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# Summary of the terms of the Scheme

This section explains what happens if the Transfer of the Transferring Business from Scottish Equitable to Royal London takes place.

You can view the full Scheme document, which contains detailed technical information on our website at [aegon.co.uk/protectiontransfer](https://aegon.co.uk/protectiontransfer)

## Transfer of business

On the Effective Date (1 July 2024) (the date the Transfer is expected to be implemented), Scottish Equitable will transfer the Transferring Business (which includes all of the Transferring Policies) to Royal London.

This means that from that date, Royal London will be the insurer and responsible for the Transferring Policies instead of Scottish Equitable.

## Rights and obligations under the Transferred Policies and Contracts

On the Effective Date, Royal London will acquire all the rights, benefits and powers of Scottish Equitable in relation to the Transferring Policies. To the extent described in the Scheme, the holders of the Transferring Policies will be entitled to the same rights, benefits and obligations with Royal London as they had with Scottish Equitable before the Scheme took effect.

Certain Scottish Equitable contracts (including reinsurance contracts) (the Business Contracts) will also transfer, as specified in the Scheme, so that they will be between Royal London and the relevant third party to those contracts.

Each of the Transferring Policies and Business Contracts will have effect on and from the Effective Date as if it had been made with Royal London instead of Scottish Equitable.

## Policies with options or replacement policies

If your policy has an option or other right which entitles you to take out a new, additional or replacement policy, you will be entitled to require Royal London to issue such a policy after the transfer. If Royal London is not issuing these exact policies, Royal London may (subject to satisfying certain requirements) offer you the nearest equivalent policy that Royal London is then providing.

## LPTR Policies

If your policy is a life protection policy with tax relief (a LPTR Policy), the premiums payable by you, and the benefits available under your policy, will not be impacted by the proposed Transfer.

## Residual Policies

Despite the intention mentioned above, there may be a small number of policies which do not transfer to Royal London on the Effective Date (the Residual Policies). There are a few reasons why that could happen, for example because the Court refuses to transfer the policy, the Court has no jurisdiction to transfer it, or Scottish Equitable and Royal London agree to delay the transfer of such a policy. We do not expect there will be any "Residual Policies".

Any Residual Policies will subsequently transfer to Royal London if it becomes possible to transfer them at a later date. If this happens, they will be dealt with in the same way as if they had been transferred to Royal London on the Effective Date.

## Residual Policies reinsured

If we are unable to transfer any Residual Policy, we will treat these policies for all practical purposes in the same way as if they had been transferred to Royal London by way of a reinsurance arrangement between Scottish Equitable and Royal London.

## Data Protection

Under the Scheme, Royal London will take over the rights, liabilities and obligations of Scottish Equitable in respect of personal data which:

- a. relates to the Transferring Business;
- b. is controlled by Scottish Equitable; and
- c. is subject to the relevant data protection legislation.

This means that, from the Effective Date, Royal London will become the data controller of such information and will be under the same duty to respect the confidentiality and privacy of such information as Scottish Equitable was when it was a data controller.

As the new data controller, Royal London will use any personal data in the same way as Scottish Equitable did.

The Scheme means that any data protection consent given by a person to Scottish Equitable will be binding on Royal London in the same way.

## Continuity of legal proceedings

The Scheme allows, to the extent described in the Scheme, for any legal proceedings or

applications to any authority that are pending by or against Scottish Equitable in respect of the transferred insurance business, policies, assets and liabilities to be continued by or against Royal London. Royal London undertakes to comply with the DISP Dispute Resolution: Complaints part of the FCA handbook which would apply to any proceedings, including complaints, judgments, settlement, order or award of the Financial Ombudsman Service.

If there are any legal proceedings or applications to any authority pending by or against Scottish Equitable in relation to Residual Policies, such proceedings or applications will be continued by or against Scottish Equitable, if and until the Residual Policies transfer to Royal London.

Historic administration errors or omissions in relation to the sale, underwriting or administration of the Transferring Policies made prior to the Effective Date will also be transferred to Royal London as part of the transferring liabilities on the Effective Date.

## Mandates and other instructions

From the Effective Date, all premiums attributable to the Transferring Policies will be payable to Royal London. Any such premiums received by Scottish Equitable will be paid by Scottish Equitable to Royal London.

In the case of the Residual Policies, premiums will be payable to Royal London following the date on which the relevant Residual Policy is transferred under the Scheme. Any such premiums received by Scottish Equitable will be paid by Scottish Equitable to Royal London.

Any mandates, including direct debits, standing orders or other instructions or authorities in respect of the Transferring Policies will, on the Effective Date, take effect as if made to Royal London.

## Effective Date

It is intended that the Scheme will become effective in accordance with the order of the Court at 00:01 GMT on 1 July 2024 or on such other time and date as the parties may agree. Unless the Scheme becomes operative in its entirety on or before 22:59 GMT on 1 October 2024 or such later date and/or time, as the Court may allow, the Scheme will lapse.

## Variations to the Scheme

After the Scheme has been sanctioned by the Court, Royal London may apply to the Court for consent to amend its terms, provided the Regulators and Scottish Equitable have been

notified and have the right to be heard at any Court hearing for such application.

Royal London does not require the Court's consent to make any amendments to the Scheme to the extent such amendments are minor, technical or required by a change in law or regulation.

## Governing law

The Scheme is governed by and construed in accordance with English law.

