

MEDIA & Web-site Q&A document - final

1. What has been announced today?

Resolution has acquired the majority of AXA UK's life assurance business covering corporate pensions, protection and annuities. This transaction is a logical next step in Resolution's restructuring project in the UK life and asset management sectors.

2. What exactly has Resolution bought?

Resolution is acquiring the majority of AXA's UK life assurance business covering corporate pensions, protection and annuities. The deal will lead to the creation of one of the market leading providers in the corporate pensions and protection markets in the UK. AXA UK also has a competitive annuity business that will enhance Friends Provident's offering in this market. AXA UK will add strength to Friends offerings in the individual pensions and retail bond markets.

3. Why is AXA UK prepared to sell this part of its business to Resolution?

AXA UK believes, as does Friends Provident, that consolidation is necessary and inevitable in the UK market in order to offer improved value to shareholders, customers and distributors. AXA's UK business is a good operational and new business fit with Friends Provident and the combination of the two businesses will create a market leading provider in the corporate pensions and protection markets in the UK.

4. Does this acquisition secure Friends Provident's future?

Friends Provident is a financially secure organisation with a strong IGD surplus. Our acquisition by Resolution in November 2009 meant our future was more secure. This acquisition offers integration possibilities that will lead to one of the market leading providers in the corporate pensions and protection markets in the UK.

5. Will you still be known as Friends Provident?

We are acquiring aspects of AXA UK's business but not the AXA UK brand. Once the two businesses have been integrated, we will be renaming our new look business, Friends Life. This is expected to happen in early 2011.

6. How much is the deal worth?

The consideration payable by Resolution is approximately £2.75bn.

7. When does Resolution expect to make its third acquisition?

Resolution's original anticipated timetable when it acquired Friends Provident was that further acquisitions would be made over roughly an 18 month period. This is still Resolution's expectation.

8. When do you expect this deal to complete?

The deal is proposed to take effect during September 2010 following the satisfaction of certain legal and regulatory conditions.

9. Why are you not buying AXA UK's wealth business?

We are acquiring those components of AXA's UK life and pensions business that offer the best operational and new business fit with Friends Provident's core markets of corporate pensions and protection. The combination of the two businesses will create one of the market leading providers in the corporate pensions and protection markets in the UK. We are only acquiring a minority part of the wealth management business, which does not fit with this strategy.

10. Is there any impact on Friends Provident International, Lombard, fpb AG or AmLife?

These businesses are unaffected by this acquisition. However a stronger more secure Friends Provident is good for all our businesses.

11. Where is the newly combined Resolution group likely to sit in the FTSE?

At present Resolution is a member of the FTSE 250 index having been relegated from the FTSE 100 in March 2010. The expectation is that, as further acquisitions are made, Resolution's market capitalisation will grow and its position in the FTSE ratings will increase, possibly to a level where it qualifies for membership of the FTSE 100 again. Membership of this index is reviewed quarterly.

12. When will you be announcing financial results?

Resolution plans to announce interim results on 18 August.

13. Do you expect your financial strength ratings to improve?

It is too early to predict what will happen to financial strength ratings. These depend on many factors. Friends Provident's current financial strength ratings from Moody's Standard & Poor's and Fitch are all within the A range.

14. Where will the new company fit in the Resolution structure?

Friends Provident Holdings (UK) Ltd is the company within the Resolution structure that will own both Friends Provident and the acquired AXA UK operations in the areas of protection, annuities and its corporate pensions business.

15. Will the Board change?

Trevor Matthews will remain Chief Executive Officer of Friends Provident Holdings (UK) Limited and the following changes to the board will take effect post completion:

- Evelyn Bourke will take on the new role of Executive Director of Strategy, Capital and Risk reflecting the elevation of risk to board level and we are conducting a search for a new Executive Director, Finance.

- David Hynam has been appointed Executive Director of Operations. Rocco Sepe remains Managing Director of International. Paul McMahon and Graham Harvey will be joining from AXA UK as Managing Director of Corporate and Managing Director of Individual respectively.
- Tony Brown, Managing Director of People and Change, and Richard Crouch, Director of Customer Operations, will report to David Hynam the new Executive Director for Operations.

