



Scottish Provident Ireland  
Styne House  
Upper Hatch Street  
Dublin 2

Tel No: 00353 1 6399859  
Fax No: 00353 1 6382901

[www.scotprov.ie](http://www.scotprov.ie)

<< Broker Title >>  
<< Broker Address 1 >>  
<< Broker Address 2>>  
<< Broker Address 3 >>  
<< Broker Address 4 >>

Telephone Number: 01 639 9859  
Lines open: 9:00am to 5:00pm Mon to Fri  
Email: [info@resolutionireland.com](mailto:info@resolutionireland.com)  
Date Issued: April 2008

Dear Intermediary

### **With Profits Funds Update 2008**

We previously wrote to you promising to keep you informed of the performance of the Scottish Provident and Scottish Mutual International With Profits Funds, and what this means for your customers who may be invested in these Funds. This is part of our commitment to providing you with the information you need to help advise and support these customers.

### **Final Bonuses and Market Value Reductions (MVRs)**

We continue to manage our bonus policy according to the principles that we have explained in recent years and have published in our Principles and Practices of Financial Management. The fairest way of sharing out the available assets and investment earnings in the funds for all customers is to continue the practice of reviewing Final Bonuses rather than Annual Bonuses, and reviewing MVRs where appropriate.

For the Scottish Provident Limited (SPL) Fund we are therefore declaring no Annual Bonus for Year ending 2007, except for our Pensions Unitised With Profits Fund – Series 1 – where a guarantee of 4% applies to units purchased before 1 October 1999. The Final Bonus scale will be reviewed again no later than June 2008.

For the Scottish Mutual International (SMI) With Profits Fund we are continuing to declare for 2008 an Annual Bonus of 2.25%. The final bonus scale will also be reviewed no later than June 2008. MVRs will continue to be reviewed regularly.

### **Fund Performance**

The changes to our fund strategy that we told you about in July 2004 continue to apply.

Over the last year, to 31 December 2007, as a result of our asset mix and approach to risk, the Funds delivered gross investment returns as follows: -

Scottish Provident and Scottish Provident Ireland are trading names used by Scottish Mutual International Ltd (with effect from 1 August 2001) (Registered in Ireland No 242244. Registered Office: 25-28 North Wall Quay Dublin 1) and Scottish Provident Ltd (to which the business of the Scottish Provident Institution was transferred on 1<sup>st</sup> August 2001) (Registered in Scotland No. 212709. Registered Office: 301 St Vincent Street Glasgow G2 5HN United Kingdom. Irish branch registered No. E4552). An up-to-date list of company directors, containing the particulars indicated in paragraphs (a), (b) and (c) of section 196 (1) of the Companies Act 1963, is available from each company's registered office. Scottish Mutual International Ltd is regulated by the Irish Financial Regulator, Scottish Provident Limited is regulated in the United Kingdom by the Financial Services Authority.

- Scottish Provident Limited 3.95%
- Scottish Mutual International 4.29%

Please remember that past performance is not an indication of future performance and the value can go down as well as up.

### **Consistency of Approach**

We will continue to concentrate on regular reviews of final bonus to reflect investment returns. This allows us to protect the long-term interests of all investors in the Fund and to continue to treat all policyholder groups fairly.

For more detailed information visit [www.scotprov.ie](http://www.scotprov.ie) where you will find: -

- 2008 With Profits Your Questions Answered
- Final Bonus Rates
- MVR Tables (for Scottish Mutual International)
- Principles and Practices of Financial Management (PPFMs)

### **Keeping Your Clients Informed**

We will soon be writing to Scottish Provident Limited and Scottish Mutual International policyholders and trustees with details of this update and how it affects them. Samples will shortly be available on our website at [www.scotprov.ie](http://www.scotprov.ie)

If you have any further queries, please call our customer helpline on 01 - 639 9859 between 9.00am and 5.00pm Monday to Friday or email us at [info@resolutionireland.com](mailto:info@resolutionireland.com)

Yours faithfully

Shay Hiney  
Intermediary Relationship Manager

This letter is aimed at intermediaries and investment professionals only.

Scottish Provident and Scottish Provident Ireland are trading names used by Scottish Mutual International Ltd (with effect from 1 August 2001) (Registered in Ireland No 242244. Registered Office: 25-28 North Wall Quay Dublin 1) and Scottish Provident Ltd (to which the business of the Scottish Provident Institution was transferred on 1<sup>st</sup> August 2001) (Registered in Scotland No. 212709. Registered Office: 301 St Vincent Street Glasgow G2 5HN United Kingdom. Irish branch registered No. E4552). An up-to-date list of company directors, containing the particulars indicated in paragraphs (a), (b) and (c) of section 196 (1) of the Companies Act 1963, is available from each company's registered office. Scottish Mutual International Ltd is regulated by the Irish Financial Regulator, Scottish Provident Limited is regulated in the United Kingdom by the Financial Services Authority.