

Review of Final (or terminal) Bonuses 1 July 2008

As outlined in our 2006 (for traditional with profits business) and 2007 (for Unitised With Profits business) Bonus Declaration Communications, which was issued to all Intermediaries and With Profit Policyholders in June 2007 and, in line with the standard review of the With Profit Funds,

- the Scottish Provident Limited Supervisory Board and
- the Scottish Mutual International Board

have recently reviewed the Final (Terminal) bonus rates and related factors for With-Profits policies, both Conventional With Profits and Unitised With Profits, for both **Scottish Provident Limited** (SPL – policies written before 1 August 2001) and **Scottish Mutual International domestic** business (SMI – policies written after 1 August 2001).

The review was carried out in May 2008, and the revised rates were implemented on 1 July 2008.

The attached letter, '[Intermediary Letter Ireland January 2008.doc](#)', will be issued to all our intermediaries this week, and is now on the website (www.scotprov.ie) as well as on the Intranet.

The document '[Final Bonuses / MVRs applicable from 1st July 2008](#)', shows the revised final bonus and market value reduction rates as at 1st July 2008.

The next planned review of final bonus will be in January 2009. MVRs are of course reviewed more regularly in order to protect the interests of remaining policyholders. Also, depending on investment experience, final bonuses may be reviewed outside the January/July review dates.

Shay Hiney
1 July 2008