



Transfer guide

The proposed transfer of individual protection business from Scottish Equitable to Royal London

February 2024

Helpful descriptions

Aegon/us/we/our: Aegon is a brand name of Scottish Equitable.

Court: The High Court of Justice of England and Wales in London.

FCA: The Financial Conduct Authority. The FCA is a financial regulatory body in the UK and regulates the conduct of businesses in the financial sector.

Independent Expert: An experienced actuary (independent of Aegon and Royal London) appointed to provide a detailed independent report on the Transfer and the likely effect of it on our customers and the existing customers of Royal London.

Policy: The policy or plan policyholders have with us.

Policyholder: The person who is the legal holder of the Policy.

PRA: The Prudential Regulation Authority. The PRA is a financial regulatory body in the UK and sets standards and supervises financial institutions.

Regulators: Means together, the Financial Conduct Authority (FCA) and the Prudential Regulation Authority (PRA).

Royal London: The Royal London Mutual Insurance Society Limited. A legal entity with the registered number 00099064 and authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Financial Services Register number 117672.


Scheme: The Transfer will be carried out as an insurance business transfer scheme under Part VII of the Financial Services and Markets Act 2000.


Scottish Equitable: Scottish Equitable plc. A legal entity with the registered number SC144517 and authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Financial Services Register number 165548.


Transfer: The proposed transfer of the individual protection business of Scottish Equitable to Royal London and the legal process we'll use to make it happen.

Transferring Business: Our individual protection business, which includes life insurance, critical illness and income protection policies, which we propose to transfer to Royal London.

How to get in touch about the Transfer

 You can access this guide, and up to date information about the Transfer online at aegon.co.uk/protectiontransfer

 If your personal circumstances mean you need any additional support, or if you'd like a large print, Braille or audio version of this document, please call us on 0800 032 7587.

 If you have any questions about the Transfer, please call our dedicated freephone helpline on 0800 032 7587.

If you live outside the UK, please call +44 (0) 3456 00 14 02. Calls to this number will be charged at your usual international rate.

Our helpline is open from 8:30am to 5:30pm (UK time), Monday to Friday, excluding bank holidays. For alternative ways to get in touch, [Section 12](#) includes all our contact details.

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It's important you read this guide. It includes key information about the Transfer of our individual protection business, the process we'll follow, and what it means for you.



We must follow a legal process, which involves the Court and Regulators - who have reviewed this proposal.

[See Section 5 for more details.](#)



An Independent Expert has reviewed this proposal and a summary of his report is included.

[To read, go to Section 9.](#)

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Who is this guide for

This guide is for policyholders who have a policy that's part of the Transferring Business. We've put together this guide to give you information about the Transfer and the process we're following. It will help you know what this means for you and what you should do if you have any questions, concerns, or wish to object to the Transfer.

Please take the time to read this guide and the information included carefully. We suggest you keep this in a safe place, so you can refer back and read it again if you need to.

In this guide you can find:

Information about our proposal and how it's likely to affect you.

> [Section 3](#)

Details of how to raise any concerns or objections you may have about the proposal.

> [Section 7](#)

Summary of the Independent Expert's report.

> [Section 9](#)

Questions and answers to help with questions you may have.

> [Section 11](#)



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What's happening

We're proposing to transfer your Policy to Royal London.

Following a strategic review, we made the decision to simplify our business by selling our individual protection business and transferring it to Royal London, so we can focus on the pension and investment markets.

As part of our decision to sell, we closed our individual protection business to new customers and stopped selling new protection policies on 4 April 2023.

Your policy forms part of the individual protection business we're proposing to transfer to Royal London.

You'll keep the same benefits

The Transfer won't change any policy information – your policy conditions, policy benefits, payments and any guarantees will all stay the same, although Royal London will become your Policy provider. You'll also continue to have access to Policy Plus.

There'll be changes to the way your policy is administered and we explain this in [Section 3](#).

Why Royal London

Royal London is the largest mutual life, pensions and investment company in the UK. It looks after 8.1 million UK policies and has £153 billion in assets under management (as at September 2023). Royal London has significant experience and expertise in managing individual protection business, as well as a commitment to supporting our values.

You can find out more about Royal London by visiting royallondon.com

When will this happen

If the Court approves our proposals, we expect the Transfer to take effect on 1 July 2024. More information about the court process is in [Section 5](#).



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What this means for you

This section explains what you can expect to happen as a result of our proposal to Transfer your Policy from us to Royal London.

What's staying the same

Your policy information

This applies to all Policy types. You'll continue to enjoy the same Policy benefits and services as you do now.

The Transfer won't change:

- Your Policy number.
- Your Policy benefits.
- The premium amount you pay.
- The way your benefits are calculated.
- The timing of any payments.
- Any guarantees or options on your Policy.
- How you access and use the Policy Plus support services.
- Your Policy conditions (with the exception that Royal London will become your Policy provider and will be the firm you have your Policy conditions with).

Your direct debit arrangement

If you pay your premiums by direct debit, you don't need to do anything or make any changes to your direct debit arrangement.

