



HOUSE OF COMMONS

LONDON SW1A 0AA

Mr Alan Cook
Chairman
Liverpool Victoria
County Gates
Bournemouth
BH1 2NF

25 November 2021

Our Ref: GT49876

Dear Mr Cook,

Thank you for your time on Friday 29th October with the All-Party Parliamentary Group for Mutuels. It was a most interesting session.

As you will remember we agreed we would write to you if we had any further questions.

The alternative offer from Royal London

I wanted to understand more your claim that Royal London did not offer more money than Bain Capital during the negotiations last year.

There has been media reporting that Royal London offered more than Bain, which members of Liverpool Victoria are entitled to understand fully.

1. Will you be willing therefore to release more information on the talks with Royal London so that members can properly understand the difference between their offer and Bain's?
2. Given the significance of this issue will you also encourage Royal London to release details of their formal offer so that those genuinely independent of the Board can offer their assessment of both proposals?
3. If Royal London are reluctant to do so will you encourage the Financial Conduct Authority and/or Prudential Regulation Authority to do so instead?
4. Specifically, can you confirm that if the Board of Liverpool Victoria had agreed a deal with Royal London it would not have involved either your or Mr Hartigan's continuing involvement at Board level?

Compensation to Members & the Board

You claimed repeatedly during the meeting with the APPG that your prime motivation for completing the deal was to safeguard the interests of members.

1. Given therefore the absence to date of any significant, genuinely independent support for the £100 payment to members to compensate them for the loss of ownership rights can you explain why the payment is so low? Is it because Bain have insisted on such a low payment?

2. Can you confirm what, if any payment will be available to those current Board members of Liverpool Victoria who do not continue onto the Board of the new Bain owned business?
3. Can you confirm, as you implied during the hearing with the APPG, that you have not asked for nor have you been offered any enhancement beyond inflation of your current salary as Chairman and further that you will not receive shares in the 'new' company or any other form of financial incentive that might have tempted you to prefer Bain to an alternative?

The future for LV employees

In recent days there has been speculation too that the new Board may well launch a programme of job reductions.

1. Can you offer any guarantee that there won't be any reduction in head count in the first eighteen months of the new Board's tenure?

Clarification regarding Richard Rowney

You also implied that you and Richard Rowney; the previous Chief Executive of LV had a good relationship right up to his departure. I understand this may not be wholly accurate either and that legal action against LV by Mr Rowney was only narrowly averted.

1. Can you provide any clarification on whether Mr Rowney had initially sought legal action against LV regarding the details of his departure?

The financial situation of LV

You suggested that some of the money that had been raised from the sale of the General Insurance business had been used to reduce by £200 million the debt held by LV. A business with lower levels of debt stock will also be attractive to private owners who can raise more debt to fund investment or simply to pay dividends ahead of a future sale.

1. Can you confirm what discussions you have had with members of the future Board about their plans for taking on more debt?
2. Has there ever been any dissent within the current Board about the prospect of the demutualisation and the sale to Bain Capital?

I look forward to your early reply

Yours sincerely

Gareth Thomas MP - Harrow West

Kevin Hollinrake MP - Thirsk and Malton

Lord Ian Wrigglesworth