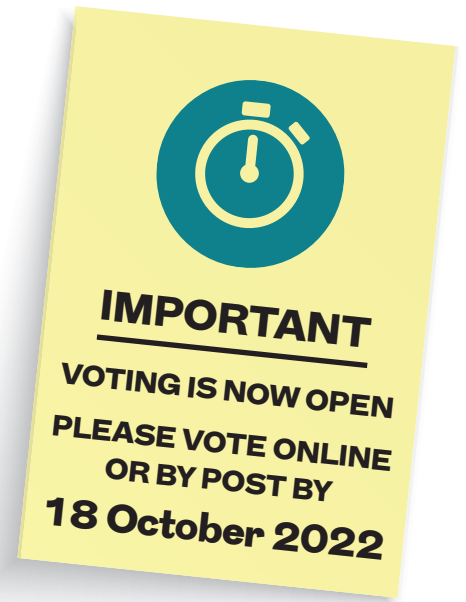




[August 2022]

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



Policy number: 12345678
Policy type: Whole of life
Security Code Part 1: 12345678
Security Code Part 2: 1A2B

Dear Mr Sample,

We're asking you to vote on an offer that will affect your policy [if you retire after this year.] [VP1]

We know change can be unsettling, but please don't worry. If the offer goes ahead:

- We'll still pay out your policy benefits when they're claimed;
- The offer would **increase** the current value of your policy, and give you **more certainty** over how much we'll pay when it's claimed;
- If you're still making payments, the amount you pay to us will stay exactly the same.

A range of professionals including an Independent Expert have reviewed the offer and believe it's **fair**.

You have a policy with Royal London Insurance DAC (**Royal London Ireland**, or "us") which you originally took out with Royal Liver, Caledonian Insurance Company or Irish Life. We wrote to you earlier this year about a proposal that affects your policy. Many of those who responded told us they were supportive of being made a formal offer. So, we're writing to you again to ask you to vote on the final offer. This voting pack contains more information about it. It's important you read it carefully before voting. The offer can only go ahead if enough policyholders vote in favour of it. **Please vote by post or online by 18 October 2022.**

What is the offer?

Your policy entitles you to share in distributions from a pot of money called the **Estate** which is held in the **Royal Liver Sub-Fund**. The Estate is held to help protect your policy against future risks and to meet regulatory rules. You can think of the Estate as a 'rainy day fund'.

Currently, some of the Estate can be distributed by increasing your policy value from time to time. However, the amount which can be distributed to you is **uncertain** because it depends on how much of the Estate will be available to distribute when your policy is claimed.

The offer is to distribute more of the Estate to you and other policyholders **sooner** than would otherwise be the case. This would increase the current value of your policy and give you **more certainty** over the amount we'll pay when your policy is claimed.



The offer can only go ahead if enough policyholders vote in favour of it.
If the offer doesn't go ahead, these changes won't be made.

What would the offer mean for you?

- If the offer goes ahead, the Royal Liver Sub-Fund will be merged into the **Royal London Open Fund**, which is a larger With Profits Fund. The Royal London Open Fund will take on responsibility for holding back enough money to protect your policy against future risks and to meet regulatory rules.
- In exchange for this, and to help cover costs associated with the offer, a portion of the Estate will be paid to the Royal London Open Fund.
- This will allow the rest of the Estate to be distributed to you and other policyholders by increasing your policy value by a known percentage when the offer is implemented. This will give you certainty over your distribution from the Estate.

So the offer involves you **giving up** some of the Estate to **gain** certainty over your distribution from the Estate.

If the offer doesn't go ahead, the amount which could be applied to your policy from the Estate will remain exposed to future risks. This means your distribution from the Estate and, as a result, the amount paid out when your policy is claimed could be higher or lower than under the offer.



Whether the offer goes ahead or not, the whole of your policy value could continue to change in the future.

Why is the offer being made?

The offer would give you and other policyholders a known distribution from the Estate. This means you'll have more certainty over the amount we'll pay you or your family when your policy is claimed. The offer is being made now so as many policyholders as possible can benefit from it. If these changes aren't carried out now, similar changes would have to be made eventually when there aren't enough policies left in the Royal Liver Sub-Fund to manage it efficiently as a separate fund.

The offer is also part of a plan to simplify and modernise operations for the benefit of longstanding customers. The offer will help us become a more efficient business.

How is the offer being made?

The offer affects you and certain other policyholders holding policies managed in Ireland, as well as certain other policyholders holding policies managed in the UK. Both groups of policyholders will vote on the offer under separate legal processes.

- In Ireland, we're following a legal process called a Scheme of Arrangement (the **Irish Scheme**). This process gives you and certain other policyholders the right to vote on the offer.
- In the UK, The Royal London Mutual Insurance Society Limited (**Royal London UK**) is following an equivalent legal process. We call this the **UK Scheme**.

The offer can only go ahead if both the Irish Scheme and the UK Scheme receive enough votes in favour, and legal approval is given. In Ireland, we'd ask the High Court of Ireland (the **Irish High Court**) to approve the Irish Scheme.

If legal approval is given for both the Irish Scheme and the UK Scheme, then we expect to implement the changes under the offer on **31 December 2022**.

The result will apply to all policyholders eligible to vote on the offer, regardless of how they voted or if they didn't vote at all. **So, it's very important you vote online or by post by 18 October 2022 or at the Policyholder Meeting on 20 October 2022.**

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

- You can choose to take your retirement savings as you originally planned this year. This will give you access to your retirement savings. However, you wouldn't receive the increase to the value of your policy that would apply if the offer goes ahead.

