

Bonus rates

1 February 2017

▶ Regular bonus rates for unitised with-profits business

Class of business	Annual management charge (AMC)	Rate per annum (net of AMC)
Life		
With-Profits Bond (post 15 January 2001) and Flexible Growth Bond (post 2 December 2002)	1.3%	0.20%
With-Profits Bond (12 October 1998 to 15 January 2001) and Flexible Bond (post 15 January 2001)	1.0%	0.20%
With-Profits Bond (pre 12 October 1998)	0.865%	0.20%
Regular premium (post 20 November 1998)	0.865%	0.10%
Please see overleaf for plans with regular bonus guarantees.		
Pensions		
Regular premium (post 1 June 1999)	1.0%	0.10%
Special payments (post 1 June 1999)	1.0%	0.10%
Regular premium Staff-Link (Fund Based Charge Option)	0.5%	0.10%
Special payments Staff-Link (Fund Based Charge Option)	0.5%	0.10%
Invested Annuity	1.0%	0.10%
Special payments (post 1 January 2004)	1.0%	0.10%
Please see overleaf for plans with regular bonus guarantees.		

The rates in the table are net of the annual management charge (AMC). The AMC is also shown.

Notes

Some policies have a guaranteed minimum regular bonus rate. The regular bonus guarantees only apply on certain dates. These are specified in the policy document (eg on the selected retirement date for a pension policy, or on death). There are dates when we guarantee that we will not apply MVRs. These are also specified in the policy document (eg on the selected retirement date for a pension policy, or on death).

Where a policy has a declared regular bonus rate that is higher than the guaranteed rate, the declared rate includes the guaranteed element. When the declared rate is lower than the guaranteed rate, the guaranteed rate will apply. The amount of the guarantee varies according to the class of business and the date when the policy started.

The table below summarises those policies that have a regular bonus guarantee (excluding Group Money Purchase Plan (GMPP), Group AVC (GAVC), Personal Transfer Account (PTA) and the Flexible Retirement Plan (FRP)).

Policy type	Date of investment	Amount of guarantee (net of AMC)
Regular premium life	Pre 20.11.1998	2.25%
Pensions	Pre 01.06.1999	2.00%
Pensions	Pre 01.01.1995	4.00%

Annual management charge (AMC)

The rates are applied to units on the basis that the current AMC has already been deducted. This is the normal way of expressing regular bonus rates.

For the guarantees that apply to GMPP, GAVC, old PTA and FRP, please see the table below. The regular bonus rate for these products is declared gross of AMC – for other products we declare the rates net of AMC.

Policy type	Date of investment	Guarantee gross of AMC	AMC	Guarantee net of AMC
Pensions	Pre 01.06.1999	3.00%	1%	2.00%
Pensions	Pre 01.01.1995	5.00%	1%	4.00%
Pensions	Pre 01.03.1994	4.75%	1%	3.75%

For Trustee Investment Account (TIA) policies with a start date between 01.03.1999 and 01.06.1999, there is no guaranteed level of regular bonus.

▶ Regular and intermediate bonus rates on traditional business

The rates are shown below.

Life contracts

Life	2016 regular bonus		2017 intermediate bonus	
	Rate per annum on sum assured	Rate per annum on regular bonus	Rate per annum on sum assured	Rate per annum on regular bonus
Full profit	1.0%	2.0%	0.8%	1.5%
Old series	1.0%	2.0%	0.8%	1.5%
Marginal bonus	0.0%	2.0%	0.0%	1.5%

Pension contracts

Pensions	2016 regular bonus rate on existing benefits		2017 intermediate bonus rate on existing benefits	
	Per month	Per annum	Per month	Per annum
Selective Pension Plan	0.01%	0.12%	0.01%	0.12%
Personal Pension Contract				
– single premium	0.01%	0.12%	0.01%	0.12%
– regular premium	0.01%	0.12%	0.01%	0.12%
Whole Life/Endowment Assurance policies approved under FA 1970	N/A	0.5%	N/A	1.2%

The intermediate bonus rates took effect from 1 January 2017.

Please contact our customer service department on **0345 606 2266** if you have any questions. If you are calling from outside of the UK, please call **+44 (0)117 929 0290**. Please have your policy number to hand.