

Our reference: FM18
Your reference [xxxx]

Date [xxx]

[Customer name and address]

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 Limited (Abbey Life) to Phoenix Life Limited (Phoenix) and what this means for you and your client.

The key points

- We are planning to transfer all business in Abbey Life to Phoenix. Abbey Life and Phoenix are both companies within the Phoenix Group.
- We have applied to the 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.
- Policy details and terms and conditions will remain the same, with the exception of with-profits policies, and any payments policyholders make or receive will not change.
- The 'Phoenix Life' name and logo will start to appear on our letters.

In this letter and the enclosed leaflets, we refer to the proposed changes as 'the Scheme'.

What will happen to policy terms and conditions?

No changes will be made to policy terms and conditions as a result of the transfer, other than to with-profits policies. The premiums paid by policyholders will not change and any annuity payments made to policyholders will continue to be paid by Phoenix in the same way as they are currently paid by Abbey Life.

The Scheme will not change the way in which the unit-linked funds are managed, the fund manager, the charges that apply or the way the unit prices are calculated.

Financial security for policies 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 policyholders see?

The way we service policies will not change. You and your clients can continue to contact us in the same way, but there will be changes to our name from January 2019.

- The Phoenix Life logo and name will start to appear on any letters or documents we send.
- Where Abbey Life is the administrator of a group pension scheme, Phoenix Life Limited will become the scheme administrator in place of Abbey Life.
- Where payments are made by cheque, these should be made payable to 'Phoenix Life Limited' (although cheques made payable to Abbey Life will be accepted for a period of time).
- Direct debit payments to Abbey Life will automatically become payable to Phoenix without policyholders having to do anything.

How will policyholders be protected?

Policyholders' interests are being protected by a rigorous process which includes:

- review of the likely effect of the Scheme on policyholders by an Independent Expert;
- consultation with the Prudential Regulation Authority and the Financial Conduct Authority, our industry regulators; and
- approval of the Scheme by the High Court.

The High Court will only approve the transfer if it is satisfied that the proposals meet all the necessary legal requirements and treat policyholders appropriately. The High Court hearing is expected to take place on 5 December 2018. Policyholders have the right to raise objections if they believe they may be adversely affected, and the High Court will take these objections into account in reaching its decision. Following the hearing, we will place a notice on our website and add a recorded message to our helpline to confirm the High Court's decision.

How are advisers affected?

The terms of business that you currently have with Abbey Life will transfer to Phoenix, but there will be no other changes. If you are currently receiving commissions, after the transfer these will be paid by Phoenix and you may see the name Phoenix Life appearing on your commission statements. The level of service you and your clients receive will be unaffected.

More information

The enclosed Scheme guide and 'Your questions answered' leaflet provide more detail about the proposed changes. We suggest you read and consider these. You can also find more information, including details about the change to with-profits policies, the full Scheme document and the full report from the Independent Expert, on our website at www.abbeylife.co.uk/FM18.

If you have any questions, you can call our dedicated 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. If you are calling from overseas, please call +44 (0)1202 076 190. You may be charged for calls from overseas, so please check with your phone provider. 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.