



Royal London  
Royal London House  
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SK9 1PF

Mr AB Sample  
123 Sample Street  
Sample Town  
Sample County  
AB1 2CD

 **0345 850 1004**

November 2018

Policy Number(s): 00000000

Dear Mr Sample

## Proposed transfer of business to Royal London DAC, a subsidiary of Royal London

You currently have one or more policies with us, 'The Royal London Mutual Insurance Society Limited' (Royal London). Your policy may originally have been sold by Royal Liver, Royal Liver under the 'Progress' brand or by Friends Provident, London & Manchester or the Civil Servants Annuities Assurance Society which later transferred to Royal Liver. All of these policies transferred to Royal London on 1 July 2011 and since then have been held in Royal London's Royal Liver Sub-Fund.

After the UK leaves the European Union, it may not be possible for Royal London to administer policies which were originally sold outside the UK. So that Royal London policies which were originally sold in Ireland and Germany can continue to be administered after the UK leaves the European Union, we are proposing to transfer such policies to Royal London Financial Services DAC (Royal London DAC). This is a new subsidiary of Royal London registered in Ireland. We propose to transfer around 460,000 policies. Around 1.1 million policies originally sold in the UK, such as yours, will remain in the Royal Liver Sub-Fund. A breakdown of the transferring policies can be found on page 9 of the enclosed Policyholder Booklet.

In order to sell and administer life insurance in Ireland, Royal London DAC must be authorised to do so by the Central Bank of Ireland. We expect this to happen later in 2018. From then Royal London DAC will start selling new protection business in Ireland.

### Why are we writing to you?

We are obliged by law to tell you about this proposed transfer, which is expected to happen on 7 February 2019. However, you won't notice any difference as your policy is **not** one of those being transferred and Royal London will continue to be the insurer of your policy.

If you have any concerns, the Policyholder Booklet explains how to raise them. **If you are content with the proposed transfer you don't need to do anything.**

### The type of policy you hold with us :

Royal Liver With-Profits (UK)

If you hold another type of policy affected by the proposed transfer, you will be sent a separate letter

### In summary:

- We are proposing to transfer some policies to Royal London DAC, a subsidiary of Royal London registered in Ireland
- Your policy is **not** being transferred so Royal London will continue to be your insurer
- If you have any concerns, the Policyholder Booklet explains how to raise them. If you are content with the proposed transfer you don't need to do anything
- There will be no change to the terms and conditions, premiums or contractual benefits of your policy. However the way we manage the Royal Liver Sub-Fund will change
- There is more information on our website at **[royallondon.com/transfer](http://royallondon.com/transfer)**
- If you have any questions, please call us on **0345 850 1004** between 8am and 6pm Monday to Friday, unless it's a bank holiday in the UK.

## How would the proposed transfer affect you?

Your policy is **not** transferring and the proposed transfer **will not** change:

- your policy number
- the terms and conditions of your policy
- your premiums or the contractual benefits of your policy
- the way the investments backing your policy are managed
- your rights in respect of data protection under the General Data Protection Regulation (GDPR)
- the address and telephone number you need if you want to ask anything about your policy
- the way your policy is regulated
- your right to make a complaint to the Financial Ombudsman Service in the UK.

If the proposed transfer takes effect, it will mean that some of the principles and practices of how we govern and manage the Royal Liver Sub-Fund will change. More details are given below.

## How will my interests be protected?

Your interests and the interests of other policyholders are protected by a rigorous approval process that includes:

- consideration of the proposed transfer by the UK High Court, which must be satisfied that it is fair to all Royal London and Royal London DAC policyholders before it can approve the proposed transfer. The Court hearing is expected to take place on 31 January 2019. A copy of the Legal Notice is shown in Section 8 of the Policyholder Booklet.
- consideration by an Independent Expert of the likely effect of the proposed transfer on all Royal London and Royal London DAC policyholders. The Independent Expert has been selected on the basis of his experience and independence, and has been approved by the Prudential Regulation Authority in consultation with the Financial Conduct Authority. The Independent Expert has considered the proposed transfer and concluded that it **will not** have a material adverse effect on the security of benefits or the future benefit expectations for you or other policyholders of Royal London. The Independent Expert's report is summarised in Section 7 of the Policyholder Booklet.

The proposed transfer has also been considered by the Liver Supervisory Committee (LSC), which is a committee of Royal London with a majority of independent members. The LSC has considered the proposed transfer and is supportive of it.

## How will my policy be managed?

Your policy will continue to be held in Royal London's Royal Liver Sub-Fund but we will need to make some changes to the way the fund is managed when the proposed transfer takes effect. This is because some policies that were originally sold in Ireland will be transferred out of the Royal Liver Sub-Fund. To minimise the impact of the transfer on the Royal Liver Sub-Fund, and policyholders such as you, the policies being transferred out of the Royal Liver Sub-Fund will be reinsured by Royal London. We explain this reinsurance arrangement in Sections 2 and 3 of the Policyholder Booklet.

You currently share in the profits and losses of the Royal Liver Sub-Fund through the declaration of annual and final bonuses. This includes any distribution of money in the fund that doesn't need to be held back to pay claims. This will continue after the transfer.

Royal London currently manages the Royal Liver Sub-Fund in line with a Principles and Practices of Financial Management (PPFM) document. Royal London will update the PPFM document to take account of the proposed transfer and reinsurance, as explained in Section 3 of the Policyholder Booklet. This is available on the website or you can request a copy be sent to you.

You currently benefit from a number of protections within a legal document called the Royal Liver Instrument of Transfer (Royal Liver IoT). This is a legal document that sets out the terms of the transfer of Royal Liver's business to Royal London in 2011. Whilst the Royal Liver IoT will be amended with effect from the date the proposed transfer takes place for the benefit of transferring policyholders, you too will continue to benefit from the protections in the Royal Liver IoT document.

### What should you do?

- Please read the enclosed Policyholder Booklet carefully.
- If you have assigned your policy to someone else, your policy is subject to bankruptcy proceedings or a court order, or if you are acting as a trustee, you may need to tell someone else about the proposed transfer. Please see Section 1 of the Policyholder Booklet.
- If you are concerned that the proposed transfer could adversely affect you, you have the right to raise your concerns with us or with the UK High Court at the hearing scheduled for 31 January 2019. If you raise any concerns with us, we'll share these with the Financial Conduct Authority, Prudential Regulation Authority, the Independent Expert and with the UK High Court. We explain how to do this in Section 1 of the enclosed Policyholder Booklet.
- If you are content with the proposed transfer, you don't need to do anything.

You can read more about the proposed transfer on our website at [royallondon.com/transfer](http://royallondon.com/transfer). Any changes such as to the Court hearing date, further information or reports, will also be made available on our website before the Court hearing.

If you have any questions about the proposed transfer, please call us on **0345 850 1004** between 8am and 6pm Monday to Friday, unless it's a bank holiday in the UK.

Yours sincerely



Phil Loney  
Group Chief Executive

**If you would like a copy of this pack in large print, audio or Braille please call us on 0345 850 1004**





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