

December 2006

Dear Norwich Union Policyholder

I am writing to introduce myself. I am Clare Spottiswoode and I have been appointed to represent your interests in respect of a plan by Norwich Union to reorganise some of its with-profits business. My appointment has been approved by the Financial Services Authority.

I should like to reassure you from the start that the Norwich Union plan does not affect the terms of your policy, the premiums you pay or the bonuses your investment earns.

This letter is intended to explain:

- Norwich Union's proposal in broad terms
- how it affects you
- what I am going to do on your behalf
- how I will keep you informed
- how you can give your views
- the next steps in this process

I am enclosing a Question and Answer leaflet which is intended to answer at greater length some of the issues that I need to set out for you in this letter. It also tries to explain some of the industry jargon, which I hope you find helpful.

### Norwich Union's Plan

Norwich Union wants to reorganise some of its with-profits business to help the company to develop and grow. (This reorganisation has a technical name - "a reattribution" - and it is explained in the leaflet.)

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The company cannot carry out this reattribution without the agreement of with-profits policyholders.

If you agree to the plan, Norwich Union will either make a payment to you or, in some cases, allocate an extra bonus to your policy. In return you will be asked to give up a possible future benefit from what is called a "distribution" (this term is also fully explained in the leaflet).

If you do not wish to accept the offer, your circumstances will not be affected

### My responsibility to you

My main role is to negotiate on your behalf the terms of the Norwich Union reattribution plan, including the value of any payments or bonuses to be offered to you.

I shall also look very closely at the new arrangements and how Norwich Union will continue to look after your investments.

*please see over...*

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[www.policyholderadvocate.org](http://www.policyholderadvocate.org)

## My report to you

After the negotiation I will write a report and send you a summary of it. It will explain what I have done and my recommendations. You may wish to consider with your independent financial adviser the way my recommendations or anything else in the Norwich Union plan might affect you.

## Having your say

If you would like to help me by letting me know your views you can do so through a confidential questionnaire that is available on my website or by telephone. The contact details are given below.

Also I will be hosting a series of meetings so that you can hear from me and tell me what you think. If you would like to join me, the details are set out in the leaflet and on the website.

## More details

My website - [www.policyholderadvocate.org](http://www.policyholderadvocate.org) - contains information about the reattribution plan, the with-profits industry and provides links to related sites. Please sign up on the website so that I can send you updates from time to time.

If you have any questions about anything in this letter or the leaflet, or if you want to tell me what you think, please contact us on 08000 566 399 (for the Republic of Ireland 1800 635 059 and for international calls +44 (0) 208 945 0998).

(Please note that we are unable to deal with individual questions about your policy with Norwich Union. Details of how to contact them are given in their letter to you.)

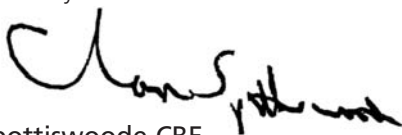
## The timetable

There are a number of stages to go through and these are set out below. We cannot give precise dates at the moment but we will keep policyholders up to date on progress through our website.

From now to end-March 2007 - main consultation by me with policyholders  
During Spring and Summer 2007 - negotiation with Norwich Union  
Autumn 2007- expected publication of my summary report  
Autumn 2007- expected Norwich Union offer to with-profits policyholders  
Autumn 2007- policyholder decision on whether to accept  
Winter 2007- High Court process to approve the reorganisation  
Early 2008 - if the court approves the reorganisation, payments and bonuses go to policyholders

Thank you for taking the time to read this letter.

Yours faithfully



Clare Spottiswoode CBE