



Supplementary Report to the Report of the Independent Actuary

on the Proposed Scheme to transfer certain insurance business of
Isle of Man Assurance Limited (“IOMA”)
to
RL360 Life Insurance Company Limited (“RL360 Services”)

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1 INTRODUCTION

Purpose of this report

- 1.1 I have previously prepared a report (the "**Independent Actuary's Report**") dated 2 October 2024 on the terms of the proposed transfer of a portfolio of insurance business from Isle of Man Assurance Limited ("**IOMA**") to RL360 Life Insurance Company Limited ("**RL360 Services**") (together "**the Companies**") pursuant to an insurance business scheme of transfer under the Insurance Act 2008 ("**the 2008 Act**"). The 2008 Act contains a mechanism for the Isle of Man Court to sanction a scheme to transfer long-term insurance business carried on by Isle of Man authorised insurers or permitholders in certain circumstances.
- 1.2 The Independent Actuary's Report summarised the terms of the proposed transfer and set out my conclusions on its likely effects on both the security of benefits and the fair treatment and reasonable benefit expectations of the Companies' policyholders.
- 1.3 Following a Directions Hearing in the High Court of Justice of the Isle of Man (Civil Division) (the "**Court**") on 11 October 2024, the Companies have dispatched communication packs to various groups of policyholders and have published Notice of the Sanction Hearing in various newspapers and on the Companies' websites. The Companies have applied to the Court for a Sanction Hearing¹ at 10am on 25 November 2024. The Proposed Scheme has a proposed effective date on or around 6 December 2024 (the "**Effective Date**").
- 1.4 This report (the "**Supplementary Report**") provides an update on my conclusions as set out in the Independent Actuary's Report in the light of any further information now available to me.
- 1.5 I understand that a copy of the Supplementary Report will be made available to the Court, and the Isle of Man Financial Services Authority ("**IOMFSA**"), and will also be made available on behalf of both RL360 Services and IOMA on the IFGL website (www.rl360services.com/transfer) and the IOMA website (<https://www.iomagroup.co.im/portfoliotransfer.html>).

Reliances and limitations

- 1.6 The statements in the Independent Actuary's Report regarding qualifications and disclosures; the parties for whom my report has been prepared; reliances and limitations; and, professional guidance, also apply to this Supplementary Report, except that this Supplementary Report is based on the information available to me at, or prior to, 15 November 2024, and takes no account of developments after that date.
- 1.7 All abbreviations and technical terms used in this report have the same meaning as in the Independent Actuary's Report unless otherwise indicated.
- 1.8 This Supplementary Report should be read in conjunction with the Independent Actuary's Report, as reading this report in isolation may be misleading. Similarly, both reports must be considered in their entirety as individual sections, if considered in isolation, may likewise be misleading.
- 1.9 The Supplementary Report should also be read in conjunction with the other documents that pertain to the proposed Scheme.
- 1.10 In preparing the Supplementary Report, I have had access to certain documentary evidence provided by the Companies, the principal elements of which I list in the Appendix to this report.
- 1.11 In addition, I have had access to, and discussions with, the senior management of both Companies. I have relied on the accuracy of the information which has been provided to me in written or electronic form or verbally. My conclusions depend on the substantial accuracy of this information, and I have relied on this information without independent verification. There are no documents or other information that I have requested and that have not been provided.
- 1.12 Neither the Supplementary Report, nor any extract from it, may be published without my specific written consent having first been given, save that copies of the Supplementary Report may be made available on the Companies' respective

¹ The term "Sanction Hearing" refers to a final hearing at which the Court will be asked to consider the petition (the "Petition") seeking the Court's approval for the proposed Scheme.

websites, and copies may be provided to any person requesting the same in accordance with legal requirements. In the event such consent is provided, the Supplementary Report must be provided in its entirety. In addition, a summary of this report may not be made without my written consent and, in particular, a summary of this report may not be distributed to policyholders without my prior approval.