If the Transfer is implemented, you'll see a change on your bank statement, with your premiums or any claim payments changing so they're to or from Royal London. This will happen automatically after the Transfer takes place.

When you first set up a direct debit, there's a guarantee offered by all banks and building societies. The Direct Debit Guarantee has been updated and will take effect if the Scheme is implemented. A copy of the updated Direct Debit Guarantee is in [Appendix 1](#).

What's going to change

Policy transfer

If the Court approves the Transfer, your Policy will move to Royal London who will become responsible for your Policy going forward.

Paying your premiums by cheque or bank transfer after 30 June 2024

If you pay your premiums by cheque or bank transfer, you'll need to update the payee's name from Scottish Equitable to Royal London on 1 July 2024 for any future premiums. Please contact your bank if you're unsure of how to do this.

Branding and access

Once the Transfer is implemented and your Policy is transferred, you'll see a transition and will start receiving correspondence from Royal London in the future. You'll no longer be able to access documentation from our Aegon website.

What the Transfer means for customer interests

The Board

The Scottish Equitable Board currently manages the Transferring Business and looks after its customers' interests. Following the Transfer, Royal London's Board of Directors will take on this role and will look after your interests.

Security for your policy

In the UK, insurance companies like Scottish Equitable and Royal London are required by the PRA to hold surplus assets, so there's very little chance of them being unable to make customer payments in full. The minimum amount of assets they must hold is calculated using the PRA's rules.

Scottish Equitable and Royal London both hold more surplus assets than the PRA's rules require, providing their customers with additional security. The surplus assets held by Royal London mean that the financial security for all its customers will be maintained on transfer.

Financial Services Compensation Scheme (FSCS)

There is no change to your access to FSCS protection as a result of the Transfer. Your Policy will continue to be protected after the Transfer in the same way that it would have been had it remained with us.



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Making a claim under your Policy

Claims already in progress with us

If you've been in contact with us and we're in the process of assessing a claim, there's no need for you to take any action.

Your dedicated claims assessors will remain the same and continue to assess your claim after the Transfer is implemented. They'll contact you about the decision of the claim, usually by phone, or they'll send you a letter in the post.

Making a claim under your Policy on or after 1 July 2024

If you need to make a claim under your policy on or after 1 July 2024, you should follow the normal process and get in contact as soon as you can. The earlier you get in contact, the sooner the team can start to gather information to assess your claim.

The quickest way to make a claim is to call 03456 00 04 93, Monday-Friday, 8.30am-5.30pm (call charges will vary).

You can choose to complete your claim over the phone with a dedicated claims assessor, or a form can be sent to you in the post.



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The process we're following

Protecting the interests of our customers is a key priority for us. Before we transfer any business to Royal London, we'll follow a rigorous process that we explain in more detail in this section.

When things will be happening

What's happened so far



Regulator consultation

We consulted with the PRA and FCA to make sure they have no objections to our proposal.

We'll continue to consult with the Regulators until the Court hearing.



Independent review

We and Royal London appointed an Independent Expert to review our proposals. He concluded that there's no material adverse effect on customers.

Where we are now



Customer mailing

We're writing to let you know about our proposals, the process we're following and how you can ask questions, raise concerns or object.



Customer helpline and website

Our website has useful information on the Transfer. You can call our dedicated helpline if you have questions.

Details of any objections will be submitted to the Court.

What happens next



Supplementary report

The Independent Expert completes a final review and a supplementary report confirming that he still considers there to be no material adverse effect on customers.



Court hearing

To carry out the Transfer we need the Court to approve the Scheme. The Court hearing is scheduled to take place on 14 June 2024.

Consultation with Regulators

We've consulted with the Regulators to make sure they're fully aware of our proposals. As at the date of this guide, they've not raised any objections.

Independent review of the Transfer

Together with Royal London we've appointed an Independent Expert – Stephen Makin, who is a senior actuary and partner of consultancy firm Hymans Robertson – to give his opinion on the likely effect of the Transfer on all of our customers and Royal London's current customers.

The Independent Expert's appointment has been approved by the Regulators.

The Independent Expert has produced a detailed report, in which he sets out his review of the Transfer and his opinion on whether any customer is likely to be materially adversely affected by the Transfer. The report deals with any 'material adverse effects' because this is what the Court must consider when forming a view on the impact of the Transfer upon customers.

The Independent Expert's report has been reviewed by the Regulators. In producing his report, the Independent Expert's duty is to the Court, and his report will help the Court to reach its decision.

In his report, the Independent Expert concludes that the implementation of the Transfer won't have a material adverse effect on:

- The security of benefits of ours or Royal London's customers, including your Policy.
- The reasonable benefit expectations of our or Royal London's customers with respect to their benefits, including your Policy.
- The standards of administration, service, management and governance applicable to any of our or Royal London's policies, including your Policy.

The Independent Expert will also produce another supplementary report before the Court hearing, in which he'll consider the likely effect of the Transfer on customers in light of any developments that may have happened since his initial report. We expect to make this available on our website before the Court hearing.

You can find a summary of the Independent Expert's report in [Section 9](#). You can read his full report on our website at aegon.co.uk/protectiontransfer or ask us to send you a copy, free of charge. Refer to [Section 12](#) for our contact details.

