[Date]

[Policyholder Name]
[Address]
[Address]
[Address]
[Address]
[Address]

Policy ID: [XXXXXX-X]
Policy Type: [Endowment/Whole of Life]
Participating: Yes
Life Insured: [Name]
Policyholder(s): [Name/s]

Dear [Policyholder]

Voting on the proposed restructure of Foundation Life's participating policies

We have written to you previously about the proposed changes to Foundation Life's participating policies. These changes can only proceed if approved by policyholders and the High Court of New Zealand. We have now reached the point at which policyholder approval is being sought through a policyholder vote.

Many of Foundation Life's policies have been in force for a very long time and policyholders have encouraged us to explore options using the value these policies represent. Some policyholders have told us that while they would like to continue to have life cover, they would prefer to pay no further premiums. Other policyholders would like to receive the cash value of their policy now, or to have a mixture of life cover and cash. Foundation Life's proposal (the Scheme), if approved, would make these options available to all New Zealand resident policyholders in replacement of their policies.

The Foundation Life Board, the Appointed Actuary and I all believe that the Scheme is in eligible policyholders' best interests, and the Independent Actuary has assessed that the Scheme is fair and equitable to all policyholders.

Postal and online voting is now open and will close at **5:00pm NZST on Wednesday 4 June 2025**. Alternatively, you or your proxy can vote at the Scheme meeting to be held at Eden Park, World Cup Lounge West, Level 4, Samsung South Stand, 42 Reimers Avenue, Kingsland, Auckland at 2:00pm on 9 June 2025. Please note that you are not yet being asked to decide which option you would take. **This vote is only about whether policyholders are in favour of the Scheme.**

Our best estimates of what you would receive under each option are included in the enclosed *Policy Details and Scheme Options* document. The estimates are there to help you decide whether to vote in favour of the Scheme. They assume you will continue to be a resident of New Zealand and, as noted in the *Policy Details and Scheme Options* document, the values are likely to change. If you are not a New Zealand resident on the date the Scheme takes effect, then only option four (Cash Only) would apply. If the Scheme is approved, replacement life insurance policies will be issued by Chubb Life Insurance New Zealand Limited (Chubb Life), a licensed insurer that has operated in New Zealand for over 100 years.

In this pack are your voting papers and the following documents containing details of the Scheme:

a) An Explanatory Statement;
b) Your *Policy Details and Scheme Options* document;
c) A Chubb Life Information Sheet;
d) Instructions on how to vote; and
e) A reply-paid envelope should you wish to return your form by mail rather than voting online.

You should read these documents before you vote. For more information on Chubb Life and the terms of the life insurance policies to be offered by Chubb Life if the Scheme proceeds, please refer to Section 5 and Appendix 6 of the Explanatory Statement or www.chubb.com/flnz-customer.

If you have any questions regarding this letter, please visit our website www.foundationlife.co.nz or contact us by email at enquiries@foundationlife.co.nz. Alternatively, you can phone us on 0800 808 581 or 04 439 4300, Monday to Friday – 8.30am to 5.00pm.

We will write to you with the outcome of the voting and the High Court approval process as soon as we are able to. Details of the outcome of the voting and the High Court's decision will also be posted on our website, www.foundationlife.co.nz. If the Scheme is approved, you will then be asked to choose your preferred option to replace your policy.

Yours sincerely

Grant Piercy
Chief Executive Officer
Foundation Life (NZ) Limited

POLICY DETAILS AND SCHEME OPTIONS

Policy Details at [DD/MM/YYYY]

Policyholder: [Name]

Life Insured: [Name]

Participating: Yes

Policy Type: [Whole of Life/Endowment]

Policy Number: [XXXXXXX-X]

Maturity Date: [DD/MM/YYYY]

Death Benefit: $[AMT]

Annual Premium: $[AMT]

Surrender Value: $[AMT]

Premium Debt: $[AMT]

[Loan Debt: $[AMT]]

[Premium paid in advance: $AMT]

The Death Benefit is the amount you would have received from your policy if the life insured had died on [DD/MM/YYYY] [excluding the cover from your rider benefit - see below]. It includes reversionary bonuses already awarded and additional bonuses where applicable. Additional bonuses from undistributed profits are expected to be phased out between 2026 and 2035, which means that death benefits for some of Foundation Life's policies are expected to reduce, rather than increase, in the future.

SCHEME OPTION ESTIMATES AS AT [DD/MM/YYYY]

Option	Description	Death Benefit	Cash
1	Replacement Insurance	$[AMT]	$[AMT]
2	Emphasis on Insurance	$[AMT]	$[AMT]
3	Emphasis on Cash	$[AMT]	$[AMT]
4	Cash Only	None	$[AMT]

If the Scheme is approved, you will be asked to choose one of the four options above to replace your policy. The amounts are estimates and the actual cash amounts and death benefits are likely to be different and will depend on, amongst other things, what happens with investment markets over the next few months and the proportion of Foundation Life's participating policyholders who receive replacement insurance from Chubb Life.

The replacement insurance (which is estimated in the table above) will be for a guaranteed amount and it will not change once set. While Chubb Life will not charge any further premiums, neither will it award further bonuses.

[Your policy has an additional [Supplementary Level Term/Guaranteed Insurability/Unit Term] benefit. If you choose options 1, 2 or 3, then you can continue this cover on similar terms with Chubb Life without the requirement to pay any further premiums. Alternatively, you can cash it in separately for an additional estimated value of **$[AMT]**. If you require more information on your additional benefit, please contact us.]

Cash payments will not be made until the necessary paperwork has been submitted to Foundation Life, including a bank account number and Foundation Life's required proof of identity.

If you have a loan or premium debt, and/or you have paid premiums in advance, your estimates have been adjusted for these. Information on how the Scheme deals with loans, premium debt and premiums paid in advance is in sections 2.10 and 2.11 of the Explanatory Statement.