

New Open Annuity

The Policyholder named in the Schedule has made a Proposal and Declaration for a contract between London & Colonial Assurance PLC and the Policyholder.

This Policy is written confirmation of this contract which is based upon the Proposal and Declaration made by the Policyholder and on all other information which has been or may from time to time be supplied for this purpose.

In return for the payment of the Premium shown in the Schedule and any other Premiums that may be paid under the contract, London & Colonial Assurance PLC will pay benefits in accordance with the Schedule and the Conditions identified by the code shown in the Schedule.

The benefits will be paid to the Policyholder or other person entitled to receive them upon proof satisfactory to London & Colonial Assurance PLC that the benefits have become payable.

In witness of this contract an Officer of London & Colonial Assurance PLC has signed this Policy on its behalf.

Signed for and on behalf of London & Colonial Assurance PLC

..... Authorised Officer

..... Date

Please address correspondence and enquiries relating to this policy to:

London & Colonial
Perrymount House
38-42 Perrymount Road
Haywards Heath
West Sussex
RH17 7QS

t: 08707 566696; f: 08707 566697; e: info@londoncolonial.com

New Open Annuity Policy Conditions

Section 1

Definitions

Each time we use certain words or phrases they have the same precise meaning wherever they appear in this Policy.

- 1.1 The expressions defined in this Condition have the same meaning wherever they appear in these Conditions and in the Schedule and in any other document issued in accordance with these Conditions. References to legislation and regulations shall be taken to include all replacement legislation and regulations and where the context allows, the singular shall include the plural and the masculine shall include the feminine and neuter and vice versa.

"You"	means the person for the time being entitled to receive the Annuity. "Your" has a corresponding meaning.
"We" or "Us"	means London & Colonial Assurance PLC and (unless the context otherwise requires) any successors in title. "Our" has a corresponding meaning.
"Acceptable Assets"	means such assets as may from time to time be acceptable to us as investments of the Specified Fund.
"Annuitant"	means the First Annuitant or the Second Annuitant according to the context,
"Annuity"	means the First Annuity or the Second Annuity according to the context,
"Appendix"	means the Appendix attached to and forming part of this Policy.
"Commencement Date"	means the date shown as such in the Schedule.
"Conditions"	means the conditions set out in this document subject to such amendments, if any, as shall from time to time be made in accordance with the provisions of Condition 8.2.
"Dependant"	means a person who is a spouse, civil partner, financial or other dependant of the First Annuitant at the date of the First Annuitant's death.
"First Annuitant"	means the person named as such in the Schedule.
"First Annuity"	means a yearly sum calculated in accordance with Condition 3.1 and payable in accordance with Conditions 3.2, 3.3 and 3.4.
"Guarantee Period"	means the period identified as such in the Schedule and which shall for the purposes of this definition start on the Commencement Date.
"Insurer"	means an insurance company as defined in s275 of the UK Finance Act 2004.

“Investment Adviser”	means a person or company appropriately authorised under the UK Financial Services and Markets Act 2000 for the purpose of managing the investments of the Specified Fund.
“Maximum Amount”	means an amount that we determine with respect to the Commencement Date and each Review Date being one hundred and twenty per cent of the Standard Amount relating to that date.
Minimum Amount”	means an amount that we determine with respect to the Commencement Date and each Review Date being fifty per cent of the Standard Amount relating to that date.
“Pension Business Fund”	means that part of our long term business fund that is maintained in respect of our pensions business.
“Permitted Beneficiary”	means a person to whom or for whose benefit a lump sum would have been permitted to be paid on the death of the First Annuitant under the rules of the pension scheme from which the Premium was received.
“Policy”	means the definitive written statement set out in this document of the terms and conditions of the contract of insurance identified by the Schedule and made between us and the Policyholder and including all alterations, modifications, riders and endorsements and all schedules attached to this document or otherwise made or issued in accordance with these Conditions.
“Policyholder”	means the person identified as such in the Schedule.
“Policy Year”	means any period of one year ending on the day before an anniversary of the Commencement Date.
“Premium”	means the amount identified as such in the Schedule and in all revised or additional Schedules issued to you in accordance with the provisions of Condition 8.2.1.
“Review Date”	means every fifth anniversary of the Commencement Date or any other date specified elsewhere in these Conditions or that we may agree on request from you or that we may for any reason consider necessary provided that: <ul style="list-style-type: none"> (a) the interval between Review Dates must not be longer than five years and (b) the date that the Second Annuity, if any, starts will be treated as a Review Date.
“Schedule”	means the Schedule attached to and forming part of this Policy and any replacement or additional Schedules issued to you from time to time to confirm amendments made to this Policy in accordance with its terms and additional Premiums paid from time to time in accordance with the provisions of Condition 8.2.1.
“Second Annuitant”	means the person (if any) named as such in the Schedule or such other person (if any) that the First Annuitant has most recently notified to us in writing to be the Second Annuitant or, if no such person is living at the date when the First Annuity stops in accordance with Condition 2.3, a person nominated by the First Annuitant’s personal representatives provided that in any of these cases the person is a Dependant.

