

Scheme Summary

A notice to owners of life policies issued by AIA Australia Limited ABN 79 004 837 861 (**AIAA**) and Resolution Life Australasia Limited ABN 84 079 300 379 (**Resolution Life**).

AIAA and Resolution Life are making an application to the Federal Court of Australia (**Federal Court**) for confirmation of a Scheme to transfer the superannuation and investments (**S&I**) life insurance business of AIAA to Resolution Life on and from 1 July 2023 under Part 9 of the *Life Insurance Act 1995* (Cth) (**Life Act**). The transferring life insurance policies are the risk and investment life policies referable to AIAA's S&I business, which are in-force or which have expired but under which benefits remain payable or a person has a guaranteed renewal right. The AIAA life policies proposed to be transferred under the Scheme are the policies issued under the products listed in the **Annexure** on page 6 – you should refer to this list to see if your policy is being transferred.

We refer to this transaction as the '**Scheme**' throughout this document.

The Federal Court must first confirm the Scheme under the Life Act before the transfer of the S&I life insurance business from AIAA to Resolution Life can go ahead.

This Scheme Summary outlines the key details of the Scheme, and how it will affect you.

About this Scheme Summary

This Scheme Summary explains:

- > the proposed transfer of the S&I life insurance business from AIAA to Resolution Life;
- > the transfer process under the Scheme;
- > your rights as a policy owner;
- > how the proposed transfer will affect you; and
- > other aspects of the Scheme that you should know about.

A copy of this Scheme Summary is required to be given to each affected policy owner. It has been approved by the Australian Prudential Regulation Authority (**APRA**) for the purpose of AIAA and Resolution Life making an application to the Federal Court for confirmation of the Scheme.

What happens if the Scheme proceeds?

The Scheme involves transferring all of AIAA's S&I life insurance business to Resolution Life.

If the Federal Court confirms the Scheme, then on and from the effective date of the Scheme:

- > each transferring AIAA life policy, being certain life policies referable to AIAA's Statutory Fund No.1 and each of the life policies referable to AIAA's Statutory Funds No.1L, No.2L and No.4, will become a Resolution Life life policy referable to the corresponding statutory fund of Resolution Life, as shown in the table below:

AIAA Statutory Fund Number	Resolution Life Statutory Fund Number
Statutory Fund No.1	Statutory Fund No.1
Statutory Fund No.1L	Statutory Fund No.3
Statutory Fund No.2L	Statutory Fund No.2
Statutory Fund No.4	

- > Resolution Life will acquire AIAA's rights and assume AIAA's liabilities and obligations (including the obligation to pay benefits) in respect of the transferring AIAA life policies.

The AIAA life policies that will be transferred under the Scheme are the policies issued under the products listed in the **Annexure** on page 6.

Your rights as a policy owner

As a policy owner affected by the Scheme, you have the right to **attend the Federal Court hearing and to request to be heard on the application for confirmation of the proposed Scheme.**

The Federal Court hearing will be heard in Sydney at the Law Court's Building located at Queen's Square on 31 May 2023. If you wish to be heard at the hearing, you may contact the lawyers for AIAA, Ashurst, Level 16, 80 Collins Street, Melbourne VIC 3000 (Tel: 03 9679 3000) or Resolution Life, Herbert Smith Freehills, Level 34, 161 Castlereagh Street, Sydney NSW 2000 (Tel: 02 9225 5000).

You are not required to take any action if you have no objection to the proposed Scheme. However, it is in the interests of policy owners to examine the Scheme document and the actuarial reports so as to assure themselves that the Scheme, if confirmed, will not adversely affect their interests.

Accessing the Scheme documents

You can view the Scheme document and the actuarial reports regarding the Scheme on our websites at:

- www.aia.com.au/part9scheme; and
- www.resolutionlife.com.au/aia-transfer.

You can request a copy of the Scheme document and the actuarial reports by contacting:

- **AIAA** on **1800 879 078** or emailing supportpart9@aia.com; and
- **Resolution Life** on **133 731** or emailing AIAtransfer@resolutionlife.com.au.

