



ReAssure

ReAssure Limited

Guardian Assurance With-Profit Fund

Conventional Life With-Profits Bonus Rates & Estate Distribution

1 January 2021

This document is for you if you have a Traditional With-Profits Life Assurance policy with either ReAssure Ltd or Countrywide Assured that is written in the Guardian Assurance With Profits Fund.



ReAssure

Guardian Assurance With-Profit Fund Conventional With-Profits Bonus Rates

Bonuses are additions to the benefits payable on with-profits policies. You can find more information about how bonuses are added to different types of policy in our “A guide to how the Guardian Assurance With-Profit Fund is managed (traditional with-profits life, whole of life and endowment)” document, which is available to download from our website.

We also have a more detailed guide to our with-profits management strategy called 'Guardian PPFM'. If you would like any of these documents, please ask us or download them from our website www.reassure.co.uk.

Annual Bonus Rates (also known as Regular Bonus or Reversionary Bonus)

The PPFM sets out that annual bonus rates were reduced at the 31st December 2004 declaration to such a level that no further reductions are planned. We anticipate annual bonuses can be maintained at this level in the future, if investment returns are not significantly less than anticipated and mortality experience does not change significantly from that anticipated.

Current Annual Bonus Rates are as follows:

Product	Annual Bonus Rate
Endowment and Whole of Life (Simple Series)	1.00%
Endowment and Whole of Life (Compound Series)	1.00%

Final Bonus Rates (also known as Terminal Bonus)

We may pay a final bonus when the life assured dies or when the policy reaches its end date. We may also pay some final bonus if you cash-in your policy early. Rates depend on the type of product, the date it commenced, the duration and the premiums paid.

We usually review final bonus rates every month and we do not give advance notice when we change final bonus rates. **Final Bonus rates may vary or be removed at any time and are therefore not guaranteed** The rate may be zero for certain classes and certain calendar years in which case no final bonus will be payable

Bonus rates with effect from 1 January 2021 are as follows:

Endowment and Whole of Life Policies (Simple Series)

Year of Issue	Final Bonus Rate
1978 and earlier	379%
1979 and later	300%

Endowment and Whole of Life Policies (Compound Series)

Year of Issue	Final Bonus Rate
All Years	628%



Contributions from the Estate

The Estate is the amount by which the fund’s investments are more than the amount we believe it will need to pay out to all the policies as they become due. The Estate exists to cover the risk of any unforeseen decrease in the value of the fund’s investments or increase in the amounts it needs to pay out to policyholders. Further information can be found in Section 11 of the “A guide to how the Guardian Assurance With-Profit Fund is managed (traditional with-profits life, whole of life and endowment)” guide available to download from the ReAssure website.

If there are no unforeseen circumstances, then we intend, over time, to distribute the Estate fairly to customers who have with-profits policies.

The Estate distribution is achieved through enhancements to Asset Shares, which improves final bonuses. Since the Fund closed to new business, action has been taken to distribute the estate to the with profits policyholders. As part of the bonus setting process each year, ReAssure determines the annual amount of “bonus surplus” that needs to be added to Asset Shares in order to exhaust the estate. The history of estate distributions since the fund was closed in 1998 is shown below:

Year	Increase to asset shares
1998	16.1%
1999	3.0%
2000	6.0%
2001	6.0%
2002	3.0%
2003	3.0%
2004	2.0%
2005	2.0%
2006	2.0%
2007	2.0%
2008	2.0%
2009	2.0%
2010	2.5%
2011	8.0%
2012	3.0%
2013	2.5%
2014	3.0%
2015	3.0%
2016	3.0%
2017	8.0%
2018	3.0%
2019	5.0%