- The Phoenix Life logo and name will start to appear on any letters or documents we send you, and your bank statements will refer to the name Phoenix Life in relation to any payments you make to us or receive from us.
- Where Abbey Life is the administrator of a pension scheme, Phoenix will become the scheme administrator in place of Abbey Life.
- If you make payments by cheque, you will need to make these payable to 'Phoenix Life Limited' (although cheques made payable to Abbey Life will be accepted for a period of time).
- If you make direct debit payments to Abbey Life, these will automatically become payable to Phoenix without you having to do anything.

## How will policyholders be protected?

Your interests are being protected by a rigorous process which includes:

- review of the likely effect of the Scheme on policyholders by an Independent Expert. The Independent Expert's report applies equally to the UK scheme and the Guernsey scheme;
- consultation with our regulators in the UK and Guernsey: the Prudential Regulation Authority, the Financial Conduct Authority and the Guernsey Financial Services Commission;
- approval of the UK scheme by the High Court and approval of the Guernsey scheme by the Royal Court of Guernsey.

The High Court and the Royal Court of Guernsey (the Courts) will only approve the Scheme if they are satisfied that the proposals meet all the necessary legal requirements and treat policyholders appropriately. The UK court hearing is expected to take place on 5 December 2018 (further details are included in the enclosed Scheme guide), and the Guernsey court hearing is expected to take place on 14 December 2018 at 9.30 am at The Royal Court House, St Peter Port, Guernsey GY1 2NZ. Any person has the right to raise objections with the Courts and attend if they believe they may be adversely affected by the Scheme, and the Courts will take these objections into account in reaching their decisions.

## What do I need to do?

Please read and consider the enclosed Scheme guide and 'Your questions answered' leaflet. You do not need to take any further action unless you wish to object to these proposals. Further details on how to do this, in addition to those set out in this letter, are available in section 3 of the Scheme guide. Please let anyone with an interest in your policy (such as a nominated beneficiary, trustee in bankruptcy, executor, personal representative or assignee) know about our proposals.

If you are a Trustee of an Abbey Life pension scheme, please make sure that all scheme members know about the transfer and are aware that full details are available on our website or may be obtained by calling the helpline. If you need help with this, please call our helpline.

## More information

The enclosed leaflets will give you more detail about the proposed changes. You can also find more information, including the full Guernsey scheme document and the full report from the Independent Expert, on our website at [www.abbeylife.co.uk/FM18](http://www.abbeylife.co.uk/FM18). You can also see or obtain free copies of the draft application to the Royal Court of Guernsey, the Guernsey scheme and the full report of the Independent Expert at the offices of our advocates Mourant Ozannes at Royal Chambers, St Julian's Avenue, St Peter Port, Guernsey GY1 4HP, up to the date of the Guernsey court hearing.

If you have any questions, you can call our helpline **0800 046 2009** from 9am to 5pm, Monday to Friday (except if a Bank Holiday in England), until the day before the High Court hearing. Calls from the UK are free but may be charged from the Channel Islands. Please note that we may monitor or record calls.

You can also use the enquiry form on our website or write to us at the address at the top of this letter.

Yours sincerely,



Andy Moss  
Chief Executive, Abbey Life Assurance Company Limited

**If you would like this information in large print, braille or audio please call us on 0800 046 2009.**



Our reference: FM18  
Your reference: 123456789

## Direct Debit – Transfer of Business

Following the transfer of business which is planned to take place on 31 December 2018, if you make payments by Direct Debit your payments that are collected after this date will be taken by Phoenix Life Limited instead of Abbey Life Assurance Company Limited (Abbey Life).

You need take **no action** to continue receiving the benefits of Direct Debit. Please be assured this change will not affect the service you receive in any way. The only change to your payments you will notice is that, with effect from January 2019, Phoenix Life Limited will collect your Direct Debits instead of Abbey Life and therefore the name 'Phoenix Life Limited', or an abbreviated form, will appear on your bank/building society statement.

There is no need for you to complete a new Direct Debit Instruction, as details of the change have been supplied to your bank, who may also notify you independently. You will continue to enjoy the benefits of the Direct Debit Guarantee, as detailed below.

If you have any questions about this change please call our helpline on 0800 046 2009.

Yours sincerely

Andy Moss  
Chief Executive, Abbey Life Assurance Company Limited

## The Direct Debit Guarantee



- This Guarantee is offered by all banks and building societies that accept instructions to pay Direct Debits.
- If there are any changes to the amount, date or frequency of your Direct Debit, Phoenix Life Limited will notify you at least 10 working days in advance of your account being debited or as otherwise agreed. If you request Phoenix Life Limited to collect a payment, confirmation of the amount and date will be given to you at the time of the request.
- If an error is made in the payment of your Direct Debit, by Phoenix Life Limited or your bank or building society, you are entitled to a full and immediate refund of the amount paid from your bank or building society.
- If you receive a refund you are not entitled to, you must pay it back when Phoenix Life Limited asks you to.
- You can cancel a Direct Debit at any time by simply contacting your bank or building society. Written confirmation may be required. Please also notify us.

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