Nathan Moss will continue in his role as Interim Managing Director of Friends Provident UK until completion.

16. As a result of this deal, how many customers will the combined group have?

Friends Provident has around 2.9 million customers and 3.7 million customers from AXA UK will be transferring across as part of this deal, bringing the total number to 6.6 million.

17. Will existing Friends Provident customers remain Friends Provident customers?

Yes. Their policy will continue to be administered by Friends Provident and we will continue to provide the same high levels of service and respond to your needs. We would like to assure customers that their policy terms and conditions are in no way affected by this acquisition.

18. Will your contact details be changing?

Please continue to use the contact details you are currently using. We will let you know if anything changes.

19. Can customers expect better returns on their policies?

There will be no impact on existing customer policies. Investment returns and with-profits bonuses will continue to be driven by market performance and investment strategy.

20. Can customers expect any shares or cash as part of this deal?

There will be no shares or cash awarded to our customers and / or shareholders as part of this deal.

21. What do shareholders need to do?

Shareholders need take no action until they are contacted by post or email.

22. Who will manage customers investments in future (F&C or another)?

There are no planned changes to the management of your investment as a result of this acquisition.

23. Do you have any plans to outsource or offshore your customer service operations as part of this deal?

There are no current plans to do this.

24. Will there be any change to your with-profits strategy?

There are no current plans to do this.

25. Will your customer service levels change at all?

We do not anticipate any change to service levels- its business as usual- and we are committed to providing the high level of service our customers have been led to expect and ensuring all our policy holders are treated fairly.

26. What action do customers need to take now?

No action is required from customers at present – business continues exactly as it was. Customers will be advised if and when any changes are made.

27. If customers are worried about their policies who should they contact?

Friends Provident customers should contact the normal customer services telephone line on **0845 602 9199** or speak to their adviser. Alternatively they can visit <http://www88.friendsprovident.com/home/index.jhtml>. AXA UK customers with enquiries should call 0117 989 9000.

28. When do you expect this deal to complete?

We expect the transaction to complete in September.

29. Are there plans to withdraw any of your current products?

There are no plans to exit markets or withdraw products. The acquisition of AXA UK adds strength and depth to the existing market positions of Friends Provident.

30. Will you add new product lines offered by AXA UK?

There are no current plans to do this. The enlarged company is expected to be a market-leading provider of corporate pensions and individual protection as well as offering an enhanced range of investment bonds and individual annuities.

31. How many employees at AXA UK will be transferred as part of this deal?

Approximately 2200 employees from AXA UK will transfer following the acquisition.

32. How does Friends Provident's corporate pension proposition compare to AXA UK's?

Friends Provident developments in the workplace savings arena, especially its Corporate Platform are more advanced than AXA's. Friends Provident is building a strong position in the workplace savings market with market leading propositions. The recent launch of its Corporate Investment Platform, aimed at employee benefit consultants and trustees, was delivered on time. This marked the first delivery of Friends Provident's 'next generation solutions' programme for corporate clients with further elements to be unveiled later this year.

33. How does Friends Provident's individual protection proposition compare to AXA UK's?

Friends Provident is the acknowledged market leader for individual income protection and for its eSelect technology solution for advisers. AXA has a strong proposition for individual critical illness cover and menu based protection.

34. Why have Resolution's shares been suspended?

The acquisition is a reverse takeover of Resolution under the UK Listing Rules. Accordingly, trading in Resolution's ordinary shares has been suspended.

35. When will the shares start trading again?

The shares will start trading again when the prospectus is published on or before the end of June.

36. What do shareholders need to do?

Shareholders need take no action until they are contacted by post or email.

37. What is a rights issue?

A rights issue is an offering of shares to raise money, in this case to fund the proposed acquisition. You will be contacted directly by post or email and given more details on the rights issue.

38. Do shareholders need to buy more shares? What are their options?

All shareholder options will be explained when they are contacted by post or email.

39. How can shareholders keep up to date with what's going on?

The best way to keep in contact with developments at Resolution is to register for email alerts, by logging onto www.resolution.gg, going to the 'Investor Relations' tab and selecting 'Alert Service' in the bottom right corner of the page.