- 1.13 The Supplementary Report has been prepared within the context of the assessment of the terms of the proposed Scheme and specifically and solely for the purposes of section 21(1) of and Schedule 2 to the 2008 Act. No liability will be accepted by Milliman, or me, for any application of the Supplementary Report to a purpose for which it was not intended, nor for the results of any misunderstanding by any user of any aspect of the Supplementary Report (or any summary thereof).

2 ANALYSIS AND CONCLUSIONS

Approach

- 2.1 I have sought and received additional information from the Companies in order to consider if any event or change in circumstances has occurred that would cause me to alter the conclusions expressed in the Independent Actuary's Report.
- 2.2 The information I have requested has been selected based on my knowledge of developments in the insurance industry and from the wider economic environment, and also on company-specific issues that were not fully resolved at the time of writing the Independent Actuary's Report which I consider likely to have a direct or indirect impact on the Companies.
- 2.3 In particular, I have considered developments in the following areas:
- The Directions Hearing on 11 October 2024 and subsequent order of the Court
 - Whether the assumptions noted in the Independent Actuary's Report remain valid
 - Progress by both Companies in preparing for the proposed transfer and the level of readiness by both Companies
 - Any changes in the Companies' businesses, including the most recent solvency position of the Companies
 - Current issues in the life insurance industry, including any changes to the regulatory or legal environments
 - Relevant communications received from policyholders relating to the proposed Scheme.
- 2.4 Having received such additional information, I have then considered what impact, if any, this would have on the opinions I expressed in the Independent Actuary's Report.
- 2.5 The main pieces of additional information received are listed in Appendix A.

Developments since the completion of the Independent Actuary's Report

- 2.6 In the following paragraphs, based on the information provided to me by the Companies, I provide a summary of what I consider to be the key developments during the period since the Independent Actuary's Report was issued.

COURT HEARINGS AND DIRECTIONS

- 2.7 On 4 October 2024 the Companies petitioned the Court seeking the sanction by the Court of the proposed Scheme. The proposed Scheme, as set out in that petition, was unchanged from that summarised in the Independent Actuary's Report.
- 2.8 The Court directed that the communications plan, as set out in the petition, be put into effect as proposed and ordered that the petition (together with the other documents specified in the order of the Court) be served on the IOMFSA no later than three weeks before the Sanction Hearing.
- 2.9 The Court set the next hearing date ("**Sanction Hearing**") for 10am on the 25 November 2024.
- 2.10 Based on the information provided to me, I am satisfied that the Companies either have taken or are taking the necessary actions to comply with the Court's directions.

UPDATES ON THE COMPANIES' CIRCUMSTANCES

- 2.11 I have been provided with updates on the Companies' circumstances. Each company's strategy, risk profile and capital management policy remain substantially unchanged from the position as set out in the Independent Actuary's Report. Neither company has engaged in any further acquisitions or disposals of business lines in the period since completion of the Independent Actuary's Report.
- 2.12 The Companies have traded broadly in line with expectations (see below for information on the Companies' updated solvency positions).
- 2.13 The Companies have worked together on the operational details of the Transferring Policies in preparation for the proposed transfer. They have progressed the various novations of required contracts as well as finalising the details of

the activities required to complete the Proposed Scheme. They have also agreed the processes necessary after the Proposed Scheme in terms of residual assets remaining under IOMA ownership for an interim period post the Effective Date and other administrative tasks that may be required to complete the transfer of various agreements outside Isle of Man law that relate to policyholder advice or management, including some discretionary asset management agreements.

