

# Equitable Life Trapped Annuitants (ELTA)

## WITH PROFITS ANNUITANTS QUESTIONNAIRE.

Please complete one form for each separate annuitant.

If the annuitant has multiple annuities, please complete only one form,

Where applicable, joint annuitants should indicate both names.

|                  |                        |
|------------------|------------------------|
| Name             |                        |
| Address          |                        |
| Telephone number | E-mail (if available). |

| Policy Number<br>(If you do not wish to give the Policy Number, then just enter Policy 1, Policy 2, etc.) | Start Date<br>(The date when the first annuity payment was made.)<br>(DD/MM/YYYY) | Approximate Amount Invested<br>(This is the amount of money you paid to buy the annuity and excludes any Tax Free lump sum received.) | Anticipated Bonus Rate<br>You will find this information on the Policy schedule |
|---|---|---|---|
| 1   |   |   |   |
| 2   |   |   |   |
| 3   |   |   |   |
| 4   |   |   |   |
| 5   |   |   |   |
| 6   |   |   |   |
| 7   |   |   |   |
| 8   |   |   |   |
| 9   |   |   |   |
| 10  |   |   |   |
| 11  |   |   |   |
| 12  |   |   |   |

1) Did the funds invested in your WPA come from: Tick any

|   |  |
|---|--|
| i) A savings pension policy with Equitable?       |  |
| ii) Or were they transferred from another source? |  |

2) Did you go to Equitable originally to buy a: Tick any

|   |  |
|---|--|
| i) With Profits annuity                             |  |
| ii) Level Guaranteed annuity                        |  |
| iii) Guaranteed Fixed percentage increasing annuity |  |
| iv) Index Linked annuity                            |  |

|  |        |
|--|--------|
| 3) Were you given a quotation for a fixed annuity as well as a WPA                 | Yes/No |
| 4a) Can you remember how the two compared as starting annuities in the first year? | Yes/No |
| 4b) If Yes, was the WPA quotation higher than the fixed annuity quotation?         | Yes/No |

5) Would you describe the Representative as trying to persuade you that the WPA option was the best?

|               |          |                      |            |
|---------------|----------|----------------------|------------|
| Very strongly | Strongly | Neither one or other | Not at all |
|               |          |                      |            |

6) Did he point out the advantages of a risk free fixed annuity as an alternative?

|               |          |                      |            |
|---------------|----------|----------------------|------------|
| Very strongly | Strongly | Neither one or other | Not at all |
|---------------|----------|----------------------|------------|

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|--|--|--|--|

One of the problems that caused the fiasco at Equitable Life was the so-called GAR issue. GAR stands for Guaranteed Annuity Rate and it was offered to potential annuitants before 1989. It is a very attractive option but in today's financial climate completely unsupportable by the Society. Hence our problem!

|   |        |
|---|--------|
| 7) Did the Representative use words such as: "I am putting my mother into it"?  | Yes/No |
| 8) Did you understand that the level of the annuity could go below the starting level?  | Yes/No |
| 9) Did the Representative mention the GAR liability to you?   | Yes/No |
| 10) Did the Representative explain the GAR liability to you?  | Yes/No |
| 11) Did the Representative explain that in taking a With-Profits annuity with the Society, that the Society had in fact transferred the investment risk from them to you?                     | Yes/No |
| 12) Did the Representative explain that the Society had a substantial investment deficit as a result of its GAR liability?  | Yes/No |
| 13) Did the Representative explain that your annuity was not Ring Fenced in the conventional sense of an annuity and could be used to meet the liability of the Society to its other members? | Yes/No |
| 14) Did you think that the Compromise Deal meant that your annuity was now safe and likely to remain at least level?  | Yes/No |
| 15) Did you understand the communication of the Society about reductions to your annuity that were sent out in November 2002 and January 2004?  | Yes/No |

16) Did you understand that the annuity was divided into two parts?

|  |        |
|--|--------|
| a) A Guaranteed annuity, which went down each year by the rate of bonus you had anticipated but increased by the Declared Bonus rate announced by the Society? | Yes/No |
| b) A Final Bonus Annuity, which depended on the total return on the With Profits fund, but which could be removed at any time?                                 | Yes/No |

|   |        |
|---|--------|
| 17a) Did you realise that the annual Declared Bonus Rate could be less than your Anticipated Bonus Rate even when the Total Return on the WP fund was greater than the Anticipated Bonus Rate?  | Yes/No |
| 17b) Were you warned that the annual Declared Bonus Rate could be less than your Anticipated Bonus Rate even when the Total Return on the WP fund was greater than the Anticipated Bonus Rate?? | Yes/No |
| 18) Did you understand that whenever this happened (see above) the proportion of your annuity in the unguaranteed category would increase even when the total annuity increased?                | Yes/No |
| 19) Were you made aware of the fact that the ratio of declared bonus to total return was entirely at the discretion of the Directors?   | Yes/No |

If you took out your WPA before June 1996 you probably had a Guaranteed Interest Rate of 3.5% built into your WPA policy. These are known as GIR annuities. For GIR annuitants only, please answer questions 20 through 24. For all other With-Profits annuitants, that is those that took their annuities after July 1996, please go to question 25.

#### So for GIR annuitants ONLY

|  |        |
|--|--------|
| 20) Did you know that you had purchased a GIR type annuity?  | Yes/No |
| 21) Do you understand what a GIR annuity is?   | Yes/No |
| 22) Did you realise that your Total Return for a Level Annuity had been increased by 3.5% to cover this?   | Yes/No |
| 23) Did you realise that the hurdle rate, that is the total return on the WP fund, required to keep your annuity level was therefore 3.5% more than the Anticipated Bonus rate you had chosen? | Yes/No |
| 24) Did you notice that the declared bonus rate applied to your annuity was decreased by 3.5% after 1996?  | Yes/No |

#### General Questions

|   |        |
|---|--------|
| 25) Have you already complained to Equitable?   | Yes/No |
| 26) Have you any comments on their replies to your complaint?   | Yes/No |
| 27) Did the Society the words “On the balance of probabilities we must accept our Representative’s version of what was said”? | Yes/No |

28) Have you followed up a rebuff from Equitable with a complaint to:

|  |        |
|--|--------|
| i) The Financial Ombudsman Service (FOS)   | Yes/No |
| ii) The Financial Services Authority (FSA) | Yes/No |
| iii) Your MP?                              | Yes/No |
| iv) Penrose Enquiry?                       | Yes/No |
| v) Personal Investment Authority (PIA)     | Yes/No |
| vi) Others (please detail.)                | Yes/No |

29) Please attach a separate sheet if you wish to expand on the treatment of your complaint.

30) If you have done so would you like to comment on the result?

31) What do you think ELTA should do next?

|  |        |
|--|--------|
| i) Do nothing?   | Yes/No |
| ii) Work closely with the other action groups?   | Yes/No |
| iii) Lobby our MPs, the Society, the FSA etc more aggressively?                        | Yes/No |
| iv) Wait for Penrose?  | Yes/No |
| v) Set up a fighting fund for greater publicity for the WPAs special issues and needs? | Yes/No |
| vi) Set up a fund for legal advice and action?   | Yes/No |
| vii) Other actions (please detail.)  | Yes/No |