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## **Mutual appreciation between Scottish Friendly and Royal London**

Scottish Friendly has secured a landmark distribution deal with Royal London Marketing Limited, the direct-to-consumer arm of Royal London Group.

From the end September, Scottish Friendly's Tax Exempt Savings Plan will be promoted to 2.3 million Royal London "direct" customers. Scottish Friendly, the Glasgow-based friendly society, estimates the distribution deal could deliver a 20 per cent increase in core product sales in 2008.

The joint branding and distribution deal includes customer mailings and introductions via Royal London's telephone-based customer consultants

Scottish Friendly is Scotland's largest mutual insurer and Royal London the UK's largest. Both organisations work closely with one another already through the Association of Mutual Insurers.

Neil Lovatt, Sales & Marketing Director of Scottish Friendly, said, "This deal demonstrates the benefits working together to offer appealing products to a wider range of people. We look forward to offering Royal London customers not only our tax-free savings plans but also our highly efficient and effective customer service."

Brian Youngs, Head of Sales & Marketing at Royal London Marketing Limited, added: "We selected Scottish Friendly because it is extremely well run, has a superb back office, and has generated highly competitive returns for its own members. This, combined with the tax advantages that only friendly societies can offer, made them a natural choice to offer to Royal London customers."

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### **Notes to Editors**

Returns from friendly society plans are tax-free. Members invest up to £25 a month (or £270 a year) for at least ten years. Under current legislation, investments grow free of capital gains and income tax throughout the term and proceeds can be paid tax-free at any point after ten years. More information is available from the Association of Friendly Societies' website – [www.afs.org.uk](http://www.afs.org.uk). This unique level of tax efficiency and access is impossible to find outside of an ISA allowance. Past performance is not a guide to future performance.

Royal London has 2.3 million customer introduced through a direct salesforce. These customers now deal with Royal London via a telephone-based service based at the Wilmslow operating centre. Other parts of the Royal London Group include Scottish Life, Scottish Life International, Bright Grey and Royal London Asset Management. Products offered under these brands are distributed and serviced exclusively by intermediaries.

Scottish Friendly has secured several partnership deals over the last two years with organisations such as Scottish Building Society, Chorley Building Society and the Association of British Credit Unions..