

With-Profits Actuary's Conclusions on the proposed SALAS Scheme amendments and the proposed early merger of SAIF into the WPSF

In my opinion:

- the amendments are required because the Scheme would otherwise prove impossible or impractical to implement;
- the amendments will not adversely affect the reasonable expectations of, or reduce the protection conferred by the Scheme on, the SAIF with-profits policyholders;
- on the basis of currently available information, early merger should be beneficial to the SAIF with-profits policyholders compared to merging at the trigger point defined in the SALAS Scheme. I note that early merger will be subject to agreement by the Scottish Amicable Board, and that if they decide that early merger would not be beneficial to the SAIF with-profits policyholders, they can decide not to proceed with it;
- on the basis of currently available information, early merger is not expected to have any adverse effect on the WPSF with-profits policyholders. An early merger is subject to agreement by the PAC Board which can decide not to proceed if it would have an adverse effect on the WPSF with-profits policyholders;
- the proposed communications strategy is consistent with the reasonable expectations of the SAIF and WPSF with-profits policyholders; and
- the proposed amendments to the Scheme, early merger and communications strategy have no adverse effect on the PAC with-profits policyholders who are not referred to in my conclusions above.

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PAC With-Profits Actuary

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