

<Client Name>
<Address1>
<Address2>
<Address3>
<Address4>
<Address5> <Postcode>

1 September 2009

Our Ref: <Reference>

Re: Notice of change to your premium

Dear Policyholder

The Finance Bill 2009 introduced a levy of 1% on premiums invested in life assurance policies, to include protection, investment, pension and savings products.

Despite lobbying by the life insurance industry, the levy is going ahead and all premiums paid on or after 1st August 2009 are subject to the 1% Government Levy.

Phoenix Ireland will not deduct the levy from any premiums you have paid during August and September 2009 as these will be paid by the company. Therefore we will start to collect an additional 1% of your premium from October 2009. However, due to the time required to programme and document the 1% levy changes into our administration systems, we will be collecting the outstanding levy from your premiums in arrears and thereafter as premiums are paid. The government levy applies to all our products, both regular and single premium.

Example:

Current premium amount	€100
1% Government levy	€1
Revised premium amount	€101

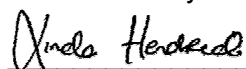
If you have a regular premium policy and you make your payment by direct debit, your payment will increase automatically. If you make your payment by alternative methods we will notify you of the revised payment in your next renewal notice.

If you pay an additional amount to an existing policy we must deduct 1% for the levy and the remaining amount will be allocated to your policy.

Annuities are also subject to the levy. We will deduct 1% for the levy and the remaining amount will be invested in your annuity contract.

For further information please refer to the questions and answers document on our website: www.phoenixireland.ie/governmentlevy.html

Yours faithfully



Linda Hendrick
Policyholder Relationship Manager