ASSUMPTIONS MADE IN THE INDEPENDENT ACTUARY'S REPORT

- 2.14 In the Independent Actuary's Report, I listed a number of key assumptions that I had made when assessing and reaching my conclusions on the proposed Scheme. I also noted that I had discussed my assumptions with the Companies, and they had not raised any objections.
- 2.15 However, I also noted that, if any of those assumptions were incorrect, it was possible that my conclusions on the proposed Scheme could change as a result. The key assumptions made (as documented in the Independent Actuary's Report) are considered in the paragraphs immediately below.
- 2.16 In anticipation of the Proposed Scheme, RL360 Services and IOMA entered into a Transfer Agreement on 10 January 2024 (the "**Transfer Agreement**"). The Transfer Agreement includes an obligation on both parties to identify any services from IOMA that RL360 Services would require on an interim basis after the Effective Date (for example, to effect the transfer of data, records and relevant assets). If such services are identified, then both parties will agree a Transitional Services Agreement between RL360 Services and IOMA and sign it before the Effective Date of the Proposed Scheme. This agreement would oblige IOMA to continue to administer and manage the Transferring Policies on behalf of RL360 Services for a limited period (no more than 3 months) after the Effective Date until IFG Business Services, on behalf of RL360 Services, has tested the migration of the insurance data and has onboarded the administration processes from IOMA. The current situation in relation to the Transfer agreement is as follows:
- The Companies have agreed a Transitional Services Agreement is not required. RL360 Services is satisfied it can administer the business from the Effective Date of the Proposed Scheme.
 - The Companies have agreed an addendum to the Transfer Agreement to reflect the fact a Guernsey Scheme of transfer was not required.
 - The Companies have agreed an addendum to the Transfer Agreement to confirm the Unitech Agreement will not be novated from IOMA to RL360 Services. The addendum includes a new bilateral agreement between IOMA to RL360 Services to oblige RL360 Services to pay IOMA any amounts due from IOMA to Unitech under the Unitech Agreement. This bilateral agreement will remain in force as long as IOMA is obliged to make payments to Unitech.
 - I am satisfied the addendum to the Transfer Agreement does not adversely impact my assessment of the Proposed Scheme as detailed in the Independent Actuary's Report. However it does likely mean IOMA will be required to maintain its IOMFSA authorisation and licence in the future as long as the Unitech payments remain due. The current Unitech agreement requires payment from IOMA to Unitech as long as associated life insurance policies remain in force (noting the associated life insurance policies will be transferred to RL360 Services if the Scheme is approved). The associated life insurance policies are whole-of-life insurance policies that are capable of remaining in force as long as the life assured remains alive.
- 2.17 Under the terms of the Transfer Agreement, commercial performance of the Transferring Policies transfers from IOMA to RL360 Services with effect from 1 July 2023. This is achieved by adjusting the consideration price payable from RL360 Services to IOMA on the Effective Date of the Scheme. The consideration is adjusted by the 'surplus arising/profit emerging' as defined in the Transfer Agreement attributable to the Transferring Policies for the period between 1 July 2023 and the Effective Date of the Scheme. 'Surplus arising/profit emerging' includes an allowance for, among other items, policy and management charges received, reinsurance premiums and recoveries, policy claims paid and policy servicing costs in the interim period. The current situation in relation to the consideration price is as follows:
- I have received an updated calculation of the adjustment to the consideration price based on the financial position as at end September 2024, and an updated estimate of the expected adjustment to the consideration price which becomes payable on the Effective Date. The amounts are not materially different to the estimates

provided to me as part of my assessment in preparing the Independent Actuary's Report. I am satisfied the latest estimates of the adjustment to the consideration price do not adversely impact my assessment of the Proposed Scheme as detailed in the Independent Actuary's Report.