Timeline



Writing to our customers

We're writing to policyholders to inform you of our proposals, explain what this means for you and how you can raise concerns or make an objection.

We've set up a dedicated area of our website at aegon.co.uk/protectiontransfer, where you can access this guide, and up to date information about the Transfer.

A freephone helpline has also been set up if you have any questions about the Transfer or would like us to discuss any of the information we've shared with you. For all the details on how to get in touch with us, see [Section 12](#).

Approval from the Court

As part of the Transfer process, we're required to get the Court's approval.

The Court will need to be satisfied that the process for the approval of the Transfer meets all the necessary legal requirements and that the proposals are not likely to have a material

adverse effect on customers. The Court will only approve the Transfer if it's appropriate to do so.

Anyone who considers they may be adversely affected is entitled to object. [Section 7](#) gives you more information.

Final Court hearing

We expect the Court hearing to be held at the High Court of Justice of England and Wales, 7 Rolls Building, Fetter Lane, London EC4A 1NL on 14 June 2024.

The Court hearing date will be confirmed on our website. Any changes to the hearing date will also be updated at aegon.co.uk/protectiontransfer

Transfer to Royal London

The Transfer will only go ahead if the Court approves it. If this happens, we expect the Transfer to take place on 1 July 2024.

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What you need to do

This section explains what you need to do if there are **other people with an interest in your Policy**, such as a nominated beneficiary or if you're a Trustee.

You may also find the questions and answers information contained in [Section 11](#) helpful.

No further questions

If you don't have any questions, we suggest you keep this guide safe, so you can refer back and read it again if you need to. We'll keep our website up to date as we move through the Transfer process.

Paying your premiums by direct debit

You don't need to do anything or make any changes - see more detail in [Section 3](#).

Paying your premiums by cheque or bank transfer after 30 June 2024

If you pay your premiums by cheque or bank transfer, you'll need to update the payee's name from Scottish Equitable to Royal London on 1 July 2024 for any future premiums. Please contact your bank if you're unsure of how to do this.

Looking for more information

The questions and answers in [Section 11](#) may have the information you need, otherwise please contact us about the Transfer.

You can download a copy of this guide, read the full Independent Expert's report and other documents relating to the Transfer on our website at aegon.co.uk/protectiontransfer

You could also get in touch with your financial adviser. If you no longer have one, visit moneyhelper.org.uk/choosing-a-financial-adviser to find the right one for you.

Letting others know

It's important you let anyone else with an interest in your Policy know about our proposal to Transfer. This might include another policyholder living at the same address, a nominated beneficiary, someone with a note of interest, a trustee, an executor, or a personal representative.

Supporting you

If we can help you with any concerns you have about the Transfer, and in particular if you want clarification, or think you may be adversely affected and want to object, please get in touch. All of our contact details are in [Section 12](#).

If you're a trustee

If you're a trustee of a trust and you think that beneficiaries of the trust may be impacted by the Transfer, please make sure they know about the Transfer. Details of our proposal is available on our website. If you'd like any assistance or feel you or the beneficiaries may be adversely affected by the Transfer, please contact us using the details in [Section 12](#).

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Objecting to the Transfer

If you have concerns about the Transfer and believe you may be adversely affected, you have the right to raise an objection, which will be presented to the Court. The Court will consider all objections made before reaching its decision.

If you wish to raise an objection, please make sure you include your policy number and get this to us before 31 May 2024.

Sharing your objection with us in advance

It would be helpful if you could please outline your objection or concern in writing to us so that we can share this with the Court, Royal London, the Independent Expert and the Regulators before the hearing.

By informing us in advance, we'll also be able to let you know about any changes that may take place in relation to the hearing, for example a change in the time or date.

We may also be able to deal directly with any objection or concern you may have. You don't have to share details with us, but it would be helpful if you did.

Raising an objection

You can raise an objection in the following ways:



Call our dedicated freephone helpline on 0800 032 7587.

If you live outside the UK please call +44 (0) 3456 00 14 02. Calls to this number will be charged at your usual international rate.



Email us at protectiontransfer@aegon-service.co.uk

If you contact us by email, it's important to know that our email system and the way we deal with data internally is secure. However, we're unable to ensure the security of emails before they reach us so please consider this and do not include any personally sensitive, financial or banking information that has not been appropriately secured.



Write to us and send your letter to Aegon Protection, Sunderland SR43 4DJ.



Directly to Court to present your objection at the hearing.

You can also present your objection to the Court in person at the hearing on 14 June 2024. You're entitled to raise any objection at the Court proceedings in person, or you can ask a suitably qualified legal representative.

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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

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.



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Summary of Independent Expert's report

This is a summary of the Independent Expert's report. You can download and read the full report at aegon.co.uk/protectiontransfer or ask us for a copy using the contact details in [Section 12](#).

The Independent Expert is approved by the PRA in consultation with the FCA to provide an Independent report on our proposals and the effect of the Transfer on our customers and those of Royal London.

