

For customers – With-Profits Investments

# With-Profits Mortgage Link Life fund (WPC) factsheet

## Quarter three 2019



### Fund description

This fund can invest in a wide range of bonds, gilts, equities in the UK and overseas, plus direct property. Effective from 1 April 2014, we reduced the exposure to equity investment from 10% to nil and is now 100% invested in fixed interest assets. Units purchased are guaranteed to have a value of £1 at maturity. The unit price is less than £1 at the date of purchase, to allow for an element of guaranteed growth if units are held to maturity. This growth element is 3.9% pa. Any annual bonus will be applied by giving additional units in the fund at a rate declared at the end of each calendar year. Upon encashment, an additional terminal bonus (TB) may be added. The terminal bonus rates are not guaranteed. The current TB rates are shown at the end of this factsheet.

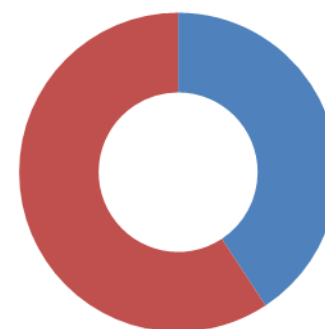
### Fund information

<b>Fund provider</b>	Aegon
<b>Fund launch date</b>	July 1987
<b>Fund closed to new business</b>	
<b>Fund closed to any further contributions</b>	
<b>Aegon fund size (£ million)</b>	3.9
<b>Fund type</b>	Life
<b>Annual management charge</b>	1.00%



### Asset allocation

%



■ Gilts	40.7
■ Other Fixed Interest	59.3



## Performance in detail

### Periods ended 31 August 2019:

	<b>3 months</b>	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>
WPC	3.1	6.1	1.2	3.2	4.8

### Growth (%) over 12-month periods:

<b>Jan-18</b>	<b>Jan-17</b>	<b>Jan-16</b>	<b>Jan-15</b>	<b>Jan-14</b>
<b>To</b>	<b>To</b>	<b>To</b>	<b>To</b>	<b>To</b>
<b>Jan-19</b>	<b>Jan-18</b>	<b>Jan-17</b>	<b>Jan-16</b>	<b>Jan-15</b>
-0.6	1.6	5.8	-0.2	9.3

Source: Aegon. Figures in £s on a bid-to-bid basis, net of charges, with gross income reinvested to 31 August 2019. Periods of greater than one year show annualised compound returns.

Past performance is no guide to future performance. The value of this investment can fall as well as rise for a number of reasons, for example market and currency movements. You may get back less than the amount originally invested if you surrender the policy prior to the selected maturity date.

These figures represent the investment return on WPC fund net of annual management charge, but not incorporating charges for guarantees and the distribution from the inherited estate (see "Enhancements to asset shares" for further information). Actual With-Profits payouts also incorporate the effects of smoothing of investment returns and will therefore not necessarily reflect these returns.



## Reversionary bonus rates applied

<b>Year</b>	<b>Basic (%)</b>	<b>Attaching (%)</b>
<b>1990</b>	4.0	6.2
<b>1991</b>	4.0	6.2
<b>1992</b>	3.0	6.5
<b>1993</b>	3.0	6.5
<b>1994</b>	2.2	5.7
<b>1995</b>	2.0	4.2
<b>1996</b>	1.75	3.5
<b>1997</b>	1.5	3.25
<b>1998</b>	1.25	3.0
<b>1999</b>	0.5	2.25
<b>2000</b>	0.5	1.25
<b>2001</b>	0.5	0.75
<b>2002</b>	0.25	0.25
<b>2003</b>	0.25	0.25
<b>2004</b>	0.25	0.25
<b>2005</b>	0.25	0.25
<b>2006 onwards</b>	Nil	Nil

Future benefits from contributions invested are not guaranteed and depend on the bonuses declared by Aegon.

The interim bonus rate applicable for 2019 is currently nil.



## Guarantee charges and estate distributions

Amounts payable to policyholders are guided by the calculation of asset shares. This reflects the accumulation of premiums paid less any withdrawals, contract charges and expenses at the rate of investment return on the underlying With Profits fund assets.

In addition, the investment return is increased by any distributions made from the estate and decreased by charges for guarantees payable to the estate. This includes any additional enhancement to investment returns that may be added, from the estate, at the point of claim. The estate represents the excess of assets within the With Profits fund over and above the amount required to meet customer benefits. Aegon has no entitlement to any of the estate and we aim to distribute the estate equitably to with profits policyholders over time.

The combination of these effects, plus an allowance for smoothing of investment returns, is then reflected in policy payouts through the terminal bonus and MVR rates. The following table illustrates the effect on the annual investment return from the movements to/from the estate (before any smoothing is applied).

It is important to note that the above estate distributions are not guaranteed. It may become necessary to remove some or all of these \* should the Scottish Equitable With-Profits fund (of which this investment fund forms a part) experience adverse conditions.