You can also visit in person to view the Scheme document and actuarial reports, or to collect a copy of the Scheme document free of charge. Viewing centres in each State and Territory are outlined below and will be open between 9am and 5pm, Monday to Friday from 23 March 2023 to 14 April 2023, inclusive (except public holidays in the relevant State or Territory).

ACT

Chamberlains Law Firm
Level 8, 224 Bunda Street
Canberra, Australian Capital Territory 2601.
Contact: Reception

NSW

Herbert Smith Freehills
Level 34, ANZ Tower, 161 Castlereagh Street,
Sydney, New South Wales 2000.
Contact: Reception

NT

HWL Ebsworth
Level 9, Mitchell Centre
59 Mitchell Street
Darwin, Northern Territory 0800.
Contact: Reception

QLD

Herbert Smith Freehills
Level 31,480 Queen Street,
Brisbane, Queensland 4000.
Contact: Reception

SA

DMAW Lawyers
Level 10, 81 Flinders Street
Adelaide, South Australia 5000.
Contact: Reception

TAS

Dobson Mitchell Allport Lawyers
59 Harrington Street,
Hobart, Tasmania 7000.
Contact: Reception

VIC

Herbert Smith Freehills
Level 24, 80 Collins Street
Melbourne, Victoria 3000.
Contact: Reception

WA

Ashurst
Level 10, Brookfield Tower 2,
123 St Georges Terrace,
Perth, Western Australia 6000.
Contact: Reception

How will my policy be affected?

Transferring AIAA life policy owners

If the Scheme is confirmed by the Federal Court, then all rights and liabilities under your AIAA life policy will be transferred to Resolution Life and in particular, to Resolution Life's Statutory Funds No.1, No.2 or No.3. This means that your AIAA life policy will become a Resolution Life life policy.

Resolution Life will be responsible for administering your policy and paying any claims and meeting all other obligations arising under your policy. Any premiums will also be payable to Resolution Life, but you won't have to change your payment arrangements – this will happen automatically.

Your policy's terms and conditions will remain the same, other than:

- a change to the insurer of your policy (that is, Resolution Life will replace AIAA);
- a change to the relevant statutory fund (that is, your policy will become referable to Resolution Life's Statutory Fund No.1, No.2 or No.3, as described in the section 'What happens if the Scheme proceeds?', above);
- for certain term life, disability income, trauma and life insurance policies, inclusion of a right for Resolution Life to make changes to the policy terms and insurance benefits provided under the policy but only where there is no adverse impact on policy owners or other insured persons. The AIAA life policies that will be subject to this change are the policies issued under the products listed in the **Annexure** on page 10; and
- for certain insurance bond and allocated annuity policies, inclusion of a right for Resolution Life to make changes to the unit pricing used for transactions, to change from historical pricing to forward pricing. The AIAA life policies that will be subject to this change are the policies issued under the products listed in the **Annexure** on page 10.

Remaining AIAA policy owners

If you are an AIAA life policy owner with a policy referable to Statutory Fund No.1 that is not transferring under the Scheme, then your policy's terms and conditions will remain the same.

Resolution Life life policy owners

If you are a Resolution Life life policy owner, then your policy's terms and conditions will remain the same.

Why are we proposing the Scheme?

AIAA and Resolution Life are registered life insurance companies under the Life Act. AIA Group Limited and Resolution Life Group Holdings L.P. are the ultimate parent companies of AIAA and Resolution Life respectively.

While AIAA has a material portfolio of S&I policies, AIAA's strategy for the future is to be the leading life, health and wellness provider in Australia, rather than an underwriter of S&I life insurance business.

In comparison, Resolution Life's focus is to add to its existing portfolios of life insurance business, which includes a large, existing portfolio of S&I business. Resolution Life aims to provide a long-term home and customer focused service to policy owners with policies such as the S&I business proposed to be transferred.

