



17 December 2001

## Compromise scheme – FSAVC policies

Dear Policyholder,

As you may be aware, we have now sent the compromise scheme to policyholders for voting. I am writing to explain that one of your arrangements with the Society is a contract in the Free Standing Additional Voluntary Contribution (FSAVC) Scheme. This type of arrangement is held in trust, and it is the Trustee of the FSAVC Scheme - and not the individual clients with contracts in the FSAVC Scheme - which will be entitled to vote on the compromise scheme. For this reason we will not be issuing a voting pack to you in respect of your FSAVC contract (though you may receive details in respect of other with profit policies which you hold).

The Trustee of the FSAVC Scheme is the Society. So as to ensure that this very important vote for the FSAVC Scheme is taken impartially, your new Board have appointed a third party to act as a Special Trustee. That Special Trustee is The Law Debenture Pension Trust Corporation p.l.c. ('Law Debenture'), which is a specialist independent Trust Corporation with no other links with the FSAVC Scheme or the Society.

Law Debenture will be responsible for voting on the compromise scheme in respect of the FSAVC Scheme and it will take independent legal and actuarial advice before doing so. I will write to you again to let you know how Law Debenture has voted.

Should you wish to review the final compromise scheme then you can do so by visiting the Society's website at [www.equitable.co.uk](http://www.equitable.co.uk) and clicking on the compromise scheme link.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Charles Thomson'.

Charles Thomson  
Chief Executive