HYMANS  ROBERTSON

Independent Expert's summary report for policyholders

Introduction

1. Scottish Equitable plc, which I refer to as SE plc, and The Royal London Mutual Insurance Society Limited, which I refer to as Royal London, wish to transfer SE plc's individual protection business to Royal London. To do this, they must make an application to the High Court of Justice in England and Wales. The application must include a report by an Independent Expert on the terms of the transfer. I have been instructed jointly by SE plc and Royal London to fulfil this role, and my appointment has been approved by the UK's insurance regulators. I am a Fellow of the Institute and Faculty of Actuaries, and a partner of Hymans Robertson LLP, an actuarial consultancy firm.
2. This is my report for the policyholders of SE plc and Royal London in connection with the proposed transfer. It is a summary of my full report to the Court, which is available on both firms' websites or from either firm on request.
3. That report sets out the detailed scope of my work, the standards applying to it, and the information I have used in preparing it. Nothing in that report and this summary is, and nor should it be viewed as being, investment, accounting, legal or tax advice, including to SE plc, to Royal London, or to their policyholders. The main focus of my work is to consider whether the proposed transfer is likely to affect the benefits paid to any group of policyholders, or to significantly reduce either the security of those benefits or the standards of service provided to policyholders. I have considered the likely effect of the proposed transfer on SE plc's current policyholders whose policies will be transferred to Royal London, on SE plc's current policyholders whose policies will not be transferred to Royal London, and on Royal London's existing policyholders. I refer to these groups of policies and policyholders as "transferring", "remaining" and "existing" policies and policyholders, respectively.

The impact of the transfer on benefits expected to be paid to policyholders

Policyholders transferring from SE plc to Royal London

4. There will be no changes to the terms and conditions of transferring policies, except to refer to Royal London rather than SE plc. In particular, there will be no changes to premiums payable by transferring policyholders, or to benefits due to them in accordance with their terms and conditions. While SE plc does have some areas of discretion in its management of the transferring policies, I am satisfied that these areas will continue to be managed in materially the same way by Royal London.
5. I therefore do not expect the transfer to result in any change to the benefits paid to or premiums required from any of the transferring policyholders.

SE plc's policyholders not transferring to Royal London and Royal London's existing policyholders

6. There will be no changes to the terms and conditions of SE plc's remaining policies or to those of Royal London's existing policies. There will also be no changes to the way in which any of these policies are managed, including premiums, charges, expenses, investment strategy, and the range of funds available where relevant. The transfer will also not affect or dilute policyholders' rights to share in certain profits arising in their firm, where relevant.
7. I therefore do not expect the transfer to result in any changes to the benefits paid to or the premiums required from any of SE plc's remaining policyholders or any of Royal London's existing policyholders.

The security of policyholder benefits

Policyholders transferring from SE plc to Royal London

8. SE plc and Royal London have different ownership structures, business plans, and operating models, and both companies maintain internal policies which govern the financial resources retained in each firm to provide security to their policyholders. These policies inevitably differ to some extent, but they have been approved as being appropriate by the parties' Boards, in the context of their businesses, the regulatory environment in which the parties operate, and the options available to them to manage their financial positions. These policies require both SE plc and Royal London to hold capital in excess of the regulatory minimum.
9. In that context, I view SE plc and Royal London as being of approximately equal financial strength provided that they both comply with their capital management policies, which they currently do, and which is expected to be the case after the transfer.
10. Furthermore, both SE plc and Royal London, which have similar management and governance arrangements, hold similar types of insurance policies and are exposed to similar risks. I have considered the risks faced by both SE plc and Royal London, and I am satisfied that the transfer should not materially change the risks faced by transferring policyholders.
11. I have also considered how Royal London's financial position is expected to change in the years following the transfer, and I am satisfied that the company's financial position is expected to continue to meet the targets set out in its financial resources policy.
12. I therefore do not expect the transfer to have a material adverse effect on the security of benefits for policyholders transferring from SE plc to Royal London.

SE plc's policyholders not transferring to Royal London and Royal London's existing policyholders

13. SE plc has confirmed that the transfer will not result in any changes to its internal policy governing the level of financial resources that it holds, and Royal London has confirmed similarly. I am satisfied that the level of financial resources that each expects to hold following the transfer will comply with its policy. I have also examined the likely effect of the transfer on the risks faced by SE plc and by Royal London, and I am satisfied that I do not expect there to be a material impact on each company's risk profile.
14. I therefore do not expect the transfer to have a material adverse effect on the security of benefits for SE plc's remaining policyholders or Royal London's existing policyholders.

