Summary of the terms of the Scheme

The following is a summary of the terms of the proposed transfer (the "**Transfer**") of whole of the business of Chesnara Life (UK) Limited ("**Chesnara Life**") including all Chesnara Life policies (apart from a small number of excluded policies) to Countrywide Assured plc ("**Countrywide**") (the "**Scheme**").

You can view the full Scheme document, which contains detailed technical information, on our website at www.chesnaralife.co.uk/partviitransfer.

Transfer of business

If the High Court of Justice of England and Wales (the "**Court**") approves the Scheme, on 31 May 2027 (the "**Effective Date**"), Chesnara Life will transfer the whole of its business (the "**Transferring Business**") (which includes all insurance policies written by Chesnara Life save for the small number of excluded policies) (the "**Transferring Policies**") to Countrywide. This means that from the Effective Date, Countrywide will be the insurer of the Transferring Policies and will be responsible for them, instead of Chesnara Life.

Rights and Obligations under the Transferring Policies

On the Effective Date, Countrywide will acquire all the rights, benefits and powers of Chesnara Life in relation to the Transferring Policies. To the extent described in the Scheme, the holders of the Transferring Policies will be entitled to the same rights, benefits and obligations with Countrywide as they had with Chesnara Life, before the Scheme took effect.

In respect of the Transferring Policies which are valued by reference to investments selected by the policyholder, the investment offering currently available to policyholders will be maintained by Countrywide. Further, the value of the Transferring Policies will remain the same as immediately prior to the Transfer.
In addition to the Transferring Policies, certain contracts of Chesnara Life (including external reinsurance contracts) (the "**Business Contracts**") will also transfer. This will include Business Contracts to allow continued access to and transactions in investments. Following Transfer, these contracts will be between Countrywide and the relevant third party to those contracts.

Each of the Transferring Policies and Business Contracts will take effect on and from the Effective Date as if they had been made with Countrywide instead of Chesnara Life.

Replacement policies or policies with options

If you have a policy which has an option or other right which entitles you to take out a new, additional or replacement policy you will still be able to exercise any such option or right after the proposed transfer has taken effect. However, if your new insurer, Countrywide, is not issuing the exact policies that your current insurer would issue if you exercised this option or right prior to the proposed transfer taking effect it may offer you the nearest equivalent policy that it is then providing its customers. In offering policyholders the nearest equivalent policy, the board of directors of Countrywide must be satisfied that this will not have a material adverse effect on policyholders or treat them unfairly, and will not lead to policyholders incurring an increase in tax liability.

Residual Policies

There may be a small number of policies which do not transfer to Countrywide on the Effective Date ("**Residual Policies**"). This may be because the Court refuses to transfer the policy, because the Court does not have the jurisdiction to transfer the policy, or because Countrywide and Chesnara Life agree to delay the transfer of such a policy. We do not expect there to be any Residual Policies.

Any Residual Policies will transfer to Countrywide if it becomes possible to transfer them at a later date. If this is the case, these policies will be dealt with in the same way as if they transferred to Countrywide on the Effective Date.

If we are unable to transfer a Residual Policy, we will treat these policies for all practical purposes the same way as if they had been transferred to Countrywide by way of a reinsurance arrangement between Countrywide and Chesnara Life.

Data Protection

Under the Scheme, Countrywide will take over the rights, obligations and liabilities of Chesnara Life in respect of personal data which:

- relates to the Transferring Business; and
- is controlled by Chesnara Life;
- is subject to the relevant data protection legislation.

This means that Countrywide will become the data controller of this information and will be subject to the same duty to respect the confidentiality and privacy of such information as Chesnara Life was as data controller. As the new data controller, Countrywide will use any personal data in the same way as Countrywide.

The Scheme also means that any consents provided by a person to Chesnara Life in respect of data protection will be binding on Countrywide in the same way.

Continuity of legal proceedings

The Scheme allows, to the extent described in the Scheme, for any legal proceedings or applications to any authority that are pending by or against Chesnara Life in respect of the Transferring Business, the Transferring Policies and the associated assets and liabilities to be continued by or against Countrywide instead of Chesnara Life.

If there are any legal proceedings or applications to any authority pending by or against Chesnara Life in relation to Residual Policies, such proceedings or applications will be continued by or against Chesnara Life, if and until the Residual Policies transfer to Countrywide.

Under the Scheme, liabilities arising in relation to any mis-selling or any historic administration errors in relation to the underwriting or administration of the Transferring Policies will also transfer to Countrywide as a part of the proposed transfer.

Mandates and other instructions

From the Effective Date, all premiums attributable to the Transferring Policies will be payable to Countrywide. Any mandates (including, where applicable, direct debits) or instructions relating to amounts payable in respect of the Transferring Policies will take effect, on the Effective Date, as if made to Countrywide.

In the case of Residual Policies, premiums will be payable Countrywide following the date on which the relevant Residual Policy is transferred under the Scheme.
Any mandates, including direct debits, standing orders, or other instructions or authorities in respect of the Transferring Policies will, on the Effective Date, take effect as if made to Countrywide.

Costs and Expenses

All costs associated with the Scheme will be borne by Countrywide and will not be passed onto policyholders.

Effective Date

The Scheme is proposed to become effective on 31 May 2027 at 23:59 GMT in accordance with an order of the Court, or on such other time and date as the parties may agree. Unless the Scheme becomes operative in its entirety on or before 23:59 on 31 August 2027 (or such later date and/or time as the Court may permit), the Scheme will lapse.

Modifications to the Scheme

Once the Scheme has been sanctioned, Countrywide may apply to the Court for its consent to amend the terms of the Scheme provided the FCA and PRA have been notified and have the right to be heard at any Court hearing. Consent is not required for any amendments which are minor, technical or required due to a change in law or regulation.

Governing Law

The Scheme is governed by and construed in accordance with English law.