Given the differing strategic focus of each company, on 23 February 2022, Resolution Life and AIAA entered into an agreement whereby Resolution Life would purchase the S&I life insurance business from AIAA subject to first obtaining the required statutory approvals (including confirmation of the Scheme by the Court). The Scheme is intended to give effect to the transaction.

Both AIAA and Resolution Life believe that the Scheme is in the interests of policy owners, and will allow the transferring AIAA policy owners to benefit from Resolution Life's investment portfolio scale, dedicated focus on customers, and its ongoing investment in customer service technology, including digital infrastructure.

The actuaries' opinions

The Scheme is based on actuarial reports prepared by Mr Jeroen van Koert and Mr Greg Martin, the appointed actuaries of AIAA and Resolution Life respectively, and Mr David Goodsall, an independent actuary.

Impact on AIAA life policy owners

Mr Jeroen van Koert has formed the opinion that the Scheme will not materially prejudice the transferring AIAA life policy owners nor the remaining AIAA policy owners, in particular:

- > the Scheme will not adversely impact the contractual benefits and rights of the transferring AIAA life policy owners or the contractual benefits and rights of the remaining AIAA policy owners;
- > the Scheme will not adversely impact the reasonable benefit expectations of the transferring AIAA life policy owners or the reasonable benefit expectations of the remaining AIAA policy owners; and
- > the security of the transferring AIAA life policy owners' and the remaining AIAA policy owners' benefits will continue to be appropriate post the Scheme.

Impact on Resolution Life life policy owners

Mr Greg Martin has formed the opinion that as a result of the Scheme, for the Resolution Life life policy owners:

- > there will be no change to the existing Resolution Life life policy owners' contractual benefits and rights as a result of the Scheme;
- > there will be no impact to the reasonable benefit expectations of the existing Resolution Life life policy owners as a result of the Scheme, in fact, for the policies that have benefits linked to underlying investment performance, as for the similar transferring AIAA life policy owners, the increase in scale of Resolution Life's overall investment portfolio provides enhanced opportunities for investment risk-return and investment management cost outcomes for these policy owners;
- > in terms of the policy owners' benefit security, Resolution Life will remain in a sound financial position and the existing policy owners' benefit security will remain adequate after the Scheme; and
- > there are no material disadvantages for the existing Resolution Life life policy owners as a result of the Scheme.

Findings of the Independent Actuary

AIAA and Resolution Life have also appointed an independent actuary, Mr David Goodsall of Synge & Noble, who has concluded that, in respect of the AIAA life policy owners and the Resolution Life life policy owners:

- > the changes to policy terms and conditions contained in the Scheme will not materially adversely affect the contractual rights or benefits of policy owners of AIAA or Resolution Life;
- > there will not be any material adverse impact on reasonable benefit expectations of policy owners of AIAA and Resolution Life;
- > the security of policy owner benefits for policy owners of both AIAA and Resolution Life is maintained; and
- > the Scheme will not materially prejudice the interests of policy owners of AIAA or Resolution Life.

The actuarial reports of Mr Jeroen van Koert, Mr Greg Martin and Mr David Goodsall are available for you to inspect. Please see "Accessing the Scheme documents" section on page 2 for details.

Frequently asked questions (FAQs)

When will the Scheme take effect?

If the Scheme is confirmed by the Federal Court, unless the Federal Court selects a different date, it is expected that the Scheme will take effect on and from 1 July 2023.

What changes will I notice?

For transferring AIAA life policy owners, you may notice a change to the reference that appears on your bank statements, and future communications sent to you about your policy will be issued by Resolution Life.

Will I be issued a new policy document?

No, your existing policy document will still be valid.

Who is paying for the Scheme?

The costs associated with the Scheme will be paid by AIAA and Resolution Life. Policy owners of AIAA and Resolution Life will not incur any of those costs.

Who has considered the Scheme?

The Scheme has been considered by several different groups including the appointed actuaries of AIAA and Resolution Life and an independent actuary, as well as APRA.

