



[Name]
[Address]
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[Address]
[Postcode]

June 2026

Dear [Policyholder]

phoenixlife.co.uk/bonuschange
 Customer service centre: **0330 678 2677**
Monday to Friday, 8.30am - 5.30pm
(apart from bank holidays).
From overseas: **+44 (0) 1733 793275**
 Phoenix Life, Lynch Wood Park,
Peterborough, PE2 6FY

● Your policy is moving to another fund - Your future bonuses will be guaranteed

You have a with-profits whole of life policy which invests in the Britannic Industrial Branch Fund. We're writing to let you know about our plans to close this fund. We expect this to happen on 1 October 2026.

● Here are the main things you need to know

When the Britannic Industrial Branch Fund closes, your policy will become a non-profit policy and will move to the Phoenix Life Non-Profit Fund.

Your benefits are safe and secure and will be paid out as usual when it's time to make a claim.



Your policy will continue to provide the same level of life cover and guaranteed benefits as it does today.



All bonuses that have already been added to your policy will remain safe.



We'll continue to pay annual and final bonuses, which will be fixed and guaranteed.

You'll no longer need to pay premiums. **Please cancel your standing order before your October payment is due.** Your final premium for **September** should be paid as normal.

● Your future bonuses will be guaranteed

Non-profit policies don't normally receive bonuses. However, to keep things as consistent as possible, we'll continue to pay both annual and final bonuses. The way we work out your bonuses will change though. Your future bonuses will be fixed and guaranteed.

● Giving you certainty over the future of your policy

We understand how important it is to know what to expect from your policy. So, we'll tell you in advance what your guaranteed bonuses are going to be.



Your policy value will grow when each annual bonus is added. Your future annual bonuses will be set at a fixed rate of your policy value. This means that as your policy value grows, the amount of your guaranteed annual bonus will also increase each year.

We can't confirm what your future bonuses will be just yet. We can only work this out once the fund has closed. We expect to write to you around January 2027 with the information you need.

What will stay the same



Your policy will remain a whole of life policy. It will still pay out on the death of the life assured. The guaranteed minimum payment, which you'll see in your annual statement, will not be reduced.



The bonuses already added to your policy are safe. There will be no change to bonuses you've earned so far. We'll continue to pay annual and final bonuses going forward.



The way you get in touch isn't changing. You'll still speak to the same team and use the same contact details as you do today. We're here to help with any questions you have about your policy or this change.

What will change



Your bonuses will be fixed and guaranteed. The way we calculate your bonuses will change once the fund has closed. You'll continue to receive annual bonuses, and we'll also pay a final bonus when it's time to make a claim. However, these will be fixed in advance and will be guaranteed. This means you'll know how much your policy value and bonus will grow each year, and you'll know the final bonus amount in advance.



You'll no longer pay premiums. When the fund closes, the premiums you currently pay will stop. But don't worry, your policy will continue and there will be no change to your policy value, your level of cover or to your guaranteed benefits when you stop paying premiums. It simply means you won't have to make any more payments.

If you've chosen to stop paying premiums early, we explain if this could impact your future bonuses on the next page.



Your policy will move to the Non-Profit Fund. Once the Britannic Industrial Branch Fund closes, your policy will become a non-profit policy and will move to the Phoenix Life Non-Profit Fund. It will no longer be managed under the Principles and Practices of Financial Management (PPFM). This is a technical guide we use for managing with-profits funds. Once the fund closes, these rules will no longer apply.

However, you don't need to worry. Your benefits are safe and secure and will be paid out as usual when it's time to make a claim.

● Why is this happening?

We've paid out many policies over the years, so the number left in the Britannic Industrial Branch Fund has reduced. This makes it harder to manage the fund effectively and fairly for all remaining policyholders. Closing the fund was always an option when it became smaller over time.

The Phoenix Life Board decided that closing the fund now is in the best interests of the customers that remain in the fund. By moving your policy to a non-profit fund, we can guarantee your future bonuses and provide greater certainty. What is most important is that we can make sure all our customers are treated fairly.

● What happens next

We'll write to you again to confirm your future guaranteed bonuses after the fund has closed. You'll hear from us early next year, around January 2027.

● What do you need to do?

Please read the 'Your Questions Answered' booklet we've included, which gives you more information about the fund closure.



Please remember to cancel your standing order before your October payment is due. Don't forget to leave enough time for your bank to process the cancellation and stop your payments in time. But please make sure your final September premium will be paid as normal.

We'll write to you in August with a reminder to cancel your standing order.

Have you already chosen to stop paying premiums?

We understand it's not always easy to keep up with the premium payments that are due on your policy. You may choose to stop paying for a while or stop altogether.

If you stop paying your premiums for too long, you'll reach a point where they can't be restarted. When this happens, your policy becomes '**paid up**' and your bonuses will stop. This can't be reversed. Once your policy is paid up, you won't be able to pay any more premiums or start receiving bonuses again, even if your circumstances change and you later want to restart your payments.

Your future bonuses won't be impacted, as long as your policy is not made paid up.

If you haven't paid premiums for a while and are concerned that this may affect your bonuses, please get in touch. We also explain more in **question 9** of the '**Your Questions Answered**' booklet.

If your premiums are all up to date, don't worry. You'll continue to receive bonuses, which will be fixed and guaranteed, after the fund has closed.

Any questions?

If you have any questions, please get in touch. We'll be happy to answer any questions about your policy or this change. Please remember, we can't confirm what your future bonuses will be just yet.

We can't give you financial advice. If you'd like advice, please contact your financial adviser. If you don't currently have a financial adviser, you can find one by visiting unbiased.co.uk.



How to get in touch



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*There may be a charge when dialling from overseas, please check with your phone provider.



You can fill in our online form at: phoenixlife.co.uk/bonuschange



You can write to us at:

Phoenix Life, Lynch Wood Park,

Peterborough, PE2 6FY

We're here to support you and keep you updated every step of the way.

Yours sincerely

Brian Murray
Head of With-Profits
Phoenix Life Limited

If you would like this information in large print, in braille or audio, please call 0345 305 5552. If calling from outside the UK please call +44 (0) 1733 793258.