"Second Annuity"	means a yearly sum calculated in accordance with Condition 3.1 and payable to the Second Annuitant in accordance with Conditions 3.2, 3.3 and 3.4.
"Specified Fund"	means the fund described in Condition 5.
"Specified Fund Value"	means the value of the Specified Fund determined on such basis as we consider appropriate.
"Standard Amount"	means an amount that we determine in relation to the Commencement Date and each Review Date being the amount of income that we would pay to you each year under our Guaranteed Annuity on a level, single life basis payable annually in arrear in exchange for the Specified Fund Value at that date. If we would not offer such an annuity at that date "Standard Amount" shall mean the average of the amounts that would be offered to you as a guaranteed lifetime annuity on a similar basis in exchange for the same Specified Fund Value by three different Insurers. If the Standard Amount is required to be determined for the purposes of calculating the amount of payments of the First Annuity after the First Annuitant's death but before the end of the Guarantee Period, the determination will be made as though the first Annuitant were still living.

Section 2

The Annuity Period

This section explains when the First Annuity starts and stops and, if there is a Second Annuity, when that Annuity starts and stops.

- 2.1 The First Annuity will start on the Commencement Date.
- 2.2 The first payment of the First Annuity will be made on the later of
 - 2.2.1 the date requested by you either in your application for this Policy or subsequently in writing,
 - 2.2.2 if no prior date has been requested by you, the last day of the first Policy Year
 - 2.2.3 the date on which we receive the Premium.
- 2.3 The First Annuity will stop on the later of the date when the Guarantee Period, if any, ends and the date of death of the First Annuitant.
- 2.4 The last payment of the First Annuity will be that which had most recently been made or become due on the date when the First Annuity stopped. For the avoidance of doubt, no more payments of the First Annuity will be due after it has stopped and no proportionate payment will be made in respect of any period following the date on which the First Annuity stops to the end of the Policy Year in which that Annuity stops.
- 2.5 If, when the First Annuity has stopped there is any Specified Fund Value remaining after the deduction of all payments made under the provisions of Condition 4 a Second Annuity will then start and immediately become payable to or for the benefit of the Second Annuitant.
- 2.6 The first payment of the Second Annuity will be made on the later of:
 - 2.6.1 the date requested by the Second Annuitant in writing in accordance with the provisions of Condition 8.5, and
 - 2.6.2 if no prior date has been requested by the Second Annuitant, the last day of the Policy Year in which the Second Annuity starts
- 2.7 The Second Annuity will stop on the date of death of the Second Annuitant and the last payment of the Second Annuity will be that which had most recently been made or become due on the date when the Second Annuity stopped. For the avoidance of doubt, no more payments will be due after it has stopped and no proportionate payment will be made in respect of any period following the date of death of the Dependant to the end of the Policy Year in which the death occurs.

Section 3

The Annuity Payments

This section describes how the amount of the Annuity is calculated and how it will be paid.

3.1 Amount of Annuity payments

- 3.1.1 Except as provided in Conditions 3.1.2 and 3.1.3, the total of all payments of the Annuity in any Policy Year must not be less than the Minimum Amount nor more than the Maximum Amount as most recently determined at or prior to the start of that Policy Year. Subject to this requirement the Annuity in any Policy Year will be whatever annual amount that you request to us in writing. If you do not request any particular amount for a Policy Year we will make payments on the basis most recently requested for a previous Policy Year or if you have not made any previous request we will pay, subject to Condition 2.5, the Minimum Amount.
- 3.1.2 If a Review Date occurs other than at the start of a Policy Year then the total of all payments of the Annuity during the Policy Year in which any such Review Dates occurred must not be:
- (a) less than the weighted average of the Minimum Amount as most recently determined at or prior to the start of that Policy Year and the Minimum Amount or Minimum Amounts determined during that Policy Year or
 - (b) more than the weighted average of the Maximum Amount as most recently determined at or prior to the start of that Policy Year and the Maximum Amount or Maximum Amounts determined during that Policy Year.
- 3.1.3 Each payment of the Annuity will be subject to there being sufficient Specified Fund Value to make that payment at the date that the payment is due to be made. In the event that the Specified Fund Value is less than a payment that is due or requested to be made then the date that the payment is requested or is due to be made will be treated as a Review Date and the payment will be subject to the Minimum Amount and the Maximum Amount re-determined with respect to that date.

