

The Retirement Account

Retirement Advantage Financial strength

The Retirement Account is offered by MGM Advantage Life Ltd, trading as Retirement Advantage. Financial strength ratings are designed to provide some indication about the likelihood of a company defaulting on its liabilities at some point in the future; AKG, a respected provider of such ratings, rated MGM Advantage Life Ltd's financial strength as 'B' in April 2017, which they class as 'Strong'.

MGM Advantage Life Ltd is an insurance company, which meets the requirements of the Financial Services and Markets Act 2000, and is regulated by both the Financial Conduct Authority, and the Prudential Regulation Authority. As MGM Advantage Life Ltd is an insurance company, The Retirement Account is classed by the Financial Services Compensation Scheme as Long Term Insurance Business and on that basis, consumers have 100% protection from the FSCS with no upper limit regardless of the value of the investment. This protection extends to any annuity, insured investment funds, and or cash held within The Retirement Account in the event of MGM Advantage Life Ltd going into default.

Companies that operate under a client money regime where assets are held directly by the client, rather than under an insurance regime, offer lower levels of FSCS protection depending on the asset in question (normally up to £50,000 for investment funds, and up to £85,000 for cash) should the asset provider go into default.

The financial strength rating of B, combined with the level of consumer protection offered on contracts of insurance by the FSCS, means that clients can be confident in the levels of investor protection provided by The Retirement Account.

Company accounts

MGM Advantage Life Limited and the overall Retirement Advantage group will file its latest set of trading accounts for the financial year ended 31 December 2016 by 30 September 2017. The group's 2015 accounts (based on International Financial Reporting Standards, 'IFRS'), approved by the company's Board and audited by Grant Thornton LLP, are available to the public. As per the 2015 accounts the group wrote £181m of new business, held assets of £2.3bn at the year end, reported surplus net assets of £126.3m and made an IFRS profit before tax of £34.3m. On 1 January 2016 the company and the group also transitioned into the new EU-wide 'Solvency 2' regulatory regime along with all other UK insurers.

Over the course of the year to 31 December 2016 the Group has sought to preserve its capital base, grow sales and respective market shares in both retirement income and equity release markets. The Group has also continued to invest in the brand and also develop new products such as 'The Retirement Account'.

A brief history of Retirement Advantage

We might be a relatively new brand, but Retirement Advantage can trace its roots right back to 1852, having been born from Marine and General Mutual Life Assurance Society (the Society). In late 2013, a new company was formed, having acquired the new business franchise of the Society and the brand of MGM Advantage, and we continue to focus on the retirement market.

This new company was funded by TDR Capital LLP, a firm which was founded in 2002 and manages in excess of €4.8bn on behalf of a range of investors.

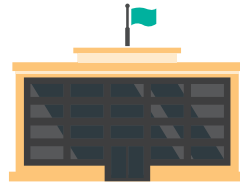
In May 2014, the Retirement Advantage Group also acquired Stonehaven UK Ltd, a specialist equity release provider to which the group had previously provided mortgage funding.

In 2015, we changed our name to Retirement Advantage, bringing together the equity release and retirement income divisions (formerly Stonehaven and MGM Advantage).

We think our new name better describes what we do. We specialise in providing simple, secure and flexible retirement products sold via independent financial advisers.



Retirement Advantage – our journey



mgm**advantage**

Keeping sailors safe
Back in 1852, Marine and General Mutual Life Assurance Society was founded

70s sunny Worthing
1974, MGM Assurance as we were now known, relocated the head office from London to Worthing

2008 new name, new product
MGM Advantage launches the Enhanced Annuity



Growing the family
In 2014, MGM Advantage bought Stonehaven, the Equity Release specialists

2013 TDR Capital
After huge sales success in 2011 and 2012, we announced a new strategic partner: TDR Capital. This created a new company structure...

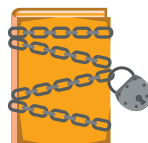
2010 new product
The Flexible Income Annuity is launched



The lightbulb moment
We're experts in the "at retirement" space and we need a brand that reflects that

So we took our existing companies MGM Advantage and Stonehaven and created a new umbrella brand and launched it in May 2015 - Retirement Advantage

2015 The Retirement Account
A new kind of retirement income product launched to take advantage of the new world of pension freedoms



Adviser Quote System & Dashboard
In March we launched an online system which enables advisers to quote and manage clients' Retirement Accounts

Protected Index Portfolio
In February we launched a new fund, available exclusively within The Retirement Account

2016 Solvency II
In January Retirement Advantage successfully transferred to Solvency II, providing substantial solvency protection for our customers