- 2.18 Under the terms of the Transfer Agreement the identified reinsurance agreements signed by IOMA relating to the Transferring Policies must be novated to RL360 Services. The current situation in relation to the reinsurance agreements is as follows:
- The Companies have confirmed the necessary reinsurance agreement novations are agreed and will be novated with effect from the Effective Date of the Proposed Scheme.
- 2.19 In preparing the Independent Actuary's Report I assumed the following topics have been addressed by RL360 Services in anticipation of the Proposed Scheme.
- 2.19.1 Confirmation of operational readiness by RL360 Services to novate (as necessary) and manage the various DFM agreements in place. This is summarised in paragraphs 3.54 and 7.11 of the Independent Actuary's Report. The current situation in relation to the DFM agreements is as follows:
- IOMA initially identified 63 DFM agreements that are potentially linked to the Transferring Policies. 21 of the DFM agreements are under Isle of Man law and will be transferred under the Proposed Scheme (which is also under Isle of Man law). 32 of the DFM agreements are not under Isle of Man law and must be individually novated by mutual consent from IOMA to RL360 Services with each DFM party. The Companies have been working on these novations for the last few months in anticipation of the Proposed Scheme. At the date of this report they have agreed 14 can be novated on the Effective Date of the Proposed Scheme, and 18 are still in the process of making contact and/or negotiating the novation agreement. There are also 10 DFM agreements that have closed their accounts with IOMA or have been part of a policy surrender, and therefore are not attached to any of the Transferring Policies.
 - Under the Proposed Scheme the IOMA will hold any residual assets (including its rights under any DFM agreements not yet novated on the Effective Date) on trust for RL360 Services and RL360 Services will be required to discharge residual liabilities (including liabilities under any un-novated DFM agreements) on IOMA's behalf and indemnify IOMA in respect of any losses it may incur in discharging such residual liabilities. This likely means IOMA will be required to maintain its IOMFSA authorisation and licence in the future as long as any necessary DFM agreements (attached to Transferring Policies) remain with IOMA and are not novated to RL360 Services.
 - I am satisfied the approach to managing the transfer of all DFM agreements from IOMA to RL360 Services does not adversely impact my assessment of the Proposed Scheme as detailed in the Independent Actuary's Report.
- 2.19.2 Confirmation of operational readiness by RL360 Services to implement the proposed approach for the replacement of certain identified IOMAs internal linked funds within RL360 Services (where an in-specie transfer of underlying assets and the creation of new internal linked funds in RL360 Services is not feasible). This is discussed in paragraphs 7.23 to 7.37 of the Independent Actuary's Report. The current situation in relation to the internal funds is as follows:
- The Companies have confirmed they are in a position to execute the proposed methodology defined in the Proposed Scheme to effect the transfer of the internal funds of IOMA to RL360 Services.
- 2.19.3 IOMA has been in correspondence with a financial advisor in relation to certain private equity assets held within some (in fact 12 policies) of the Conrad Bond policies issued to policyholders subject to tax in Sweden. The current situation in relation to certain private equity assets is as follows:
- IOMA has been in correspondence with certain specific private equity investments where, over an extended period, IOMA has not received or otherwise been able to ascertain financial information including market valuations for the holdings.
 - IOMA has been unable to agree a process for the novation or transfer of these assets from IOMA to RL360 Services as required under the Proposed Scheme. Therefore IOMA will retain these assets under IOMA ownership if the Proposed Scheme is approved. The Proposed Scheme includes clauses to deal with any such "residual assets".

- In addition, and separately, IOMA has reviewed the appropriateness of these assets within the Conrad Bonds in regard to IOMA's internal investment guidelines and criteria for assets that may be held linked to life insurance policies and has determined the assets are not suitable and has recently instructed the sale of the assets on behalf of IOMA. This will be achieved by reregistering the assets from IOMA into the name of the relevant linked policyholder – this is equivalent to surrendering (or partially surrendering) the policy and paying the surrender amount as assets (via reregistration) and not as cash. This "in-specie" method of surrender payment (and separately for premium investment) has been used in the past by IOMA.
- Six of the 12 impacted Conrad Bonds that hold these private equity assets will have a nil surrender value outside the value of the private equity assets. Therefore the reregistration of the private equity assets to the relevant linked policyholder will fully discharge the liability to IOMA on the surrender of the policies and the policies will go out of force and will not be transferred under the Proposed Scheme.
- Six of the 12 impacted Conrad Bonds have other assets and cash held within the policy and will transfer to RL360 Services under the Proposed Scheme and they will remain in force.
- This likely means IOMA will be required to maintain its IOMFSA authorisation and licence in the future as long as these private equity assets that were linked to any Conrad Bonds remain in the name of IOMA (i.e. registered to IOMA).
- I am satisfied the approach to managing the Conrad Bonds does not adversely impact my assessment of the Proposed Scheme as detailed in the Independent Actuary's Report.