Do you have any questions?

Please contact us on 133 731 or email us at AIAtransfer@resolutionlife.com.au if you have any questions or feedback about the Scheme.

Annexure – List of Products

AIAA transferring life policies

Summary Product Type	Mailing Product Name	Product Code
Allocated annuity	Tailored Annuity Plan - Allocated Annuity	ALLANN
	Tailored Annuity Plan - Allocated Annuity (Free Entry Option)	ALLANN
	Allocated Annuity	AAP01
Allocated pension	PensionSelect	SA
	Living Money	E07, E08
	Retirement Plus Account	FA3, FB3
	Flexible Income Retirement Plan	PRUFIRP
	Select Allocated Pension	PRUAP, PPAP
Deferred annuity	Rollover Bond	DA, DC, E05, E06, E10, EA3, EB3, EC3, EF3, RBP01
	Rollover Fund	EA, EV
	SuperBridge	DEFANN
	SuperBridge - New Series	DEFANN
	SuperBridge - Investment Linked	DEFANN
	SuperBridge - Series III	DEFANN
	SuperBridge - Series IV	DEFANN
	SuperSpan Plus Series IV	DEFANN
	SuperCash	DEFANN
	SuperSpan II	DEFANN
	SuperSpan II Multi Option	DEFANN
	SuperSpan - Limited Offer	DEFANN
	SuperSpan (Limited Offer) Multi Option	DEFANN
	SuperSpan Plus	DEFANN
	SuperSpan Plus Series III	DEFANN
	SuperSpan Plus Series IV	DEFANN
	Rollover Plan	DEFANN
	Rollover Plan "S" Series	DEFANN
	Deferred Annuity	DEFANN
	Rollover Plan Goldseal	DEFANN
Rollover Deferred Annuity	DEFANN	

Summary Product Type	Mailing Product Name	Product Code
	Rollover Deposit Plan	E09
Immediate annuity	Lifestream Guaranteed Income	B01, B02, B04, B05, B09, B20, F01, F02, F07, F08, F09, F20
	Tailored Annuity Plan	B10, B12, B15, B17, B19, F10, F12, F15, F17, F19
	Immediate Annuity - ex Staff Fund	F04
	Tooth & Co annuity (complying)	F06
	Income Plan	AC, AU
	Income Select	AI, AR
Life Insurance Bond	Investment Bond	BOND, AA3, AF3, AH3, SB3, AG3, IBP01
	InvestorPlan	IBCYP
	Lifebuilder	IBCYP
	Wealth Portfolio	IBCYP
	Money Plan	SA3
	Life Umbrella	S03
	Savings Plan	SPP01
	Umbrella Investment Plan	T10
	Umbrella Financial Plan	T11, T12
	Investment Growth Bond	A01, A02, A03, A04, A05
	Easy Saver	EASYSAVER
	Easy Saver Plus	EASYSAVER
	LifeLink	LIFELINK
	LifeLink Plus Series 2	LIFELINK
	LifeLink Plus Series 3	LIFELINK
	LifeWise Series 4	LIFEWISE4
	LifeWise Series 5	LIFEWISE5
	Managed Investment Plan	MANAGEDP
	Managed Savings Plan	MANAGEDP
	Family Bonds	FH, FU
	Insurance Bonds	BH, BU
	Investment Growth Bond	A06
Personal Super	Personal Superannuation & Rollover Plan	SB, SH
	SuperSelect	MB
	Master Fund Superannuation	PRUES

