

Dear

## **Transfer of your Additional Voluntary Contributions (AVC) from Equitable Life to Utmost Life and Pensions**

We are writing to you as you are currently invested in an AVC Policy with Equitable Life which is transferring its business to Utmost Life and Pensions (Utmost). This transfer will affect you differently depending on what type of investment you have. If you are unsure of your investment funds, then please refer to your last Equitable Life Statement.

### **Transfer Proposal**

In June 2018 Equitable Life announced the “**Transfer Proposal**” which consists of two parts:

- Part 1 – Known as “The Scheme”
  - To increase With-Profits Policy values with an immediate one-off Uplift
  - Remove Investment Guarantees, (including guaranteed annual increases) and any With-Profits switching rights
  - Convert all With-Profits Policies to Unit-Linked Policies
- Part 2 – Known as “The Transfer”
  - To Transfer all of the business of Equitable Life to Utmost Life and Pensions Limited, except for certain excluded Policies such as German Policies and Irish Policies that will remain with Equitable Life, which will become a subsidiary of Utmost.

Scheme Policyholders voted overwhelmingly in favour of “The Scheme” at the Policyholders’ Meeting and Eligible Members voted for the Change to the Articles at the Extraordinary General Meeting. Following the UK High Court Hearing on 22 and 25 November 2019, court approval was received on 4 December 2019 and the proposed changes will be implemented with effect from 1 January 2020. Full details of the process and associated timeline are available on Equitable Life’s website at [www.equitable.co.uk/ProposalAug2019/index.html](http://www.equitable.co.uk/ProposalAug2019/index.html)

### **How the Transfer Proposal will affect your Equitable Life With-Profits Policy**

The next steps for With-Profits Policyholders are:

- The Uplift will be applied to your With-Profits Policy as soon as practicable after 1 January 2020 and more details about this can be found in the Latest News and FAQs on the Equitable Life website.
- Your With-Profits Policy will be converted to a Unit-Linked Policy with Utmost from 1 January 2020.

NILGOSC members who hold Equitable Life With-Profits Policies will have their investments automatically switched to the “**Investing by Age**” strategy which is a Unit-Linked Policy and this investment will be made within one month of The Transfer. Your investment will initially move to the “Secure Cash Investment” but will be fully invested in the “Investing by Age Strategy” within one month of The Transfer date, which is the shortest available timeframe.

The “Investing by Age” strategy gradually reduces risk over time, depending on your age. It comprises the Multi-Asset Moderate Fund, the Multi-Asset Cautious Fund and the Money Market Fund and automatically transitions through these funds as you get older. Further

details of these funds are detailed in information sent to you by Equitable Life and at [www.utmost.co.uk/equitable-life/equitable-pension/investing-age/](http://www.utmost.co.uk/equitable-life/equitable-pension/investing-age/). The Investing by Age Strategy and all other available funds/strategies will be subject to an Annual Management Charge (AMC) of 0.75% p.a. except for the UK FTSE All Share Tracker, UK Government and Money Market funds and the Secure Cash Investment which will all be subject to an AMC of 0.50%. Further details of the full range of alternative Unit-Linked funds available to you from Utmost are detailed at [www.utmost.co.uk/equitable-life/equitable-pension/](http://www.utmost.co.uk/equitable-life/equitable-pension/).

Please be aware that the With-Profits Fund that you have been invested in did not experience the impact of market volatility. In contrast, please note that the value of your investment may go up or down once it is invested in Unit-Linked funds. Please also note that if you switch to cash to protect your fund from market volatility, this will mean that any growth in your fund after deduction of charges is unlikely to keep pace with inflation. **NILGOSC strongly recommends that you carefully review the Investing by Age strategy to ensure that it is suitable for your needs, and if it is not that you consider switching your investment to an alternative fund.**

If you wish to choose a different Utmost fund, or if you have any queries relating to your Policy with Equitable Life, or would like any information or support on the Transfer Proposal, you can contact the Equitable Life/Utmost administration team by telephone on 0330 159 1530, by email at [enquiries@equitable.co.uk](mailto:enquiries@equitable.co.uk) or by writing to Equitable Life Assurance Society, Walton Street, Aylesbury, Buckinghamshire, HP21 7QW. This administration team will continue to provide administration services following the transfer to Utmost.

Making a decision on where to invest your funds may be daunting, so Equitable Life have arranged a choice of ways to get help. The options are detailed at [www.equitable.co.uk/ProposalAug2019/index.html#understand](http://www.equitable.co.uk/ProposalAug2019/index.html#understand) and include free advice from JLT on Equitable Life's helpline number 0330 159 1530 (+44 1296 385 225 if calling from outside the UK). Your own financial advisor can also give you advice and Equitable Life may make a contribution of up to a maximum of £355 towards the cost of this advice.

The next communication you will receive from Utmost will be in the New Year, which will confirm the exact amount of Uplift and that your investment has moved to the "Investing by Age" strategy.

***Importantly, With-Profits members not wishing to lose out on the increased Uplift will need to defer taking benefits or transferring out until after the transfer to Utmost Life and Pensions on 1 January 2020.***

### **How the Transfer Proposal will affect your Equitable Life Unit-Linked Policies and Life Insurance Policies**

Even if your Policy is not currently invested in the With-Profits Fund, it is still important that you understand how the Transfer Proposal will affect you. Although the Transfer Proposal does not change the terms and conditions of your Policy, it will be affected by the transfer to Utmost. The Equitable Life website provides you with information about the Transfer Proposal, but for more detailed information, you should read the communications that Equitable Life sent you.