2.19.4 IOMA has been recently informed that the administrator of the only asset held within the IOMA GAP Traded Endowment internal fund (namely the Protected Asset TEP Fund Plc) has recommended a member's voluntary liquidation of the Protected Asset TEP Fund Plc. As a result of this, all redemptions, subscriptions and pricing of the fund have been suspended. Any redemptions received on or after 30 October 2024 will be held by the fund manager pending results of an Extraordinary General Meeting ("EGM") and, if the liquidator is appointed, such requests will not be processed. The EGM is scheduled for 4 December 2024. The current situation in relation to the IOMA GAP Traded Endowment internal fund is as follows:

- Given that the EGM in relation to the members voluntary liquidation of the Protected Asset TEP Fund Plc is not until 4 December 2024, and that redemption requests received pending the result of the EGM are suspended, the Protected Asset TEP Fund Plc will be held by IOMA as a residual asset as defined under the Proposed Scheme.
- I am satisfied the approach proposed to deal with the members voluntary liquidation of the Protected Asset TEP Fund Plc does not adversely impact my assessment of the Proposed Scheme as detailed in the Independent Actuary's Report.

2.19.5 Confirmation of operational readiness by RL360 Services to implement the proposed approach for the crediting (or debiting) of each individual policyholder General Transaction Accounts ("GTAs") with sufficient cash balances that are equivalent to the cash balances held by the individual policyholders in IOMA via the IOMA use of cash accounts and units in the Cash IIFs. This is discussed in paragraphs 7.24 to 7.28 of the Independent Actuary's Report. The current situation in relation to the GTAs is as follows:

- The Companies have confirmed they are in a position to execute the proposed methodology defined in the Proposed Scheme to effect the transfer of the policyholder cash assets and cash positions of IOMA to RL360 Services.

2.20 In preparing the Independent Actuary's Report I requested evidence from IOMA that they have addressed any material concerns raised by IOMFSA in any response to the documented run-off plan submitted by IOMA for the policies remaining with IOMA, including applying the appropriate general principles of the fair treatment of policyholders, administration arrangements, capital management plan, revised risk appetite, etc, consistent with IOMFSA regulatory guidance. I have discussed this topic again with IOMA management and I have been informed the current situation is as follows:

- I understand that IOMFSA has recently initiated a “thematic risk review” of some aspects of IOMA’s business. No issues have been brought to my attention that would impact my assessment of the Proposed Scheme.
- I understand the Board of IOMA recently indicated to IOMFSA (by email) its intention to seek to surrender IOMA’s current insurance licence and move to a run-off insurance company. They have based this request on the fact that IOMA is closed to new business and by March 2025 the only live cases being administered will be the Compass book (circa 6,000 policies with last risk expiring Feb 2029) and one unit linked policy linked to a UK residential property – assuming the Proposed Scheme is approved. If the Proposed Scheme is approved, I note in this report (see paragraph 2.16) that RL360 Services will rely on IOMA for the ongoing maintenance of the Unitech agreement, and (see paragraph 2.19) for the management of any residual assets that may remain with IOMA for a period beyond the Effective Date. The IOMFSA will be required to consider IOMA’s request to change its regulatory status to run-off in the normal course of events in regulating IOMA.
- No other material regulatory or compliance updates have been brought to my attention. I am aware IOMA is still in a process relating to the re-submission of information to satisfy the Common Reporting Standard Isle of Man Regulations that will result in financial cost to IOMA. IOMA has been unable to get information on the likely materiality of the penalties from this filing breach, but have advised me that they do not believe that any final penalties will have a material adverse impact on the solvency of IOMA.