Summary Product Type	Mailing Product Name	Product Code
	Superannuation Bond	CYPPS, ED3, EE3, EG3
	SuperFlex Superannuation	CYPPS
	Lifebuilder Superannuation	CYPPS
	Superannuation Bond "S" Series	CYPPS
	SuperPlan Superannuation	CYPPS
	Wealth Portfolio Superannuation	CYPPS
	PruPlan Superannuation "PruLink"	CYPPS
	PruPlan Superannuation	CYPPS
	PruPlan Plus Superannuation	CYPPS
	PruPlan Superannuation "Unit-Linked"	CYPPS
	Personal Superannuation Bond	E03, E04
	Retirement Investment Plan	W01
	Retirement Accumulation Plan	W02
	Life Umbrella Super	W03
	Money Plan Super	WA3
	Umbrella Investment Plan Super	X10
	Umbrella Financial Plan Super	X11, X12
	Select Personal Superannuation	ADFPS, MPPS, CMPS, SCPS, PRUPS
	Personal Superannuation Portfolio.	PSP
	Managed Investment SuperPlan	MANAGEDSP
	Managed Personal SuperPlan	MANAGEDSP
	Personal SuperCARE	SUPERCLU
	SuperGuaranteeCARE	SUPERCLU
	SuperUnits	SUPERCLU
	Retirement Saver Series 2	RETIREPLUS
	Retirement Saver	RETIREMENT
	Retirement Saver Plus	RETIREPLUS
	SuperLink	SUPERCLU
	SuperLink Plus Series 2	SUPERCLU
	SuperLink Plus Series 3	SUPERCLU
	SuperWise Series 4	SUPERWISE4
	SuperWise Series 5	SUPERWISE5
	SuperTrace Superannuation Fund (formerly SuperTrace Eligible Rollover Fund)	TRAC
Traditional	PruPac	C25

Summary Product Type	Mailing Product Name	Product Code
	Whole of Life With Profit	C01, C11, C20, I02, I07, I08
	Endowment With Profit	C02, C12, I04
	Pure Endowment With Profit	C03, C13
	Whole of Life Non Profit	C07, C17, C21, I01, IA3, IB3
	Endowment Non Profit	C08, C18, I03
	Pure Endowment Non Profit	C19, I05
	Privilege Plus	PRIV_PLUS
Traditional External	Whole of Life With Profit	G01, G11, N02
	Endowment With Profit	G02, G12, N06
	Pure Endowment With Profit	G13
	Whole of Life Non profit	G07, G17, N01
	Endowment Non Profit	G18
	Pure Endowment Non Profit	N05
	PruPac	G25
Traditional Super	PruPac	G25
	Whole of Life With Profit	G01, G11, G20, N02
	Endowment With Profit	G02, G12, N04
	Pure Endowment With Profit	G03, G13
	Whole of Life Non Profit	G07, G17, N01
	Endowment Non Profit	G08, G18
Trustee Bond	Retirement Investment Plan	W01
	Retirement Accumulation Plan	W02
	Private Trustee	W04
	Umbrella Investment Plan Super	X10
	Lifebuilder	IBCYP
	PruPlan Superannuation	IBCYP
	Investment Bond	BOND
	Superannuation Bond	IBCYP, E01, E02
	Superannuation Bond "S" Series	IBCYP
	SuperPlan Superannuation	IBCYP
	Wealth Portfolio	IBCYP
	Wholesale Investment Portfolios	PRUINO
	Personal Superannuation Bond	E03
	Business Super Bonds	SC
	Corporate Super Bonds	SD
	Managed Investment Super Plan – Corporate	MANAGEDXP

Summary Product Type	Mailing Product Name	Product Code
Risk policy	Protector Plus	PROT_PLUS
	Family Safe Plus	FS
	Disability Income Policy	DIP01
	Life Care Policy	LCP01
	Term Life Policy	TLP01
	Trauma Policy	TRP01

Changing AIAA transferring life policies

Policies changing to include a right to make changes

Risk policy	Family Safe Plus	FS
	Disability Income Policy	DIP01
	Life Care Policy	LCP01
	Term Life Policy	TLP01
	Trauma Policy	TRP01
	Protector Plus	PROT_PLUS

Policies changing to include a right to change to forward pricing

Allocated Annuity	Tailored Annuity Plan – Allocated Annuity	ALLANN (TA2E, TA2E+)
Life Insurance Bond	Investment Bond	BOND (IB4, IB4+)