

SUMMARY OF THE TRANSFER

SUMMARY OF THE TERMS OF THE TRANSFER OF PART OF THE BUSINESS OF ROTHESAY LIFE PLC (ROTHESAY) TO MONUMENT LIFE INSURANCE DAC (FORMERLY LAGUNA LIFE DAC) (MONUMENT)

1. INTRODUCTION

Following the UK's exit from the European Union, Rothesay may cease to have a right to conduct business on a freedom of services basis in the Republic of Ireland. As part of Rothesay's preparations for that eventuality, Rothesay has agreed to transfer certain annuity policies (the **Transferred Policies**) to Monument under a Court sanctioned insurance business transfer scheme (the **Scheme**). The Transferred Policies comprise a specific group of immediate and deferred annuity policies written by Rothesay Assurance Limited (formerly MetLife Assurance Limited) in the Republic of Ireland on a freedom of services basis and subsequently transferred to Rothesay Life Plc by way of an order sanctioning an insurance business transfer scheme pursuant to Part VII of FSMA. This document provides a summary of the key terms of the proposed transfer (the **Transfer**).

If you require further information, more detail can be found by reading the Scheme document in full and the report of an independent expert (the **Independent Expert**) who confirmed that in his opinion the implementation of the Scheme will not have a material adverse effect on the security of benefits or reasonable expectations of the policyholders of Rothesay or Monument in respect of their benefit expectations, service standards, management and governance, including the transferring policyholders, and that the Scheme is equitable to all classes and generations of policyholders of Rothesay and Monument. Both of these are available on our website: www.rothesaylife.com/transfer-monument.

2. EFFECT OF THE TRANSFER ON POLICIES TRANSFERRING TO MONUMENT

If the Transfer goes ahead, Monument will become the provider in relation to your policy and will be responsible for administering it and for making payments under it, instead of Rothesay. The Transfer will not affect the terms and conditions of your policy and you will be entitled to the same cover with Monument under your policy as you had with Rothesay.

After the Transfer, Monument will be responsible for making any payments due under the terms of your policy. Any annuity payments will continue to be made as before, including in relation to the timing and the amount of the payments due. No additional action is required on your part in relation to payments due from Monument (for example, you do not need to inform your bank).

3. HOW THE TRANSFER WILL BE IMPLEMENTED

The transfer of the Transferred Business to Monument is to be carried out under section 111(1) of the Financial Services and Markets Act 2000 (the **Act**). The Transfer will not proceed unless an order sanctioning the Scheme is given by the High Court of Justice of England and Wales (the **Court**).

The Scheme has been subject to review by the Independent Expert, the Financial Conduct Authority (the **FCA**) and the Prudential Regulation Authority (the **PRA**) (in consultation with the Central Bank of Ireland as Monument's regulator). The appointment of the Independent Expert was approved by the PRA, following consultation with the FCA.

4. COURT APPROVAL OF THE TRANSFER

If the Court approves the Scheme, the Transferred Business will transfer from Rothesay to Monument.

It is expected that the Transfer will become effective at 00:01 hrs (BST) on 7 September 2020 (the **Transfer Date**). This date may be subject to change with the Court's consent.

5. THE BUSINESS TO BE TRANSFERRED

On the Transfer Date, all rights, benefits, obligations and liabilities of Rothesay in respect of the Transferred Policies (unless specifically excluded) will transfer to Monument (the **Transferred Business**).

A reinsurance agreement has already been put in place with Monument Re Limited (**Monument Re**) (Monument's ultimate parent entity) under which the risks and obligations relating to the Transferred Business are fully reinsured to Monument Re (unless specifically excluded), and the investment assets backing these liabilities were transferred from Rothesay to Monument Re at the time this reinsurance agreement was entered into (the **Reinsurance Agreement**). Under the Scheme, it is proposed that the rights and obligations of Rothesay under the Reinsurance Agreement and related security documents will be transferred to Monument so that Monument will have the same rights and obligations under the Reinsurance Agreement and the security documents as Rothesay had prior to the Transfer.

As the assets held in respect of the Transferred Business have already been transferred by Rothesay to Monument Re, they do not need to be transferred under the Scheme. The documents, files and other records in relation to the Transferred Business held by or on behalf of Rothesay will be transferred to Monument on the Transfer Date.

6. EXCLUDED POLICIES, EXCLUDED LIABILITIES AND EXCLUDED ASSETS

If for any reason we are unable to transfer any policy or group of policies intended to be transferred on the Transfer Date, these will not be transferred to Monument, and instead will be reinsured by Monument under a reinsurance agreement between Rothesay and Monument.

