



Resolution completes its acquisition of Swiss Life UK and integrates it with R&SA Life to form a new business called Phoenix Life Group

Resolution Life Group (Resolution), the largest consolidator of UK closed life funds, announces the integration of the former Royal & Sun Alliance UK life business (R&SA Life) and Swiss Life (UK) plc (Swiss Life UK) into one business called Phoenix Life Group (Phoenix). This follows completion of Resolution's acquisition of Swiss Life UK from Swiss Life Group.

Phoenix Life Assurance is one of the companies within the Resolution Life Group, and was formed in 1782.

- The £205 million acquisition of Swiss Life UK has now completed and follows Resolution's £850 million acquisition of R&SA Life in September 2004.
- Swiss Life UK and R&SA Life are being merged into a single business called Phoenix Life Group. All R&SA Life and Swiss Life UK policies will be re-branded Phoenix.
- On behalf of Resolution, Phoenix will manage closed funds with over £25 billion worth of assets and serve 2.25 million policyholders with more than 3 million in-force policies.
- As part of this reorganisation, Swiss Life UK's head office in Sevenoaks will close and its functions be moved to a new combined operation in Liverpool.
- Swiss Life UK customers will be managed in the same way as those of R&SA Life. This is consistent with Resolution's belief that policyholders in closed life funds deserve to be treated as fairly as those in open life funds. Examples of action taken with R&SA Life are the state second pension initiative, announced on 13th February 2005, and the customer-friendly approach to with-profits bond 10th anniversary guarantees, announced on 20th November 2004.
- All Swiss Life UK policyholders are being mailed to inform them of the change and the plans for the business. Policy conditions, premium payment arrangements and policyholder contact points will not be changed as a result of the acquisition and integration.
- Life company brands that will be managed by Phoenix include Royal Life, Sun Alliance, Phoenix, Swiss Life UK, Pelican, Royal Heritage, Lloyds Life of London, Bradford and Property Growth Assurance, Pioneer Mutual, Pioneer Life, Blackburn Assurance, New Windsor and Miners Loyal Endeavour.

Clive Cowdery, CEO of Resolution, commented: "Forming a single business brings synergies and the benefits of increased scale. This allows seller, policyholder and investor interests to align as a result of positive closed life fund transactions."

For further information please contact:

Resolution Life Group +44 (0)20 7489 4880
Sir Brian Williamson
Clive Cowdery

Temple Bar Advisory +44 (0)7795 425580
Alex Child-Villiers

www.resolutionlifegroup.com

Management team

Keith Greenfield, previously the Managing Director of the R&SA Life business, has been appointed Managing Director, Phoenix. Keith will report to Clive Cowdery, Resolution's Chief Executive Officer.

Keith's executive team have also been appointed:

- Roger Craine as Finance Director
- Mike Kipling as Chief Actuary
- Patrick McDonnell as Legal, Risk and Compliance Director

In addition, Fiona Matthews has been appointed Managing Director of Resolution Life Services Limited reporting to Resolution Chief Operating Officer, Brendan Meehan.

All other appointments to the new organisation will be made within 30 days.

Customer Services outsourcing contract

Resolution has extended its existing outsourcing contract with (Unisys Insurance Services Limited) UISL for the processing and administration of life and pension policies, to include 750,000 Swiss Life UK policies, which has an estimated value of £50 million (US\$90m) based on projected volume over the first 10 years.

Part of this agreement entails higher levels of customer service, including the establishment of a new customer support unit to offer enhanced support and access to information to customers with particularly technical questions.

Re-branding

As part of the Phoenix re-branding programme, policyholders will start to see the new Phoenix branding from April 18th. The new Phoenix logo (laid out below) has been designed to replicate the core blue and red Resolution colours.



R&SA Life policyholders were informed about the creation of Phoenix as part of the change of control mailing that took place in October 2004. Swiss Life UK policyholders will be informed of the changing name as part of their mailing which will take place later this month.

Investment Funds

With effect from 1 July the majority of the Swiss Life UK funds under management will move from their current manager, King and Shaxson, to F&C Asset Management plc, the principal fund manager for R&SA Life's assets.

Notes to Editors

Resolution

Resolution was formed in 2004 for the sole purpose of buying and running closed UK life funds. Acting as an industry utility, it aims to offer a market-based solution to the uncertainties facing savers in closed funds, based on aligning the interests of savers, owners of closed funds and long-term investors. Resolution is backed by institutional investors, including pension funds, life assurance funds, and investment trusts and funds. This group has a long-term investment approach, which is suited to an orderly run-off of closed life books.

Unisys

Unisys is a worldwide information technology services and solutions company. Our people combine expertise in consulting, systems integration, outsourcing, infrastructure and server technology with precision thinking and relentless execution to help clients, in more than 100 countries, quickly and efficiently achieve competitive advantage. For more information, visit www.unisys.com.

UISL

UISL is one of the largest insurance administration utility in the United Kingdom. With this contract, UISL will now manage 4.2 million policies in total for its clients.

F&C Asset Management

F&C Asset Management plc is a top five investment company quoted on the London Stock Exchange, with £124.8bn funds under management as at 31 December 2004.