

Financial Services Authority

Direct line: 020 7066 9652
Local fax: 020 7066 9798
Email: mark.conlon@fsa.gov.uk



Catherine McRoberts
Associate
Lovells LLP
Atlantic House
Holborn Viaduct
London
EC1A 2FG

30 August 2007

Our Ref: RDD/transfers/mc/110340

Your Ref:

Dear Catherine,

Insurance Business Transfer Scheme: Proposed transfer from The Equitable Life Assurance Society to The Prudential Assurance Company Limited (Project Dundee)

I refer to your emails of 30 August 2007 which attached clean versions of the Policyholder Circular, the Summary of the Scheme and the Independent Expert's Report, the Key Features Document, the Q&As, covering letters 1-7 and the special cases schedule, the independent expert's report and the Legal Notice.

Pursuant to section 109(3) of the Financial Services and Markets Act 2000 the Financial Services Authority ("FSA") approves the form of the scheme report prepared by the independent expert in respect of the above transfer scheme.

On the basis of information currently available to the FSA, the FSA does not intend to object to the proposed transfer scheme. However, as you are aware, the FSA will continue to review relevant information as the process continues to ensure that the intention not to object remains consistent with its regulatory objectives.

In particular, you will be aware that in July 2004, the Parliamentary Ombudsman announced her intention to conduct a further investigation into the prudential regulation of Equitable Life. Section 7(2) of the Parliamentary Commissioner Act 1967 requires that any investigation conducted by the Parliamentary Ombudsman shall be conducted in private. Section 11(2) of the same Act prevents disclosure of any information obtained by the Parliamentary Ombudsman during any investigation that she conducts other than through her final report or for the purposes of the investigation. The FSA is not able therefore to disclose details about the way in which the investigation is being conducted or any information that the Ombudsman might be considering.

With reference to regulation 3(3)(a) of the Financial Services and Markets Act (Control of Business Transfers) (Requirements on Applicants) Regulations 2001, the FSA approves the

Policyholder Circular, the Summary of the Scheme and the Independent Expert's Report, the Key Features Document, the Q&As, covering letters 1-7 and the special cases schedule, and the Notice to be placed in the Gazettes and UK national newspapers.

Yours sincerely

A handwritten signature in cursive script, appearing to read 'Mark Conlon', written in dark ink.

Mark Conlon
Regulatory Decisions Department