Notification of the Sale of Direct Line Life Insurance Company Limited

We are writing to inform you of the sale of Direct Line Life Insurance Company Limited (‘Direct Line Life’) to Chesnara plc on 28 November 2013. We understand that when things change you may have questions and we hope to address these within this letter.

Following closure to new business in 2011, Direct Line Group made a decision to sell the Direct Line Life business. Agreement was reached with Chesnara plc to acquire the company and this was announced in October 2013. This acquisition has since been approved by our regulators, the Prudential Regulation Authority and Financial Conduct Authority.

Chesnara plc is a holding company engaged in the management of life and pension business in the UK and Western Europe and owns another UK life assurance company, Countrywide Assured plc. Originally formed in 2004, following the demerger from Countrywide Assured Group plc, Chesnara subsequently purchased City of Westminster Assurance Company, Save and Prosper Insurance Ltd and Save and Prosper Pension Ltd, all of which have since been transferred into Countrywide Assured under the strict regulatory conditions of a Part VII transfer. Further information about Chesnara and their previous acquisitions can be found at www.chesnara.co.uk.

As a specialist in the management of closed life businesses in the UK, Chesnara will ensure you continue to receive quality service and that, under their ownership, the life company will continue to honour the existing terms and conditions of your policy.

There will be some practical changes as a result of the sale and the most immediate one is a change of name from Direct Line Life to Protection Life Company Limited (‘Protection Life’). This change is necessary as the company is no longer owned by the Direct Line Group. During January 2014 you will notice that all correspondence and communication will be with Protection Life, including the change of name to Protection Life on your bank statement. BACS, the company that administer collection of direct debits, require that you are notified of this change in advance and we have provided a reminder of the Direct Debit Guarantee in this letter.

The sale of Direct Line Life and the subsequent change of name to Protection Life will not alter your policy benefits or premiums. If you do need to contact us regarding a policy enquiry, or to make a claim, the contact details remain the same and are provided in this letter for ease of reference and will also be available on the website www.protectionlife.co.uk during January 2014. When our company name changes you will not receive any new policy documentation as the terms and conditions of your policy remain the same as they are now.
It is Chesnara’s intention that in 2014 the Protection Life business will be transferred into its existing UK business Countrywide Assured plc. As stated earlier in this letter, Chesnara have undertaken this for companies that they have acquired previously to maximise operational and financial efficiency. This transfer can only be arranged under the strict regulatory conditions of a Part VII transfer under the Financial Services and Markets Act 2000, which includes provisions protecting policyholder entitlements, and as these plans become more certain you will be consulted and provided with full details.

We would also like to assure you that your personal data will only be used for the purpose it was originally obtained and not shared with other companies for marketing purposes. We will only use the information you have previously provided to us to administer your policy in line with the terms and conditions. A Data Protection Privacy Notice is also provided on the enclosed sheet.

If you have any further questions regarding these changes please do not hesitate to contact us.

Yours sincerely

Graham Kettleborough
On behalf of Direct Line Life
A Change to your Direct Debit Arrangements

The name of the legal entity that collects your Direct Debit will be changing. You need take no action to continue receiving the benefits of your current Direct Debit arrangement as this change will not affect the service that you receive in any way. We will continue to use your existing Direct Debit and will inform your bank/building society accordingly and they may also notify you independently. Additionally, some banks/building societies will place a comment on your bank statement advising you on the first payment under the change of name to Protection Life. You will also continue to enjoy the benefits of the Direct Debit Guarantee.

The Direct Debit Guarantee

• This Guarantee is offered by all banks and building societies that accept instructions to pay Direct Debits
• If there are any changes to the amount, date or frequency of your Direct Debit Protection Life Company Limited will notify you 5 working days in advance of your account being debited or as otherwise agreed. If you request Protection Life Company Limited to collect a payment, confirmation of the amount and date will be given to you at the time of the request
• If an error is made in the payment of your Direct Debit, by Protection Life Company Limited or your bank or building society you are entitled to a full and immediate refund of the amount paid from your bank or building society
• If you receive a refund you are not entitled to, you must pay it back when Protection Life Company Limited asks you to
• You can cancel a Direct Debit at any time by simply contacting your bank or building society. Written confirmation may be required. Please also notify us.

Data Protection Notice

To enable us (Protection Life) to record, process and use your personal information, we may disclose relevant details to:

• Organisations connected to, and contractors working for Protection Life
• Fraud prevention agencies (details of the agencies we use are available on request). To assist with claims administration, personal information may be passed to these agencies.
• Our appointed re-insurers (details are available on request)
• Anyone to whom you authorise us to disclose your information.
• Comply with any requirements imposed by law or regulatory body

We will only hold your personal information for as long as necessary to administer and manage your insurance policy and comply with any legal or regulatory obligations we have.

We will update your records when you advise us that your details have changed. We will ensure that there are sufficient safeguards in place to protect your personal information. Under the Data Protection Act, you can ask in writing for a copy of the information we hold about you. Send your request to Protection Life Company Limited, 14-18 Cadogan Street, Glasgow, G2 6QN. A fee is normally payable for this service.