



March 2021

Mr A B Sample
1 Sample St
Sample
Sampleshire
SA1 2MP



Plan number: 12345678

Plan type: Pension

Plan name: Talisman Personal Pension Plan

Unique ID: 000000

Dear Mr Sample,

WE WANT YOUR FEEDBACK ON OUR PROPOSAL

You took out a pension plan with Scottish Life in [year] which is invested in the Scottish Life with profits fund. Your plan transferred to Royal London on 1 July 2001 and we've been looking after it ever since.

We manage Scottish Life plans like yours in their own fund called the **Scottish Life Fund**. Within this fund we hold a pot of money called the **Estate** which helps to protect your plan against future risks and helps to meet rules set by our regulators.

Your distribution from the Estate is currently uncertain

The Scottish Life Fund is closed to new plans. As planholders take their retirement savings, the number of plans left in the fund goes down. This means the amount of money we need to hold back in the Estate is getting smaller. We're currently able to distribute some of the Estate to you by increasing your plan value each year and by potentially adding an extra amount when you take your retirement savings.

We don't know how much of the Estate we'll be able to distribute when you take your retirement savings. This is because we don't know when your plan will be claimed or how big the Estate will be at that time.

We want to give you more certainty

We want to help you plan for your retirement with more certainty. We have a proposal which would let us distribute more of the Estate to planholders like you **sooner** than would otherwise be the case. This would increase the current value of your plan and give you **more certainty** over the amount we'll pay you when you take your retirement savings.



Nothing is happening to your plan right now but it's important you send us your feedback

What you need to do now



We'll only go ahead with our proposal if planholders like you are supportive. Your views are very important to us.

After you've read the information in this pack, please tell us what you think about our proposal by **7 May 2021**. You can do this:



Online – visit royallondon.com/SLscheme; or



By Post – complete the **Feedback form** and send it in the **postage paid return envelope** provided

If our proposal goes ahead...

- The **Royal London Open Fund**, our largest fund, will take on responsibility for holding back enough money to protect your plan against future risks and to meet rules set by our regulators.
- In exchange for this, and to help cover costs associated with our proposal, a portion of the Estate will be paid to the Royal London Open Fund.
- We'll be able to distribute the rest of the Estate to planholders like you by increasing the value of your retirement savings by a known percentage when we implement our proposal. This will secure your distribution from the Estate at that point.

So our proposal involves you **giving up** some of the Estate to **gain** more certainty over your retirement savings. We would use a court approved process to offer this exchange. Before that process can begin, we want your feedback on our proposal by **7 May 2021**.

If our proposal doesn't go ahead, we won't make these changes. The amount that we'll be able to increase your retirement savings by from the Estate will remain exposed to future risks and could be higher or lower than under our proposal.



It's important that you read the **Your guide to our proposal** booklet we've included in this pack. The booklet sets out important details about our proposal.

Why is Royal London doing this?

Our proposal would allow us to give planholders like you a known distribution from the Estate. This means you'll have more certainty over the amount you'll receive when you take your retirement savings. We're making our proposal now so as many planholders like you as possible can benefit from it.

Our proposal is also part of our plan to simplify and modernise the way we do things for the benefit of our longstanding customers like you. We're also proposing similar changes for three of our other With Profits Funds this year. If you have a plan in one of the other affected funds you may receive another pack from us.

What happens next?

If planholders like you are supportive of our proposal, we'll go to the High Court of Justice in England and Wales to ask for approval to make you a **formal offer** later this year. To keep us on track, we've provisionally booked the High Court hearing for **15 July 2021**.

If the High Court gives us the go ahead, we'll write to you again later this year with a formal offer and ask you to vote on it. We'll send you more information about this in a voting information pack at the time. The pack should give you all you need to make an informed decision on the formal offer. However, if these changes are sufficiently material for you, you may wish to seek advice from a financial adviser. The adviser may charge for their services.

If planholders like you vote in favour of the formal offer, we'll go back to the High Court and ask for its final approval. If we get this, we expect the earliest our proposal could take effect would be **31 December 2021**.

The **Your guide to our proposal** booklet contains more information about the legal process.

If we believe that factors outside of our control (such as changes to the coronavirus situation in the UK) mean it's no longer appropriate for us to continue with our proposal, we'll pause our proposal and write to you.



I'm due to retire this year, what should I do?

You won't be eligible for our proposal if you take your retirement savings before our proposal takes effect, which is expected to be on **31 December 2021**. If you're due to retire this year and interested in our proposal then you may want to speak to a financial adviser before you take your retirement savings.

[If your Talisman pension plan Selected Retirement Age will be reached sometime this year, even if you don't yet intend to retire, you won't be eligible for our proposal from that date. This is because your plan will stop being invested in the Scottish Life Fund when you reach your Selected Retirement Age, in line with your terms and conditions. If you're interested in our proposal then you may want to increase your Selected Retirement Age by contacting us. You may wish to discuss this option with a financial adviser.] [VP2]

Where to find more information

You can read the information in this pack on our website at royallondon.com/SLscheme

If you have any questions please visit our website where you'll find our Frequently Asked Questions. Or you can call us on **0345 646 1016** (or **+441625 718588** if you're calling from outside the UK) between 8am and 6pm Monday to Friday (excluding bank holidays). Please have your plan number to hand. You'll find this at the start of this letter.

Yours sincerely



Barry O'Dwyer
Group Chief Executive

We're happy to provide your documents in a different format, such as Braille, large print or audio – just ask us by calling 0345 646 1016 (or +441625 718588 if you're calling from outside the UK).



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