

PRESS INFORMATION**Länsförsäkringar Liv continues operating as a mutual company and raises bonus rate**

Länsförsäkringar AB has decided not to pursue its previous plans to restructure Länsförsäkringar Liv to a profit distributing life-assurance company (demutualisation).

“The intention of our demutualisation plans was to further improve the possibilities to offer our customers reliable savings with a high long-term return. In summarising the current situation, it has become clear that it is no longer possible to implement a demutualisation process in the foreseeable future on reasonable terms for either the life-assurance company’s customers or for Länsförsäkringar,” says Sten Dunér, President of Länsförsäkringar AB.

Three additional conditions have changed since the demutualisation process began. For example, there are currently several areas of uncertainty surrounding the changes to EU regulations and the Solvency II rules for insurance companies. There are many indications that it will become more difficult to demutualise the company. In addition, the Swedish government has commissioned an investigation to study whether demutualisation regulations can be made clearer, which may result in further changes to conditions. While Länsförsäkringar was conducting its demutualisation work, it became clear that interpreting the demutualisation regulations was a difficult task.

“Naturally, we are continuing to work on developing Länsförsäkringar Liv and the service we offer to our customers, even now that the company will not be demutualised. Our aim is always to offer the best possible return and I am delighted to announce that we will be raising the bonus rate from 5% to 7% from June 1,” says Jörgen Svensson, President of Länsförsäkringar Liv.

Länsförsäkringar Liv has generated a return and has had a bonus rate among the very highest for the past ten years. The decision to raise the bonus rate from 5% to 7% before taxes and fees is the result of the company’s financial strength.

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The Länsförsäkringar Alliance comprises 24 local and customer-owned regional insurance companies and the jointly owned Länsförsäkringar AB. Customers are provided with a complete offering of banking and insurance services through their local, regional insurance companies. We offer animal and crop insurance through Agria Djurförsäkring and total solutions for reliable mortgage transactions are offered through Länsförsäkringar Fastighetsförmedling.

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