

## NEWS RELEASE

For immediate release  
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### Equitable Life agrees to transfer annuity business to Canada Life

Equitable Life has reached an agreement to transfer 31,000 annuities valued at c £875m as at 31 December 2014 to Canada Life Limited.

Subject to completion of the Court process, Equitable Life intends to transfer the policies to Canada Life under a Part VII scheme. It is anticipated this transfer will take place by the end of 2015.

One of the important issues facing Equitable Life is that the run-off of its annuity book is considerably longer than its with-profits business. As with-profits policyholders provide the capital to support non-profit annuities, the Equitable Life Board has concluded that the long term interests of all its policyholders are best served by transferring the annuity payment obligations to Canada Life.

Canada Life is a leading annuity provider in the UK and is already making regular payments to over 400,000 annuitants.

**Chris Wiscarson, Equitable Life's Chief Executive said:** "This transfer is one more important step in releasing capital for distribution to our with-profits policyholders."

**Douglas Brown, Chief Executive Officer, Canada Life said:** "We are delighted to announce this transaction with Equitable Life. We are committed to delivering excellent service to all our policyholders, and we look forward to welcoming the transferring annuitants to our company."

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**Notes to editors**

1. A Part VII scheme is a statutory process available for the transfer of insurance business under Part VII of the Financial Services and Markets Act 2000. The Part VII transfer will have to be approved by the Court and an Independent Expert will report, considering the effect of the proposed transfer on all policyholders. The Financial Conduct Authority and the Prudential Regulation Authority is entitled to be heard by the Court and will approve the form of the Independent Expert's report.
2. The annuity portfolio consists of UK and non-UK annuities. The bulk of the annuities are non-profit and index-linked. There are also some unit-linked annuities.
3. Equitable Life will retain a small number of non-profit deferred annuities.
4. In the period between the announcement and completion of the transfer, Canada Life will manage the underlying investments but the Society will continue to make the annuity payments. This will be facilitated by a reinsurance agreement. Once the transfer is complete at the end of 2015, the responsibility for payment will pass to Canada Life. Unit-linked annuities are not included in this reinsurance agreement.
5. In May 2006, Equitable Life announced a deal with Canada Life to transfer £4.6bn of non-profit annuity business. The transfer went through on 9 February 2007 and comprising c130,000 UK pension policies
6. Canada Life is part of a group of companies owned by Great-West Lifeco Inc., a diversified financial services holding company headquartered in Winnipeg, Canada. Great-West Lifeco and its insurance subsidiaries have received strong ratings from major rating agencies. Canada Life began operations in the United Kingdom in 1903 and looks after the retirement, investment and protection needs of individuals and companies alike. The company offers protection, life cover, critical illness cover, and whole of life cover for groups and individuals; and retirement income planning, annuities, pension bonds, savings and investments, investment bonds, inheritance tax planning and offshore investments.

Great-West Lifeco Inc. (TSX:GWO) is an international financial services holding company with interests in life insurance, health insurance, retirement and investment services, asset management and reinsurance businesses. Great-West Lifeco has operations in Canada, the United States, Europe and Asia through Great-West Life, London Life, Canada Life, Irish Life, Great-West Financial and Putnam Investments. Great-West Lifeco and its companies have approximately \$1.1 trillion in assets\* under administration and are members of the Power Financial Corporation group of companies. [\*assets as of December 31, 2014]