- Or, you can defer taking your retirement savings until after 2022. This would mean you would receive the increase to the value of your policy if the offer goes ahead. However, with this option, your retirement savings will remain invested for a longer period so you'll be exposed to more investment uncertainty between now and when you take your retirement savings.

If you're due to retire this year and you're interested in the offer, you should consider speaking to a financial broker to discuss your options before you take your retirement savings. To help you make your decision, we illustrate how your retirement savings might be impacted by the offer in your **Personalised Illustration** assuming you defer taking them until your birthday next year.] [VP2]

What's in your voting pack?

Your voting pack includes important information about the offer. It's important that you read all the documents listed in the table below carefully.

Document	Explanation
Part A of your Explanatory Booklet	This booklet gives you key information about the offer and what it could mean for you.
Part B of your Explanatory Booklet	This booklet gives more detailed information about the offer. This includes the changes we're making to the With Profits Operating Principles (WPOP).
Personalised Illustration	This shows how your policy might be impacted, depending on whether or not the offer goes ahead.
Voting Form	If you want to vote on the Irish Scheme by post, please complete your Voting Form and return it in the postage paid envelope provided.
Attendance Card	Please bring the Attendance Card to attend the Policyholder Meeting in person.

What you need to do

After you've read the information in your voting pack, it's important that you cast your vote. There are different ways you can vote:



Online

Visit cesvotes.com/LiverIreland and log in using your security codes shown on the first page of this letter no later than **12 noon** on **18 October 2022**.



By post

Complete the **Voting Form** and return it in the **postage paid envelope** provided so that it reaches us no later than **12 noon** on **18 October 2022**.



At the Policyholder Meeting

Bring the **Attendance Card** to attend the **Policyholder Meeting** in person at The Morrison Hotel (a DoubleTree by Hilton), Ormond Quay Lower, Dublin 1, D01 K5X5 starting at **11.00am** on **20 October 2022**. This is an opportunity to consider the offer with other policyholders and vote. If you're planning to come to the **Policyholder Meeting**, please let us know in advance. Alternatively, you can attend and vote at the **Policyholder Meeting** virtually at attend.cesjoinin.com/login. To join the meeting, please enter the Meeting ID 30127, and your security codes shown on the first page of this letter.

Even if you plan to attend the **Policyholder Meeting**, we recommend that you vote online or by post anyway. This is in case you end up not being able to make the meeting. If you vote online or by post, your vote must reach us no later than **12 noon** on **18 October 2022**.

We've appointed an independent firm called Civica Election Services (CES) who will independently manage the vote. All **Voting Forms** will be returned to them, and they'll manage the online voting. CES will also attend the **Policyholder Meeting** to ensure that the voting at the meeting is properly managed and will provide evidence to the Irish High Court about how the vote was carried out.

What happens next?

The voting window is now open. Before voting, we encourage you to read all the information in your voting pack.

After the **Policyholder Meeting**, all votes that were made by post, online and at the **Policyholder Meeting** on the Irish Scheme will be counted. The results will be announced shortly after the **Policyholder Meeting** on our website at royallondon.ie/LiverIreland

A few weeks later, all votes on the UK Scheme will be counted. If enough votes are cast in favour of both the Irish Scheme and the UK Scheme, then the next step is to ask for legal approval of the offer.

We'd apply to the Irish High Court and ask for its approval of the Irish Scheme at a Sanction Hearing scheduled for **23 November 2022**. This will take place at the Four Courts, Inns Quay, Dublin 7. Just over a week later, Royal London UK would apply to the UK High Court to ask for its approval of the UK Scheme.

If the Irish High Court approves the Irish Scheme and the UK High Court approves the UK Scheme, we expect to implement the changes on **31 December 2022**. We'd write to you shortly after implementing the changes to confirm they've been made.

If your benefits are claimed or you cash in your policy before **31 December 2022**, then the offer won't apply to your policy.

If the offer is not approved by the Irish High Court or the UK High Court, we'll continue to manage your policy as we do now.

Where to find more information

You can read the information in this pack on the website at royallondon.ie/LiverIreland

If you have any questions, please visit the website where you will find our Frequently Asked Questions. Or you can call the dedicated helpline on **1800 00 11 52** (or **00 353 1 429 3301** if you're calling from outside Ireland) between 8am and 6pm Monday to Friday (excluding bank holidays). Please have your policy number to hand. You'll find this at the start of this letter. A trusted friend or family member may call on your behalf. Just make sure that you're with them when they call.

Yours sincerely



Noel Freeley
Chief Executive Officer – Royal London Insurance DAC

We're happy to provide your documents in a different format, such as Braille, large print or audio – just ask us by calling 1800 00 11 52 (or 00 353 1 429 3301 if you're calling from outside Ireland).

Royal London Insurance DAC
PO Box 12995, Dublin 2
royallondon.ie

Royal London Insurance DAC is regulated by the Central Bank of Ireland. Royal London Insurance DAC is a designated activity company limited by shares and registered in Ireland, number 630146. Registered office: 47-49 St Stephen's Green, Dublin 2. Directors: Walter Beatty, Chairman; Daniel Cazeaux (British); Noel Freeley; Catherine Johnson (British); Viviana Pascoletti (Italian); Tom Browne; Ruth Sullivan. Royal London Insurance DAC is a wholly owned subsidiary of The Royal London Mutual Insurance Society Limited which is registered in England, number 99064, at 55 Gracechurch Street, London, EC3V 0RL