When the Transfer Proposal goes ahead, any existing Unit-Linked investments you have will be transferred to Utmost. The existing Unit-Linked Funds in Equitable Life will be renamed and become Utmost funds. A table detailing the changes to Unit-Linked funds is available on the Equitable Life website at [www.equitable.co.uk/ProposalAug2019/pdf/Fund\\_Name\\_Table\\_Full\\_Funds%20List.pdf](http://www.equitable.co.uk/ProposalAug2019/pdf/Fund_Name_Table_Full_Funds%20List.pdf) and factsheets for the UK funds are on the Equitable Life website at

[www.equitable.co.uk/unit-linked-funds/factsheets](http://www.equitable.co.uk/unit-linked-funds/factsheets). Aberdeen Standard Investments will continue to manage some underlying investments in those funds.

When the Transfer proceeds, you may have the opportunity to move your savings into the new Utmost funds and we recommend you contact them after the Transfer to discuss your options. You can find more information about the funds available on Utmost's website.

### **Scam Awareness**

Pension scams can be hard to spot. Scammers can be articulate and financially knowledgeable, with credible-looking websites, testimonials and materials that are hard to distinguish from the real thing.

Scammers usually contact people out of the blue via phone, email or text, or even advertise online. They may also be introduced to you by a friend or family member who is also unknowingly being scammed. Scammers will make false claims to gain your trust. For example:

- Claiming they are authorised by the FCA or that they don't have to be FCA authorised because they aren't providing the advice themselves.
- Claiming to be acting on the behalf of the FCA or a government service.

Scammers can design attractive offers to persuade you to transfer your pension pot to them or to release funds from it. It is then often invested in unusual and high-risk investments like overseas property, renewable energy bonds, forestry, storage units, or simply stolen outright.

You can find more information on the Pensions Regulator website at: [www.thepensionsregulator.gov.uk/pension-scams](http://www.thepensionsregulator.gov.uk/pension-scams) or on the Financial Conduct Authority website at: [www.fca.org.uk/scamsmart/how-avoid-pension-scams](http://www.fca.org.uk/scamsmart/how-avoid-pension-scams).

### **Further Advice and Guidance**

As with any choice of investment, no one can predict with certainty which fund will offer the best return. When you compare Utmost's funds, you need to decide which investment is most suitable for your needs. Often this will depend upon the level of risk you wish to take and how far you are from retirement.

Any investment decision is a personal one, reflecting your financial circumstances, approach to investment and attitude to risk. ***Please note that NILGOSC and its professional advisers are not authorised to give you financial advice.*** If you are in any doubt about your investment decisions or how to use your AVC then we recommend that you get guidance and/or independent financial advice to help you decide which option is most suitable for you.

**Pension Wise** is a free, impartial service offered by the Government to provide guidance, once you reach age 50, to help you understand your defined contribution pension options including AVCs. You can find out more at [www.pensionwise.gov.uk](http://www.pensionwise.gov.uk) or by calling 0800 138 3944 to book a phone or face-to-face appointment.

**Independent financial advice:** Help with finding an independent financial adviser is available at [www.moneyadvice.service.org.uk](http://www.moneyadvice.service.org.uk)

**The Money Advice Service** offers free and impartial money advice, including pensions and retirement information. Contact details are set out below:

Website: [www.moneyadviceservice.org.uk](http://www.moneyadviceservice.org.uk)

Telephone: 0800 138 7777 (Calls are free)

**The Financial Conduct Authority (FCA)** is the regulatory body for independent financial advisers. The FCA maintains a register of authorised IFAs. Details can be found on the FCA website at [www.fca.org.uk](http://www.fca.org.uk) or by telephoning the FCA on 0800 111 6768.

**The Personal Finance Society** is the professional body for financial advisers. It provides access to appropriately qualified members who commit to the highest professional and ethical standards. Details are on their website at [www.thepfs.org/yourmoney/find-an-adviser](http://www.thepfs.org/yourmoney/find-an-adviser)

**Unbiased** is a website listing regulated and independent financial advisers, mortgage brokers, solicitors and accountants. It checks that they are registered with the Financial Conduct Authority (FCA). You can find an IFA in your area by typing your postcode into the 'Find an IFA' search tool on the website [www.unbiased.co.uk/](http://www.unbiased.co.uk/).

*NILGOSC offers members an alternative AVC scheme with Prudential. Should you wish to transfer your investment funds from Utmost Life and Pensions to Prudential, please complete and return the attached transfer request form to NILGOSC at the address on the form or contact NILGOSC on 0345 3197 325 and ask for the Pensions Administration Team.*

Yours sincerely,



**Louise Hickland**  
**Investment Services Manager**

**Transfer Instructions – transfer of AVC from Utmost Life and Pensions to Prudential**

NI Number

NILGOSC Ref

Please fill in this form and return it to: NILGOSC, Templeton House, 411 Holywood Road, Belfast, BT4 2LP.

**PLEASE USE BLOCK CAPITALS**

**Full Name:** \_\_\_\_\_

**Date of Birth:** \_\_\_\_\_ **Telephone number:** \_\_\_\_\_

**Please tick**

I wish to transfer the value of my existing Utmost Life and Pensions Unit-Linked investments to the Prudential

I wish to transfer the value of my existing Utmost Life and Pensions Life Deposit Fund investments to the Prudential.

**Your signature**

I have read the update from NILGOSC dated 12 December 2019 and I understand that:

- If I wish to transfer to Prudential, NILGOSC will, on receipt of this request, forward me a transfer pack for completion and return.

**Signed:**.....

**Date:** .....

**If you are in any doubt about your investment options we recommend that you seek independent financial advice. If you do not return the form your Utmost Life and Pensions AVCs will continue to be invested as outlined in the letter above.**

***Importantly, Equitable Life With-Profits members not wishing to lose out on the increased Uplift will need to defer taking benefits or transferring out until after the transfer to Utmost Life on 1 January 2020.***