Service standards

Policyholders transferring from SE plc to Royal London

15. The administration of the transferring policies is currently outsourced by SE plc to Atos BPS Limited, who I refer to as Atos, a specialist third-party provider of insurance policy administration. SE plc's contract with Atos will be cancelled, with Royal London entering into a new contract with Atos on materially similar terms. Target service levels will remain unchanged for the vast majority of servicing activities (such as processing claims, complaints and other mail), although there will be a slight reduction in call handling service levels. In deciding whether I consider the proposals to represent a material adverse effect on service standards, I considered them against industry averages and the proposals compare favourably to these. Given this, and given that the administration will continue to be carried out by Atos, and on the same systems, I do not expect there to be a material adverse effect on the standards of service received by the transferring policyholders.
16. Atos SE, the parent company of Atos, announced on 5 February 2024 that it was in formal discussions with its banks to agree a plan to refinance its debts. Since then there have been a number of articles in the press about the financial position of Atos SE and its subsidiaries. As Atos currently provides third-party services for the transferring policies, I am satisfied that the Scheme will not create a significant new reliance on Atos for the transferring policyholders. I also note that Atos's ability to administer and service the transferring policies is not currently impacted. Should this change, either before or after the proposed transfer, SE plc and Royal London both have back-up plans in place to ensure that continuity of service is maintained for transferring policies. I am therefore currently satisfied that the conclusions of my report remain appropriate and unchanged in light of this, provided that these back-up plans are appropriate and continue to support these conclusions. I will report further on the situation, including on the ongoing appropriateness of the parties' back-up plans, in my supplementary report.
17. In the longer term, Royal London intends to bring the administration of transferring policies in-house. While plans to do this have not been finalised, Royal London currently expects that if the transferring policies' administration was brought in-house it would seek to align the service standards for them with those for its existing internally-administered business. While there are some differences between the service standards for the transferring policies under Royal London's new agreement with Atos compared to those currently applying to its internally-administered business, I am satisfied that these are not material and that the service standards are generally comparable. Should the administration of the transferring policies be brought in-house, Royal London has committed to undertaking an assessment at that point to ensure there is no resulting material adverse effect on service standards.

SE plc's policyholders not transferring to Royal London and Royal London's existing policyholders

18. Some of SE plc's remaining policies are currently administered by Atos under the same arrangement referred to in paragraph 15. As that arrangement is to be cancelled, SE plc intends to bring the administration of the relevant remaining policies into the scope of another (separate) agreement it has with Atos, and on identical terms. There are no other changes to the administration of SE plc's remaining policies. I therefore do not expect there to be a material adverse effect on the standards of service received by SE plc's remaining policyholders.
19. As discussed in paragraph 16, there have recently been some articles in the press about the financial position of Atos SE and its subsidiaries. As Atos currently provides third-party services for SE plc's remaining policies, and will continue to do so following the transfer, I am satisfied that the Scheme does not change the reliance on Atos for SE plc's remaining policies. Atos's ability to administer and service these policies is not currently impacted. Should this change, SE plc has a back-up plan in place to ensure that continuity of service is maintained for remaining policies. I am therefore currently satisfied that the conclusions of my report remain appropriate and unchanged in light of this, provided that these back-up plans are appropriate. I will report further on the situation, including on the ongoing appropriateness of SE plc's back-up plan, in my supplementary report.
20. The transfer will not affect the administration of Royal London's existing policies.

Conclusion

21. I therefore conclude that the proposed transfer is not expected to have a material adverse effect on the benefits expected to be paid to any group of policyholders, or to significantly reduce the security of those benefits, or the standards of service received by policyholders.
22. Before the final Court hearing, expected to be held on 14 June 2024, at which the Court will decide whether the transfer may proceed, I will prepare a further report discussing any significant developments that have occurred since my full report was finalised, commenting on whether these developments cause me to change my conclusions.



Stephen Makin FFA CERA

Independent Expert
For and on behalf of
Hymans Robertson LLP

February 2024

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Notice of application to the Court

IN THE HIGH COURT OF JUSTICE

CR-2023- 006670

BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
COMPANIES COURT (ChD)

IN THE MATTER OF
SCOTTISH EQUITABLE PLC

- and -

IN THE MATTER OF
THE ROYAL LONDON MUTUAL INSURANCE SOCIETY LIMITED

- and -

IN THE MATTER OF PART VII OF THE FINANCIAL SERVICES AND MARKETS ACT 2000

NOTICE

Notice is hereby given that on 28 February 2024 an application, by CPR Part 8 Claim Form dated 2 February 2024, was made pursuant to section 107(1) of the Financial Services and Markets Act 2000 (the “**Act**”) before the High Court of Justice, Business and Property Courts of England and Wales, Companies Court (ChD) in London (the “**High Court**”) by Scottish Equitable plc (“**SE**”) and The Royal London Mutual Insurance Society Limited (“**Royal London**”) for Orders:

1. under section 111 of the Act sanctioning an insurance business transfer scheme (the “**Scheme**”) providing for the transfer to Royal London of certain individual protection business of SE (the “**Transferring Business**”); and
2. making ancillary provision in connection with the Scheme pursuant to sections 112 and 112A of the Act.

(the “**Application**”)

Copies of (i) the report on the terms of the Scheme prepared by an Independent Expert in accordance with section 109 of the Act (the “**Independent Expert Report**”), (ii) a guide setting out the terms of the Scheme and a summary of the Independent Expert Report, and (iii) the Scheme document may be obtained free of charge by contacting SE or Royal London (as appropriate) using the relevant telephone number or the relevant postal or email address set out below. These documents, and other related documents including actuarial reports and sample copies of the communications to SE policyholders, are also available at the website listed below from the date of publication of this Notice until the date of the Hearing (as defined below).