2.21 I have discussed these assumptions once more with the Companies and they have confirmed that my assumptions remain valid.

THE TRANSFERRING POLICIES

2.22 I have enquired about any unexpected movements in the number of the Transferring Policies since the date of the Independent Actuary’s Report. This information has not highlighted any unexpected movements in either the number or the total value of the policies in question.

THE COMPANIES’ SOLVENCY POSITIONS

2.23 In terms of financial performance and movement in solvency position, I have been informed both Companies have performed broadly as expected over 2024 to date.

2.24 RL360 Services had a solvency coverage ratio of 254% at 31 December 2023 (their last financial year end as available to me in my assessment for the Independent Actuary’s Report). RL360 Services will prepare quarterly solvency returns as at 30 September 2024 to the IOMFSA in line with the regulatory reporting deadline (i.e. by 31 December 2024). An initial management view on the likely solvency position at 30 September 2024 was shared with me in preparing this report.

2.25 Based on unaudited management accounts, RL360 Services showed a solvency coverage ratio of 281% at end June 2024 and is likely to show a solvency coverage ratio of 290% at end September 2024.

2.26 IOMA had a solvency coverage ratio of 125% at 30 September 2023 (their last financial year end as available to me in my assessment for the Independent Actuary’s Report). IOMA have the same regulatory reporting requirements as RL360 Services for the filing of quarterly solvency returns to the IOMFSA. IOMA management have prepared a draft management view of the likely solvency position at 30 September 2024 which was shared with me in preparing this report.

2.27 Based on unaudited management accounts, IOMA showed a solvency coverage ratio of 156% at end June 2024 and is likely to show a solvency coverage ratio of 167% at end September 2024.

2.28 One potential consequence of the Proposed Scheme on the future solvency position of IOMA is the new approach to the treatment of the Unitech Agreement (as outlined in paragraph 2.16 above). If the Proposed Scheme is approved IOMA will now have a future liability to Unitech in regard to the required payments, and an equal and offsetting future expected income from RL360 Services under the addendum to the Transfer Agreement. This should increase the regulatory assets and regulatory liabilities by the same amount, and result in no change to the Own Funds position of IOMA. However under Isle of Man regulatory rules, regulatory assets must be assessed for counterparty risk (i.e. the

risk of default by RL360 Services on IOMA) and this impacts the calculation of the required regulatory capital amount. Any increase in the required regulatory capital will reduce the solvency coverage ratio of IOMA. Initial figures prepared by IOMA indicate the possible increase in the SCR arising from this issue would not be material in terms of the expected solvency coverage of IOMA if the Proposed Scheme is approved.

- 2.29 In summary, the solvency positions of both IOMA and RL360 Services are broadly in line with their previously projected solvency positions, with the reasons for variation being well-understood and not presenting any cause for concern. Both companies' solvency coverage ratios remain in excess of their target levels and regulatory minimum requirements.
- 2.30 In addition, the risk profile of both companies has remained stable.
- 2.31 I am satisfied the latest available solvency position of the Companies does not adversely impact my assessment of the Proposed Scheme as detailed in the Independent Actuary's Report.

OTHER ISSUES

- 2.32 The Companies have confirmed that they are both on track to achieve operational readiness by the Effective Date of the proposed transfer.
- 2.33 The Companies confirmed that there are no changes expected to the tax status of transferring policyholders arising from the Proposed Scheme.
- 2.34 RL360 Services is reviewing its governance structure to accommodate the transferring business. I have been informed this is ongoing and no material differences have emerged from the work done to date.
- 2.35 IOMA has been in discussions with the IOMFSA on matters relating to the Proposed Scheme and in relation to IOMA's decision to close to new business with effect from March 2024. I am not aware of any new issues emerging from the discussions that would change the conclusions as set out in the Independent Actuary's Report. However IOMA will have ongoing responsibilities to RL360 Services in the future under the Transfer Agreement and the addendum to the Transfer Agreement should the Proposed Scheme be approved. This places a reliance for RL360 Services on IOMA for the ongoing administration of some of the Transferring Policies – in particular for the administration of Residual Assets (see paragraph 2.19.12.19 and subsections), the transfer of outstanding DFM agreements (see paragraph 2.19.1), and the bilateral agreement in relation to the Unitech Agreement with IOMA (see paragraph 2.16).