Calendar Year	Investment Performance before estate movements	Charge for guarantees (to the estate)	Estate distribution (from the estate)	Investment Return after estate movements	Additional Enhancement to Investment Return made at the point of claim (from the estate)
	(%)	(%)	(%)	(%)	(%)
<b>2005</b>	8.9	-0.75	1.5	9.7	Nil
<b>2006</b>	1.6	-0.5	0.5	1.6	Nil
<b>2007</b>	1.9	-0.25	0.25	1.9	Nil
<b>2008</b>	-6.5	-0.25	0.25	-6.5	Nil
<b>2009</b>	9.9	-0.5	0.5	9.9	Nil
<b>2010</b>	9.2	-0.5	0.5	9.2	Nil
<b>2011</b>	3.1	-0.5	Nil	2.6	Nil
<b>2012</b>	8.8	-0.5	Nil	8.3	Nil
<b>2013</b>	2.3	-0.5	Nil	1.8	Nil
<b>2014</b>	9.3	-0.5	Nil	8.8	Nil
<b>2015</b>	-0.2	-0.5	Nil	-0.7	0.5
<b>2016</b>	5.8	-0.5	Nil	5.3	1.0
<b>2017</b>	1.6	-0.5	Nil	1.1	3.5
<b>2018</b>	-0.6	0.0	Nil	-0.6	7.0

Source: Aegon. Figures on a bid-bid basis, net of charges, with gross income reinvested.

The enhancement applied to claims made during 2019 is currently equal to 10% and is reflected in the terminal bonus scale effective from 1 October 2019.



## Terminal bonus & market value reduction rates (effective 1 October 2019)

Investment Date		TB Rates
July	1987	34%
August	1987	35%
September	1987	36%
October	1987	37%
November	1987	38%
December	1987	39%
January	1988	38%
February	1988	38%
March	1988	38%
April	1988	38%
May	1988	38%
June	1988	38%
July	1988	38%
August	1988	37%
September	1988	37%
October	1988	37%
November	1988	37%
December	1988	37%

Investment Date		TB Rates
January	1989	35%
February	1989	33%
March	1989	32%
April	1989	30%
May	1989	28%
June	1989	27%
July	1989	25%
August	1989	23%
September	1989	22%
October	1989	20%
November	1989	19%
December	1989	17%
January	1990	19%
February	1990	21%
March	1990	24%
April	1990	26%
May	1990	28%
June	1990	31%

Investment Date		TB Rates
July	1990	33%
August	1990	36%
September	1990	38%
October	1990	41%
November	1990	44%
December	1990	46%
January	1991	46%
February	1991	41%
March	1991	36%
April	1991	36%
May	1991	36%
June	1991	39%
July	1991	37%
August	1991	37%
September	1991	38%
October	1991	40%
November	1991	46%
December	1991	46%

Investment Date		TB Rates
January	1992	43%
February	1992	43%
March	1992	46%
April	1992	43%
May	1992	40%
June	1992	47%
July	1992	52%
August	1992	55%
September	1992	50%
October	1992	44%
November	1992	43%
December	1992	42%
January	1993	41%
February	1993	38%
March	1993	38%
April	1993	39%
May	1993	37%
June	1993	36%

Investment Date		TB Rates
July	1993	34%
August	1993	28%
September	1993	30%
October	1993	28%
November	1993	29%
December	1993	23%
January	1994	21%
February	1994	26%
March	1994	33%
April	1994	33%
May	1994	38%
June	1994	39%
July	1994	36%
August	1994	34%
September	1994	39%
October	1994	39%
November	1994	39%
December	1994	41%
January	1995	42%
February	1995	43%

Investment Date		TB Rates
March	1995	42%
April	1995	40%
May	1995	36%
June	1995	39%
July	1995	36%
August	1995	35%
September	1995	35%
October	1995	35%
November	1995	31%
December	1995	31%
January	1996	30%
February	1996	32%
March	1996	33%
April	1996	30%
May	1996	31%
June	1996	32%
July	1996	32%
August	1996	30%
September	1996	29%
October	1996	29%

Investment Date		TB Rates
November	1996	27%
December	1996	27%
January	1997	25%
February	1997	24%
March	1997	26%
April	1997	24%
May	1997	21%
June	1997	21%
July	1997	18%
August	1997	20%
September	1997	14%
October	1997	17%
November	1997	17%
December	1997	15%
January	1998	12%
February	1998	10%
March	1998	8%
April	1998	8%
May	1998	7%
June	1998	8%

Investment Date		TB Rates
July	1998	8%
August	1998	12%
September	1998	12%
October	1998	11%
November	1998	7%
December	1998	6%
January	1999	5%
February	1999	6%
March	1999	6%
April	1999	5%
May	1999	8%
June	1999	7%
July	1999	8%
August	1999	7%
September	1999	11%
October	1999	9%
November	1999	6%
December	1999	5%
January	2000	6%
February	2000	7%

Investment Date		TB Rates
March	2000	6%
April	2000	6%
May	2000	7%
June	2000	7%
July	2000	7%
August	2000	7%
September	2000	7%
October	2000	6%
November	2000	5%
December	2000	5%
January	2001	6%
February	2001	6%
March	2001	8%
April	2001	8%
May	2001	9%
June	2001	10%
July	2001	8%
August	2001	8%
September	2001	14%
October	2001	9%

