



Dear Intermediary

Sale of Abbey's Life Businesses to Resolution plc

Abbey announced in June its intention to sell its life businesses to Resolution plc and completion of the deal is scheduled to take place on 1st September 2006. The Irish Financial Regulator is aware of this transaction.

So, from this date Scottish Mutual International plc, Scottish Provident Limited, Scottish Mutual Assurance plc, Scottish Provident International Life Assurance Ltd (SPILA) and Abbey National Life plc will transfer ownership to Resolution.

Who is Resolution?

Resolution plc is the largest specialist manager of in-force UK life funds in the UK with approximately 5 million customers and life company assets of approximately £35 billion (as at 31 December 2005). It was established in September 2005 following the merger between Britannic Group plc and Resolution Life Group Limited.

More information can be found at www.resolutionplc.com

Is there any update to our Terms of Business?

On completion of the sale your relationship will continue with Scottish Mutual International plc, which will later this year become known as Scottish Mutual International Limited. Renewal commission terms remain unchanged.

What is the impact on existing policyholders?

There is no change to the benefits, features or terms and conditions of your clients' policies as a result of the sale.

Continuity of service is paramount. In the months since the announcement, Abbey has been working in partnership with Resolution to make sure that customers' needs continue to be maintained throughout this period. Furthermore, it firmly believes that Resolution has the expertise, strength and focus to manage the life businesses going forward.

What happens next

In September we will be writing to all our policyholders to let them know about the sale and to reassure them that they do not need to take any action. We will, however, highlight some With Profit changes of which policyholders should be aware and which we believe will benefit them. You will be able to see these letters on our website from 1 September: www.smi.ie.

Who should I contact if I have any questions?

Our customer helpdesk is available in the normal way. Please contact info@smi.ie or by telephone on +3531 8044000 (10:00 to 16:00 local time).

We would like to take the opportunity to thank you for your ongoing support and look forward to continuing to be of service to you and your clients in the future.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Niall Gallagher', written in a cursive style.

Niall Gallagher
Managing Director