OBJECTIONS AND COMPLAINTS

- 2.36 In accordance with the directions of the Court, a copy of the petition together with supporting documentation (including the Independent Actuary's Report) has been made available on the Companies' websites and for inspection at the Companies' registered offices.
- 2.37 In addition, the Companies' plans to communicate with the holders of the Transferring Policies (as summarised in the Independent Actuary's Report) were approved by the Court and have been put into effect.
- 2.38 I have been informed that, following the Directions Hearing, 7,833 IOMA policyholders and 273 financial advisers were written to about the proposed transfer. The proposed transfer was also published on the Companies' websites and in press notices.
- 2.39 I have been informed that, as at noon on 15 November 2024 there have been 149 responses to the communication from IOMA policyholders. No enquiries have been received from existing RL360 Services policyholders. Of the IOMA responses, 45 were from Transferring Policies, 63 were from IOMA remaining policyholders, and 41 were from beneficiaries linked to a Guernsey Trust. There was also 82 return mail items from the communication process with (i) 4 new gone-away clients identified (being non-transferring policyholders); (ii) 56 being the ultimate beneficial owner of transferring policies held by a Guernsey trust, and (iii) remaining 22 alternative contact details were used to pass on the communication.
- 2.40 I have been informed there have been no written objections received to date.
- 2.41 All of the queries received (none of which were deemed to be "objections") generally related to one or more of the following categories: queries on current value of policy and update to servicing details, clarification of various aspects of the policyholder communications received as part of the proposed transfer, queries about how they might be impacted

by the proposed transfer going forward, confirmation of what is proposed to change as a result of the proposed transfer and whether or not the proposed transfer will impact servicing details.

REGULATORY AND OTHER MATTERS

- 2.42 I have been informed that the IOMFSA has not raised any objections to date with either IOMA or RL360 Services in relation to the proposed transfer.
- 2.43 I am not aware of any new regulatory, or other similar, matters impacting on either of the Companies in the period since the completion of the Independent Actuary's Report.

Conclusion

- 2.44 Having taken account of the updated information as set out in this Supplementary Report, I believe there is no reason for me to amend or qualify any of the conclusions set out in the Independent Actuary's Report.
- 2.45 For reference, my conclusions in the Independent Actuary's Report were that I am satisfied that the implementation of the Proposed Scheme would not have a material adverse effect for the policyholders of IOMA and RL360 Services on:
- the security of their benefits;
 - the profile of risks to which they are exposed;
 - the protection offered by the regulatory regime that would apply to them;
 - the reasonable expectations of the policyholders with respect to their benefits; and
 - the standards of administration, service, management and governance that apply to them.



Michael Claffey
Fellow of the Society of Actuaries in Ireland

15 November 2024

3 APPENDIX A – LIST OF PRINCIPAL ADDITIONAL DATA SOURCES

- 3.1 In carrying out my work and producing this report, reliance has been placed upon documents and information provided to me. All items have been provided directly to me by either IOMA or RL360 Services unless otherwise noted.
- 3.2 In addition to those listed in the Independent Actuary's Report, these included, but were not limited to, the following:

IOMA

- Q3 2024 draft solvency valuation statement from Appointed Actuary
- Update on categories of queries received and outcome from communication process

RL360 Services

- Q3 2024 draft solvency valuation statement from Appointed Actuary
- Update on Discretionary Fund Management contract novation project status.

Other

- Court Order following the Directions Hearing on 11 October 2024
- Updates on the actions taken by the Companies to comply with the various requirements imposed in the Court Order
- Details of any policyholder complaints and objections received by IOMA and RL360 Services.