Investment Date		TB Rates
November	2001	7%
December	2001	10%
January	2002	8%
February	2002	9%
March	2002	10%
April	2002	9%
May	2002	10%
June	2002	11%
July	2002	13%
August	2002	10%
September	2002	11%
October	2002	12%
November	2002	12%
December	2002	11%
January	2003	11%
February	2003	11%
March	2003	12%
April	2003	11%
May	2003	8%
June	2003	9%

Investment Date		TB Rates
July	2003	10%
August	2003	10%
September	2003	10%
October	2003	11%
November	2003	12%
December	2003	10%
January	2004	11%
February	2004	10%
March	2004	10%
April	2004	12%
May	2004	13%
June	2004	13%
July	2004	13%
August	2004	12%
September	2004	11%
October	2004	11%
November	2004	10%
December	2004	7%
January	2005	7%
February	2005	7%

Investment Date		TB Rates
March	2005	8%
April	2005	8%
May	2005	6%
June	2005	5%
July	2005	5%
August	2005	4%
September	2005	5%
October	2005	6%
November	2005	4%
December	2005	2%
January	2006	1%
February	2006	1%
March	2006	2%
April	2006	4%
May	2006	5%
June	2006	5%
July	2006	5%
August	2006	4%
September	2006	4%
October	2006	3%

Investment Date		TB Rates	Investment Date		TB Rates	Investment Date		TB Rates	Investment Date		TB Rates
November	2006	4%	July	2008	13%	March	2010	8%	November	2011	9%
December	2006	4%	August	2008	11%	April	2010	8%	December	2011	7%
January	2007	5%	September	2008	17%	May	2010	10%	January	2012	6%
February	2007	4%	October	2008	22%	June	2010	11%	February	2012	6%
March	2007	5%	November	2008	20%	July	2010	10%	March	2012	6%
April	2007	5%	December	2008	18%	August	2010	8%	April	2012	7%
May	2007	6%	January	2009	23%	September	2010	6%	May	2012	6%
June	2007	7%	February	2009	26%	October	2010	6%	June	2012	6%
July	2007	7%	March	2009	27%	November	2010	8%	July	2012	4%
August	2007	7%	April	2009	25%	December	2010	6%	August	2012	4%
September	2007	7%	May	2009	23%	January	2011	7%	September	2012	4%
October	2007	6%	June	2009	22%	February	2011	7%	October	2012	4%
November	2007	7%	July	2009	18%	March	2011	7%	November	2012	3%
December	2007	6%	August	2009	14%	April	2011	5%	December	2012	3%
January	2008	8%	September	2009	12%	May	2011	5%	January	2013	3%
February	2008	9%	October	2009	13%	June	2011	6%	February	2013	2%
March	2008	11%	November	2009	12%	July	2011	5%	March	2013	1%
April	2008	10%	December	2009	12%	August	2011	7%	April	2013	0%
May	2008	11%	January	2010	11%	September	2011	9%	May	2013	2%
June	2008	13%	February	2010	11%	October	2011	8%	June	2013	5%

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Investment Date		TB Rates	Investment Date		TB Rates	Investment Date		TB Rates	Investment Date		TB Rates
July	2013	4%	April	2015	2%	January	2017	5%	October	2018	13%
August	2013	5%	May	2015	2%	February	2017	4%	November	2018	14%
September	2013	5%	June	2015	4%	March	2017	4%	December	2018	14%
October	2013	4%	July	2015	3%	April	2017	4%	January	2019	13%
November	2013	4%	August	2015	4%	May	2017	4%	February	2019	14%
December	2013	5%	September	2015	4%	June	2017	5%	March	2019	12%
January	2014	4%	October	2015	5%	July	2017	5%	April	2019	13%
February	2014	4%	November	2015	4%	August	2017	5%	May	2019	12%
March	2014	5%	December	2015	5%	September	2017	7%	June	2019	7%
April	2014	4%	January	2016	4%	October	2017	7%	July	2019	7%
May	2014	4%	February	2016	3%	November	2017	8%	August	2019	7%
June	2014	5%	March	2016	4%	December	2017	7%			
July	2014	4%	April	2016	5%	January	2018	8%			
August	2014	3%	May	2016	4%	February	2018	9%			
September	2014	3%	June	2016	2%	March	2018	9%			
October	2014	3%	July	2016	0%	April	2018	10%			
November	2014	1%	August	2016	0%	May	2018	9%			
December	2014	1%	September	2016	0%	June	2018	10%			
January	2015	0%	October	2016	3%	July	2018	10%			
February	2015	1%	November	2016	5%	August	2018	10%			
March	2015	0%	December	2016	4%	September	2018	14%			

The rates shown are not guaranteed and can be increased or decreased at any time. In normal circumstances we aim to review rates on a quarterly basis. If money is taken out at any time other than on death or maturity date the amount may be subject to an MVR, which would reduce your final plan value.

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