The website will be updated with any key changes in respect of the proposed transfer, on a rolling basis. Any questions or concerns relating to the proposed transfer should be referred to SE using the following telephone number or postal or email address:

Scottish Equitable plc Aegon Protection Sunderland SR43 4DJ	Freephone No (for calls from the UK): 0800 032 7587 Telephone No (for calls outside the UK, charged at the usual international rate) +44 (0) 3456 00 14 02 Website: aegon.co.uk/protectiontransfer Email: protectiontransfer@aegon-service.co.uk
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The Application is due to be heard before a Judge of the High Court at 7 Rolls Buildings, Fetter Lane, London EC4A 1NL on 14 June 2024 (the “**Hearing**”). Any person (including any policyholder or employee of SE or Royal London) who thinks that they would be adversely affected by the carrying out of the Scheme has a right to attend the Hearing and express their views, either in person or by a suitably qualified legal representative. It would be helpful if anyone intending to do so informed Pinsent Masons LLP, the solicitors acting for SE, in writing at the address below prior to 31 May 2024, but preferably as soon as possible, setting out their reasons why they believe they would be adversely affected.

Any person who alleges that they would be adversely affected by the Scheme but does not intend to attend the Hearing may make representations about the Scheme by: (i) telephoning SE using the telephone number above; (ii) writing to SE at the address above or (iii) writing to Pinsent Masons LLP at the address below, prior to 31 May 2024, but preferably as soon as possible, setting out their reasons why they believe they would be adversely affected.

SE will inform the Financial Conduct Authority, the Prudential Regulation Authority, the Independent Expert and the High Court of any objections raised in advance of the Hearing, regardless of whether the person making the objection intends to attend the Hearing. By submitting an objection to the Scheme, you consent to your objection and any personal data you provide with your objection being shared with the Financial Conduct Authority, the Prudential Regulation Authority, the Independent Expert and the High Court.

If the Scheme is sanctioned by the High Court, it will result in the transfer of the Transferring Business from SE to Royal London notwithstanding any entitlement that a person would otherwise have to terminate, modify, acquire or claim an interest or right, or to treat an interest or right as terminated or modified as a result of anything done in connection with the Scheme. Any such entitlement will only be enforceable to the extent the order of the High Court makes provision to that effect.

Dated: February 2024
Pinsent Masons LLP
30 Crown Place
Earl Street
London
EC2A 4ES
Ref: HA.06
Solicitors acting for SE

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Questions and answers

We've put together some answers to the questions we think our customers are most likely to ask.

If you have a question that's not here, please get in touch and we'll be happy to talk. See [Section 12](#) for how to contact us.

About Aegon and the Transfer

1. What's happening?

Aegon, which is a brand name of Scottish Equitable plc, is proposing to transfer its individual protection business, which includes life insurance, critical illness and income protection policies (the Transferring Business) to Royal London. This means Royal London will be responsible for your policy after the Transfer takes effect.

The Transfer of your Policy to Royal London will have minimal impact on you as a policyholder. As explained in [Section 3](#), your policy details won't change and there'll be no change to your policy conditions, policy benefits, payments or any guarantees – they'll all stay the same. Your Policy will, after the Transfer, be provided by Royal London.

If the Court approves our proposal, we expect the Transfer to take effect on 1 July 2024. We explain more about the Court process in [Section 5](#).

2. Why are you doing this?

Following a strategic review, we made the decision to simplify our business by selling our individual protection business and transferring it to Royal London, so

we can focus on the pension and investment markets.

As part of the Transfer, we closed our protection business to new customers and stopped selling new protection policies on 4 April 2023.

Your Policy forms part of the individual protection business we're proposing to transfer to Royal London.

3. Why is my Policy transferring to Royal London?

We did a thorough review and chose Royal London because of its experience and expertise in managing a UK protection business, including life insurance, critical illness and income protection policies, as well as its commitment to supporting our values.

4. Will I be charged for the Transfer?

No. The costs and expenses of the Transfer will be paid by us and Royal London. You won't incur any costs relating to the Transfer.

5. Do I need to do anything now?

If you're happy with the proposal, you may not need to do anything. [Section 6](#) goes into more detail.

Please keep this guide in a safe place, so you can refer back and read it again if you need to.

Royal London

6. Who is Royal London?

Royal London has experience and expertise in managing UK protection business,

including life insurance, critical illness and income protection policies.

It's the largest mutual life, pensions and investment company in the UK. It looks after 8.1 million UK policies and has £153 billion in assets under management (as at September 2023). You can find out more about Royal London by visiting royallondon.com

7. How do I contact Royal London about my Policy after the Transfer takes effect?

Once the Transfer is implemented and your Policy is transferred, you'll see a transition and will start receiving correspondence from Royal London in the future. The phone number will stay the same. For general queries, call 03456 00 14 02, Monday - Friday, 8.30am-5.30pm (call charges will vary).

Your Policy

8. Which policies are being transferred?

Our proposal is to transfer our individual protection policies, which includes life insurance, critical illness and income protection policies.

9. Do I need to change my direct debit arrangement?

No. You don't need to do anything or make any changes to your direct debit arrangement.

