

<Policyholder Name>
<Policyholder Address>
<Policyholder Address>
<Policyholder Address>
<Policyholder Address>
<Policyholder Address>
<Policyholder Address>
<Policyholder Address>
<Policyholder Address>

26 May 2015

Dear <Salutation>

IMPORTANT NOTIFICATION THAT REQUIRES YOUR ATTENTION

Update on the Suspension of the OFS International broker fund (the 'broker fund') **Policy number - <Policy Number>**

We wrote you on 5 March 2015 providing you with advance notice that in April 2015 we would be formally closing the suspended OFS International broker fund, a fund you hold within your policy. The broker fund has been suspended for a long period of time due to pricing issues of the 2 underlying funds (managed by PCP) that the broker fund links to. As the underlying funds are now in liquidation we took the decision to close the broker fund, without value, and remove this off your policy in order to allow you to have full access to any remaining value you hold in other funds.

When a RL360° regular savings policy holds a suspended fund the policy effectively becomes 'frozen' meaning that the policy owner is restricted from carrying out certain transactions on their policy. This includes switching between funds, taking part withdrawals, viewing a current valuation or fully surrendering any residual value in a policy. By removing the suspended fund these restrictions are removed.

I can confirm that the closure of the broker fund is now complete and this means that from this point forward you will no longer see a unit holding in the suspended OFS International broker fund within your policy valuation. Instead we will retain a ledger of holdings of each policyholder as at 21 April 2015 and should PCP advise that they have received any proceeds back from the liquidating assets we will request immediate redemption. We will then allocate those proceeds back to policyholders.

Your current policy options

Now that the fund has been removed and you have full access to your policy again, you have the following options:

- **Keep your policy running** - you now have the ability to make fund switches within your policy should you wish to change your investments options. You can do this by simply completing a *Fund Switch Instruction (SPILA)* form and returning to us for processing. Alternatively, if you are registered for '*online switching*' you can conduct switches online fast and efficiently without the need to complete any forms.
- **Take a withdrawal** - should you wish to make a withdrawal from your policy, you can complete a *Withdrawal Request* form and return it to us for processing. Please note that the remaining value must be above the permitted policy minimum of £2,500 / US\$4,000 / €4,000/JPY425,000.
- **Surrender your policy** – should you wish to fully surrender the remaining value in your policy you must complete a *Surrender Request* form and return it to us for processing along with the required documentation. Should we already hold instructions from you to surrender your policy we will automatically process this for you. You do not need to resend your instructions.

If you elect to surrender your policy, should further monies be recovered from the liquidating PCP funds, you may need to reassess the actual surrender value of the policy and whether any gain should be notified to your tax authority.

The fund range available to your policy is the SPILA internal fund range. A *SPILA Funds Investment Guide* and a *SPILA Funds Policyholder Fund Performance Bulletin* can be obtained from the *Downloads* section of our Public website at www.rl360.com under *Funds*. A *Fund Switch Instruction (SPILA)* form can also be found here.

Servicing forms such as *Withdrawal Request* and *Surrender Request* can be obtained from our Customer Service team. Their contact details are at the end of this letter.

Please note: if you have continued to pay premiums during the suspension these were redirected into the USD Deposit fund. If you do not wish for this to continue please complete a *Fund Switch Instruction (SPILA)* form to redirect premiums in to your chosen SPILA internal fund.

What is the probability of recoveries from the underlying PCP funds?

We are reliant on receiving updates from the Administrators of PCP funds on the progress of the liquidation, but as previously advised the outcome does not look favourable.

However, should we receive any distribution payments for the PCP funds, we will send you your entitlement by way of cheque to your last known address. It is therefore vitally important that you inform us should you change your correspondence address, even if you choose to surrender, to ensure we are able to continue to communicate with you on this matter.

Queries

We understand you may have queries regarding your options, and we would urge you to discuss them with your financial adviser. Where we hold details on file, a copy of this letter has been sent to the adviser firm we have recorded as being your nominated servicing agent for your policy.

Should you wish to contact us directly regarding this matter, our Customer Service Team can be contacted by email: csc@rl360.com or by telephone on: +44 (0)1624 681682, and they will be pleased to assist you.

Kind regards,



Natalie Hall
Director of Marketing

<cc. Agent>