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**Financial Adviser**  
<Adviser Name>  
<Adviser address 1>  
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6 June 2019

**THIS IS A NOTIFICATION THAT AFFECTS THE POLICIES LISTED IN THIS LETTER. PLEASE PASS THIS TO THE INVESTMENT ADVISER IN YOUR COMPANY WHO MANAGES THE INVESTMENT CHOICES ON THESE POLICIES, AS THEY MAY WISH TO TAKE SOME ACTION.**

Dear Investment adviser

### **CLOSURE OF THE THREADNEEDLE ABSOLUTE RETURN BOND FUND AND IMPACT ON RL360 POLICIES**

Columbia Threadneedle ("Threadneedle") has announced that it will be closing its Absolute Return Bond Fund ("the closing fund") by way of liquidation on Friday 26 July 2019. As you provide advice to one or more policies invested in the fund we wanted to make you aware of the action we will be taking and explain your options for switching to a different fund if you prefer.

The unit linked policies advised by you and impacted by this notification are listed overleaf. We have not written directly to the owners of the policies listed. As each policyholder has appointed your company in the capacity of investment adviser to manage the investment choices on their behalf, you should contact your clients as necessary to discuss the details of this notification and any recommended course of action.

#### **Reason for the closure**

Following a recent review, Threadneedle has decided to close the fund due to its relatively small size (approximately £23.3 million as at 29 March 2019). The fund's assets have fallen to a level which makes it economically unviable to manage and Threadneedle considers that the fund is unlikely to attract new investors. On this basis, it believes closure of the fund by way of liquidation is in the best interest of investors.

#### **What happens next?**

We have now closed the fund to new business and switches in with immediate effect. Existing investors can continue to invest in the fund until 3pm (UK time) Monday 22 July 2019 at which point holdings will be automatically switched, and any regular premium allocation redirected, into the Invesco Sterling Bond Fund.

The Invesco Sterling Bond Fund ("the alternative fund") is a diversified bond fund which, similarly to the closing fund, invests primarily in debt securities such as corporate and government bonds but may also use financial derivatives instruments to manage exposure to risks and currency movements.

A comparison of the closing fund and alternative fund can be found in the table overleaf.

Please note that although the switch value from the closing fund to the alternative fund will be the same, policies will receive a different number of units in the alternative fund as the unit price is different to the closing fund. Once completed, details of the switch will be available to view via the transaction screen for each policy on our Online Service Centre. If you are not already registered to manage your policy online, then you can sign-up at [www.rl360.com](http://www.rl360.com).

#### **Your options**

If you are happy to invest in the Invesco Sterling Bond Fund, you don't need to do anything. However, if you would prefer to switch to a different fund, it's free of charge and very easy to do.

### Switching funds is easy

Visit the fund centre for your product at [www.rl360adviser.com/fundcentres](http://www.rl360adviser.com/fundcentres) to help you decide on a new fund, or funds. After that choose one of the following options:

Switch online	Send us your changes
If you are a registered user of our Online Service Centre and have signed up for online switching, log into your account at <a href="http://www.rl360.com">www.rl360.com</a> and submit your switch online fast and efficiently.	Download a copy of our <b>Fund Switch Instruction Form</b> , which you will find on the product fund centre page, complete it and fax or post it back to us using the details on the form.

### Comparison of the closing fund and the alternative fund

	Closing fund details	Alternative fund details
<b>Fund name</b>	Threadneedle Absolute Return Bond Retail Acc GBP	Invesco Sterling Bond A Acc GBP
<b>ISIN</b>	GB00B0L4TB44	LU1775980979
<b>Domicile</b>	United Kingdom	Luxembourg
<b>Launch date</b>	24/10/2005	08/10/2018 *
<b>Fund objective and strategy</b>	The investment objective of the Fund is to achieve a total positive return over a 12 month period in all market conditions. There is a risk to capital, and there is no guarantee that such a return will be achieved within 12 months, or any other timescale. At least two-thirds of the Fund's assets will be in long and short positions in bonds (which are similar to a loan and pay a fixed or variable interest rate) issued by companies and governments worldwide, currencies, and, when appropriate, cash.	The Fund aims to generate income together with long term capital growth in Pounds Sterling. The Fund seeks to achieve its objective by investing a minimum of 50% of its NAV in debt securities denominated in Pounds Sterling. The Fund may invest in debt securities (including convertibles) issued by corporations or issued/ guaranteed by any government, government agency, supranational or public international organisation globally. The Fund may also invest in securitised debt (such as ABS and MBS). The Fund's use of financial derivative instruments may include but is not limited to derivatives on credit, interest rates and currencies and can be used to achieve both long and short positions. Such derivatives may include (but are not limited to) credit default swaps, total return swaps, interest rate swaps, currency forwards, futures and options.
<b>Morningstar Sector</b>	Alt – Long/Short Debt	GBP Diversified Bond
<b>Risk and reward rating (1 being low, 7 being high)</b>	3	3
<b>Annual Management Charge</b>	0.85%	0.75%
<b>Ongoing Charge **</b>	1.07%	0.98%
<b>3 Year Annualised Performance</b>	-2.74%	3.66%
<b>3 Year Standard Deviation ***</b>	2.21%	2.81%

Notes: Information within this table is sourced from Morningstar® and is correct as at 31 May 2019.

\* The UK domiciled GBP share class was transferred to this newly launched Luxembourg domiciled share class in October 2018. The Luxembourg share class carries an extended track record for performance purposes.

\*\* Ongoing Charge includes the Annual Management Charge plus other operational expenses, so better reflects the total costs applied to the fund.

\*\*\* 3 Year Standard Deviation – Standard deviation is a statistical measurement which, when applied to a fund, expresses its volatility, or risk. It shows how widely a range of returns varied from the fund's average return over a particular selected period; in this case a 3 year period has been selected. If a fund had an average return of 5%, and its volatility was 15%, this would mean that the range of its returns over the period had swung between +20% and -10%. The 3 Year Standard Deviation figure shows the annualised standard deviation based on the monthly rates of return of the fund over the past 3 years ended 31 May 2019. This risk level is for reference only.

If you have any questions regarding this letter or any general queries, please get in touch. Call our Customer Service Team on +44 (0)1624 681682 or send an email to [csc@r1360.com](mailto:csc@r1360.com) and one of our team will be happy to help.

Kind regards



Chris Corkish  
Investment Marketing Manager

**Your company is appointed in the capacity of investment adviser on the following policies affected by this notification:**

<b>Policy number</b>	<b>Product</b>	<b>Policyholder name</b>
<Policy number>	<Product>	<Policyholder name>
<Policy number>	<Product>	<Policyholder name>
<Policy number>	<Product>	<Policyholder name>
<Policy number>	<Product>	<Policyholder name>
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SAMPLE