You'll see a change on your bank statement after the Transfer is implemented, with your premiums or any claim payments changing so they're to or from Royal London. This will happen automatically after the Transfer takes place.

When you first set up a direct debit, there's a guarantee offered by all banks and building societies. The Direct Debit Guarantee has been updated and will take effect if

the Scheme is implemented. A copy of the updated Direct Debit Guarantee is in [Appendix 1](#).

10. What if I pay my premiums by cheque or bank transfer?

If you pay your premiums by cheque or bank transfer, you'll need to update the payee's name from Scottish Equitable to Royal London on 1 July 2024 for any future premiums. Please contact your bank if you're unsure of how to do this.

11. Who do I contact if I need to make a change to my Policy or make a claim?

You should follow the normal process and get in contact as soon as you can. The phone number will stay the same. We cover more information about making a claim under your Policy in [Section 4](#).

If you've already been in contact with us and we're in the process of assessing a claim, there's no need to take any action. Your dedicated claims assessors will remain the same and continue to assess your claim after the Transfer is implemented.

12. Are the Policy Plus support services still available?

Yes. All protection policies provide you, and your immediate family, with access to Policy Plus. These are included at no extra cost, to provide support and guidance when you need it most. Visit aegon.co.uk/customer/support/protection/managing-your-policy/access-support-services to find out how to access these services. You'll continue to be able to access and use these services after the Transfer is implemented.

13. What about payments - if I have a valid claim at the time of the Transfer?

If your claim has been successful, you'll continue to receive your usual benefit payment(s).

You'll notice a change in your bank statement, as the transaction payments will change from Scottish Equitable to Royal London.

14. What about my personal information?

There'll be minor changes to the way your Policy is administered. In order for Royal London to communicate with you and administer your Policy, we'll transfer your personal data to Royal London. We and Royal London will make sure the transfer is in accordance with data protection legislation. This includes making sure your personal data is kept appropriately secure.

You can find out more about how Royal London processes your data by looking at its privacy policy at royallondon.com/legal/privacy

15. Will the Transfer change my Policy conditions?

No. When the Transfer takes effect, Royal London will become the provider of your Policy in place of us. However, Royal London won't issue new policy conditions because other than the change of provider, your policy conditions will stay the same.

16. Why did I receive more than one letter about this Transfer?

We're writing to all our policyholders, who have a policy that's part of the Transferring Business, to let them know about our proposals. We've done our best to reduce the number of duplicate versions, but you may receive more than one letter if you have more than one Policy with us.

17. Will any of my other Aegon policies be transferred?

We're only transferring the policies that are part of the Transferring Business. In the letter we sent you, it details the policy number of the Policy we're proposing to Transfer.

If you have a different policy or another product with us, this won't be impacted and will stay with us.

18. Did you send a copy of the letter to my financial adviser?

No, we haven't sent a copy to your financial adviser. Please feel free to contact your adviser and discuss the contents of your letter and this guide. If you no longer have an adviser and would like advice, you can visit moneyhelper.org.uk/choosing-a-financial-adviser to find the right one for you.

19. Will my Policy continue to be protected by the Financial Services Compensation Scheme (FSCS) after it's transferred?

Yes, you'll continue to be protected by the FSCS after the Transfer in the same way you would've been had your Policy remained with us. There's no change to your access to FSCS protection as a result of the Transfer.

20. Will there be an impact on the service levels?

We don't expect any material impact on the service levels you currently receive as a result of the Transfer.

About the process

21. How are my interests being protected?

Our customers are protected by a rigorous legal process that includes consultation with the Regulators. We, together with Royal London, also appointed an Independent Expert who has prepared a report on the Transfer, read the summary in [Section 9](#).

The Transfer then needs to be approved by the Court before it can be implemented. When considering the Transfer, the Court will consider the views of policyholders, other interested parties, the Independent Expert and the Regulators.

You have the right to make objections to the Court if you consider you may be adversely affected by the Transfer.

The Independent Expert, Stephen Makin who is a senior actuary and partner of consultancy firm Hymans Robertson, has been approved by the Regulators to provide an independent report on our proposals and the likely effect of the Transfer on ours and Royal London's customers. You can read a summary of the report in [Section 9](#). The full report is available online at aegon.co.uk/protectiontransfer

22. Why is the Court involved?

The Transfer is to be effected by following a legal process under Part VII of the Financial Services and Markets Act 2000. This process requires the Transfer to be approved by the Court. The Court needs to be satisfied the process for the approval of the Transfer meets all the necessary legal requirements and our and Royal London's customers aren't materially adversely affected by the proposal.

23. What will happen at the Court hearing?

The Court will review the evidence presented to it and consider whether it's appropriate to approve the Transfer for implementation. The Court will allocate time to hear any objections or concerns put forward by affected policyholders or any other persons who believe they'd be adversely affected by the Transfer.

We'll announce the Court's decision on our website at aegon.co.uk/protectiontransfer

24. What happens if the court doesn't approve?

The Transfer won't go ahead, and your Policy will stay with us. We'll write to you and let you know any further information at that time.

25. Can I choose not to transfer?

The legal process we're following doesn't allow for customers to opt out of the Transfer. Protecting the interests of our customers is a key priority for us and as explained in [Section 3](#), you'll continue to be protected.

