

Dear Policyholder,

## Introduction

As the holder of an International Portfolio Bond (**IPB**) policy with Zurich Life Assurance plc (**ZLAP**), we are writing to advise you of our intention to apply to the High Court of Ireland (the **Court**) to sanction the transfer of your policy, and all other IPB policies underwritten by ZLAP, to Monument Life Insurance DAC (**Monument**) (the **Transfer**).

As ZLAP is authorised by the Central Bank of Ireland (the **Central Bank**) to conduct life insurance business, Irish law relating to the transfer of life insurance business applies. The legal process by which insurance business may transfer from one Irish insurer to another Irish insurer requires Court approval of a scheme of transfer (the **Scheme**). This means that the Court must sanction the transfer of your policy and it will also be necessary to consult with the Central Bank in relation to the Transfer.

This letter is part of the legal process that seeks to ensure that your interests as a policyholder are protected and that you are fully informed about the Transfer. You do not need to take any action whatsoever in respect of this letter or the Transfer, but you do have a right to object to what is proposed and to have your objections considered as part of the Court process.

## Company information

ZLAP was incorporated in Ireland on 1 March 1977. It is authorised to conduct life assurance business under classes 1, 2, 3, 4, 6 and 7 as detailed in Schedule 2 of the European Union (Insurance and Reinsurance) Regulations 2015 (the **2015 Regulations**) by the Central Bank. ZLAP also carries on life assurance business in a small number of European markets on a freedom of services basis (the UK, Sweden, Italy, Germany and Spain) and on a freedom of establishment basis through its branch in Italy.

Monument was incorporated in Ireland on 8 April 2000. It is authorised to conduct life assurance business in classes 1, 3 and 4 as detailed in Schedule 2 of the 2015 Regulations by the Central Bank. Monument is also entitled to carry on life assurance business on a freedom of establishment basis in a number of EEA countries, including the United Kingdom where your policy is underwritten.

## Background to proposal

It is proposed that all of the IPB policies underwritten by ZLAP, as detailed in the Scheme, will be transferred to Monument. The effect of the Transfer on your policy will simply be that your policy will be insured by Monument and you will, therefore, become a customer of Monument rather than ZLAP. The terms and conditions of your policy will not change as a result of the Transfer.

The terms of the Transfer are set out in a document known as a Scheme. A summary of the Scheme is set out in Section 2 of this Circular. The full text of the Scheme is available to view at ZLAP office located at Zurich House, Frascati Road, Blackrock, Co. Dublin, Ireland and on ZLAP's website ([www.zurich.ie](http://www.zurich.ie)). The full text of the Scheme is also available to view at Monument's office at Two Park Place, Hatch Street Upper, Dublin 2, D02 NP94, Ireland and on Monument's website ([www.monumentregroup.com](http://www.monumentregroup.com)). To safeguard the interests of policyholders, Irish law requires that an Independent Actuary reviews the Scheme (a summary of the report is

included at Section 4 of this Circular) and provides that the transfer can only take effect on approval of the Scheme by the Court.

Based on current tax laws, ZLAP understands that the Transfer should not have any effect on the policyholder tax treatment of the transferring policies. However, ZLAP and Monument are not in a position to provide tax advice to policyholders and therefore advise that policyholders should contact their tax adviser should they have any doubts in relation to their personal tax affairs.

### **Procedure for implementing the Scheme**

The Transfer can only take place with the sanction of the Court in accordance with Irish law. An application to the Court for approval of the Transfer (the **Petition**) was presented to the Court on 27 July 2020.

The Court has directed that the hearing of the Petition will take place on 17 November 2020. You are entitled to make submissions and be heard by the Court if you wish. If the Court approves the Scheme, the expected effective date of the Scheme is 30 November 2020.

### **Actuarial Report**

Irish law requires that a report on the Scheme and its effect on policyholders be prepared by an Independent Actuary. ZLAP and Monument have jointly appointed Brian Morrissey, a Fellow of the Society of Actuaries in Ireland and who is a partner and senior actuary in KPMG Ireland, as the Independent Actuary. He has prepared such a report (a summary of which is contained in Section 4 of this Circular), setting out his views on the effect of the Scheme on policyholders. He has concluded that the Scheme will not have a material adverse effect on the reasonable benefit expectations of ZLAP's transferring policyholders, ZLAP's remaining policyholders and Monument's existing policyholders and the risk of the Scheme to policyholder security is remote.

### **What should you do next?**

At section 3 of this Circular, we have included a set of questions and answers about the Transfer which you should read carefully.

You do not have to take any action.

If you believe you may be adversely affected by the Transfer, you can call or write to us using the details in the additional information section below. If you wish to appear at the hearing of the Petition in Court, or object to the Transfer, please read the enclosed set of questions and answers for further information.

### **Additional information**

If you have any questions on the Scheme or the Transfer, or if you require more information, please feel free to contact ZLAP using the contact details below:

**Email:** [IPBTransfer@Zurich.com](mailto:IPBTransfer@Zurich.com)

**Telephone Number:** +353 1 209 2364

**Postal Address:** IPB Transfer, Zurich Life Assurance plc, Zurich House, Frascati Road, Blackrock, Co. Dublin, Ireland

Copies of the Petition, the Scheme, the full report of the Independent Actuary and other documentation related to the Transfer will be available for inspection:

- at the office of Zurich Life Assurance plc at Zurich House, Frascati Road, Blackrock, Co. Dublin, Ireland;
- at the office of Monument Life Insurance DAC at Two Park Place, Hatch Street Upper, Dublin 2, D02 NP94, Ireland;
- on ZLAP's website: **[www.zurich.ie/existing-customers/zurich-life/international-portfolio-bond-policies](http://www.zurich.ie/existing-customers/zurich-life/international-portfolio-bond-policies)**; and
- on Monument's website: **[www.monumentregroup.com](http://www.monumentregroup.com)**.

If the Transfer is approved by the Court on 17 November 2020 or if there are any changes to the Transfer process (such as a change to the Court hearing date), we will update our website with this information.

Yours faithfully,

*David O'Dowd*

David O'Dowd

Chief Executive Officer, Zurich Life Assurance plc