Certain investments and liabilities related to the Transferred Business are excluded from the Transfer and will not transfer to Monument under the Scheme.

7. CONTINUITY OF PROCEEDINGS

Any proceedings by or against Rothesay in relation to the Transferred Business (including any future proceedings not yet begun) will be continued by or against Monument after the Transfer Date. Monument will be entitled to any and all defences, claims, counterclaims, rights of set-off and any other rights that Rothesay would have had in relation to such proceedings.

From the Transfer Date, in respect of the Transferred Policies, Monument undertakes to comply with the relevant provisions of the Dispute Resolution (**DISP**) rules of the FCA Handbook, to the extent that DISP applied to the Transferred Policies prior to the Transfer Date.

8. DATA PROTECTION

From the Transfer Date, Monument will become the data controller in place of Rothesay in relation to the Transferred Business, save to the extent prohibited or restricted by Data Protection Laws, and consents and information given to Rothesay will be deemed to have been given to Monument.

9. MANDATES AND OTHER INSTRUCTIONS

From the Transfer Date, any mandates, including direct debits, standing orders or other instructions or authorities, payable to or from Rothesay in respect of the Transferred Business will be payable to or from Monument instead.

10. AMENDMENT OF THE SCHEME

The Scheme provides that it may be amended by application to the Court, provided that the PRA and the FCA have been notified of the application and a certificate is obtained from an independent expert who is approved by the PRA (having consulted with the FCA), confirming that in his opinion (having considered the proposed amendments in the round), the proposed amendments to the Scheme will not have a material adverse effect on the policyholders of Monument, the policyholders of Rothesay or any other person.

11. OBJECTIONS

If you feel you may be adversely affected by the proposed Transfer, you have the right to object and to present your views to Court (in person, in writing or by legal representation).

If you wish to make representations to the Court directly, you can do so by writing to the Court at: Rolls Building, Royal Courts of Justice, 7 Rolls Building, Fetter Lane, London EC4A 1NL. If you write to the Court directly, you should clearly refer to the “transfer of annuity policies between Rothesay Life Plc and Monument Life Insurance DAC (formerly Laguna Life DAC)” and the Court’s reference number “(CR-2019-006061)” in your letter.

You can also choose to be represented by a representative at Court if you prefer. Please note that if you wish to be represented by legal counsel at the Court hearing then he or she would need to have appropriate rights of audience to appear at the Court in London.

The final Court hearing to consider the proposed Transfer is expected to take place on 22 July 2020 at Rolls Building, Royal Courts of Justice, 7 Rolls Building, Fetter Lane, London EC4A 1NL. This date is subject to change. Any updates will be published on our website at: www.rothesaylife.com/transfer-monument.

Any person intending to attend is requested (but is not obliged) to give notice of such intention to Rothesay as soon as possible and preferably at least five business days before the hearing on 22 July 2020, setting out their grounds of objection by calling the number below or by writing to the address below.

Any person who claims that they will be adversely affected by the Scheme but does not intend to attend the hearing may also make representations about the Scheme by giving notice of such representations to Rothesay, as soon as possible and preferably at least five business days before the hearing on 22 July 2020, by calling the number below or by writing to the address below.

Any questions or concerns relating to the proposed transfer should be referred to Rothesay.

Contact details for non-transferring policyholders

Non-transferring policyholders should use the usual contact details for the team administering their policy. These can be obtained from the following webpage: www.rothesaylife.com/contact-us.

Contact details for transferring policyholders

The contact details applicable to transferring policyholders are as follows:

Telephone: 1800 303377 if calling from the Republic of Ireland (“ROI”)
Free to call within ROI on both landlines and mobiles

+353 (0) 1202 6095 if calling from outside of ROI
Normal call rates on both landlines and mobiles

Lines are open 9am – 5pm, Monday to Friday (except Bank Holidays in ROI)

Write to: Rothesay Life
Customer Service Team
Friends First House
Cherrywood Business Park
Loughlinstown
Dublin 18

Email: rothesaylife@mercerc.com

Rothesay will acknowledge, in writing, all objections they receive. Rothesay will submit details of all objections received before the final court hearing to the Court, which will consider the Scheme and all objections from affected persons at the final Court hearing. Details of objections received will also be provided to the Independent Expert, the PRA and the FCA. This means that any correspondence that forms part of your objection will be part of the Court process which will be accessible to the public. By submitting an objection to the proposed Transfer, you consent to your objection and any personal data you provide with your objection being shared with the Court, the PRA, the FCA, the Central Bank of Ireland and the Independent Expert.