26. What if I want to object to the transfer?

If you have concerns about the Transfer and believe you may be adversely affected you have the right to raise an objection. The Court will take all objections into consideration when reaching its decision. [Section 7](#) gives more information about objecting.

Please let us know about any concerns or objections you'd like to raise as soon as possible, ideally before 31 May 2024.

27. What does 'adversely affected' mean?

When we mention adversely affected, this could include the possible effect on you of a change in the financial security of the provider of your Policy or changes to the administration of your Policy. Any type of effect on policyholders may be considered by the Court.

28. I have questions about the Transfer process - what should I do?

If you have additional questions about the Transfer, please get in touch with us using the contact details in [Section 12](#).

29. When will my Policy transfer?

Subject to the Court's approval, we expect the Transfer to take place on 1 July 2024. This date could change, and we'll keep our website up to date with the latest information.

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Contact us

If you have additional questions about the Transfer, you may want to discuss this with your financial adviser. If you no longer have an adviser, visit moneyhelper.org.uk/choosing-a-financial-adviser to find the right one for you.

We're also here to help and you can contact us about the Transfer.

About the Transfer



Online

We'll keep our website up to date with the latest news on the Transfer. You can also download documents and read our frequently asked questions at aegon.co.uk/protectiontransfer



Freephone

Call our dedicated transfer freephone helpline on 0800 032 7587.

If you live outside the UK, please call +44 (0) 3456 00 14 02. Calls to this number will be charged at your usual international rate.

The helpline is open from 8:30am to 5:30pm (UK time), Monday to Friday, excluding bank holidays.



Email

You can send us an email to protectiontransfer@aegon-service.co.uk

If you contact us by email, it's important to know that our email system and the way we deal with data internally is secure. However, we're unable to ensure the security of emails before they reach us so please consider this and do not include any personally sensitive, financial or banking information that has not been appropriately secured.



Write to us

If you write to us about the Transfer, please include your policy number. You can send your letter to:

Aegon Protection
Sunderland
SR43 4DJ



General enquiries

You can get in touch in the usual way if you need any general information about your Policy, or if you need to tell us about any changes.



Phone

Call us on 03456 00 14 02 for your general enquiries between 8:30am to 5:30pm (UK time), Monday to Friday, excluding bank holidays (call charges will vary).



Write to us

You can send any general postal enquiries to:

Aegon Protection
Sunderland
SR43 4DJ

Making a claim under your Policy before 1 July 2024

If you need to make a claim under your Policy, you should contact us as soon as you can. The earlier you let us know, the sooner we'll be able to start gathering the information we need to assess your claim.

The quickest way to tell us about a claim is to call us on 03456 00 04 93, Monday-Friday, 8.30am-5.30pm (call charges will vary). You can choose to complete your claim over the phone with a dedicated claims assessor, or we'll send you a form in the post.

Additional support

If your personal circumstances mean you need any additional support, or if you'd like a large print, Braille or audio version of this document, please visit aegon.co.uk/additionalsupport or call us on 03456 00 14 02.

All protection policies provide you, and your immediate family, with access to Policy Plus - a range of support services. These are included at no extra cost, to provide support and guidance when you need it most. Visit aegon.co.uk/customer/support/protection/managing-your-policy/access-support-services to find out how to access these services.

Appendix 1:

Updated Direct Debit Guarantee

Transfer of business

The good news is that you don't need to take any action to continue to make payments by Direct Debit if the Transfer is implemented.

Following the transfer of Scottish Equitable's individual protection business, which is planned to take place on 1 July 2024, any Direct Debit payments collected after this date will be taken by Royal London.

Details of the change have been supplied to your bank, who may also notify you independently. You'll continue to enjoy the benefit of the Direct Debit Guarantee, as detailed below.

If you have any questions about this change, please call our helpline on freephone 0800 032 7587 or +44 (0) 3456 00 14 02 if you live outside the UK. Calls made from outside the UK will be charged.



The Direct Debit Guarantee

This Guarantee is offered by all banks and building societies that accept instructions to pay Direct Debits.

If there are any changes to the amount, date or frequency of your Direct Debit, The Royal London Mutual Insurance Society Ltd will notify you three working days in advance of your account being debited or as otherwise agreed. If you request The Royal London Mutual Insurance Society Ltd to collect a payment, confirmation of the amount and date will be given to you at the time of the request.

If an error is made in the payment of your Direct Debit by The Royal London Mutual Insurance Society Ltd or your bank or building society, you are entitled to a full and immediate refund of the amount paid from your bank or building society.

If you receive a refund you are not entitled to, you must pay it back when The Royal London Mutual Insurance Society Ltd asks you to.

You can cancel a Direct Debit at any time by simply contacting your bank or building society. Written confirmation may be required. Please also notify us.



Call us about the Transfer

Freephone

0800 032 7587

Visit online for updates

aegon.co.uk/protectiontransfer

If your personal circumstances mean you need any additional support, or if you'd like a large print, Braille or audio version of this document, please call us on 0800 032 7587.

aegon.co.uk

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 Aegon UK

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