3.2 Frequency of Annuity payments

The Annuity payable in any Policy Year will be payable as a single payment at any time during the Policy Year or by instalments during the Policy Year or on any other basis that you may request in accordance with our practice at that time. If you do not request any particular payment frequency for a Policy Year we will make payments on the basis most recently requested for a previous Policy Year or if you have not made any previous request we will pay the Annuity as a single payment at the end of the Policy Year.

3.3 Payment method

We will normally make all payments of the Annuity directly by electronic transfer of funds except that we may make payments by a different method if we consider it to be appropriate or necessary.

3.4 Payment destination

- 3.4.1 Except as provided in Conditions 3.4.2 and 3.4.3, we will make payments to whichever bank account in your name that you request in writing to us.
- 3.4.2 We will make the payments to another account for your benefit if asked to do so by your legally appointed attorney or guardian subject to evidence to our satisfaction of their appointment.

- 3.4.3 If the First Annuity continues after the First Annuitant's death until the end of the Guarantee Period as provided in Condition 2.3, we will pay the Annuity to either:
 - 3.4.3.1 the Dependant nominated in writing by the First Annuitant for this purpose or, if no such nomination has been received by us,
 - 3.4.3.2 the Annuitant's legal personal representatives, or such other person that they nominate.

Section 4

Death of the First Annuitant

This section sets out the benefit payable on the death of the First Annuitant before attaining age 75.

- 4.1 If the First Annuitant dies before attaining age 75 and if the total of all of the payments of the First Annuity made up to the date of the First Annuitant's death is less than the Premium we will make a payment equal to the lesser of the shortfall and the Specified Fund Value at that date.
- 4.2 We will make the payment described in Condition 4.1 to one or more Permitted Beneficiaries as we in our discretion decide. In exercising our discretion we will take into account any persons whom you may have nominated to us in writing for this purpose and any other circumstances and information that we consider relevant.

Section 5

The Specified Fund

This section explains what the Specified Fund is and what amounts are credited and debited to it.

- 5.1 We will maintain a fund personal to you, called the "Specified Fund", in our Pension Business Fund, to which an amount equal to the Premium will be allocated. The Specified Fund is established solely for the purpose of calculating the benefits payable under this Policy. You have no title or rights over any of the assets of the Specified Fund which at all times remain our property.
- 5.2 We will credit the Specified Fund with:
- 5.2.1 the Premium; and
 - 5.2.2 the value of all gains (both capital and income) arising from the investments of the Specified Fund as and when they arise.
- 5.3 We will debit the Specified Fund with:
- 5.3.1 all payments of the Annuity, as and when they arise;
 - 5.3.2 all payments made under the provisions of Condition 4;
 - 5.3.3 the value of all losses arising from the investments of the Specified Fund as and when they arise;
 - 5.3.4 all sums (if any) payable by us in respect of reinsurance of the liabilities under this Policy;
 - 5.3.5 tax at the appropriate rate on the gross amount of any income received (this deduction will include any income tax retained at source, and any tax credit attributable to any such income will be taken into account in computing such deduction); and
 - 5.3.6 all costs, fees, taxes, duties, levies and expenses incurred by us in connection with the investments of the Specified Fund including, for the avoidance of doubt, all charges made by all banks from time to time holding funds attributable to the Specified Fund and by all custodians, investment managers and all other third parties providing services relating to the investment of the Specified Fund
 - 5.3.7 all costs and fees chargeable by us in accordance with the details set out in the Appendix
 - 5.3.8 all other costs, fees, taxes, duties, levies and expenses arising from the operation of this Policy.
- 5.4 We have entered into this Policy to provide for UK residents the payment of benefits which are property linked benefits as defined in Chapter 11 of Volume 1 of the Interim Prudential Sourcebook for Insurers Instrument 2001 made by the UK Financial Services Authority on 21 June 2001. All monies investments or assets belonging to the us that are identified (as that term is understood in section 28 of the UK Insurance Companies Act 1982) with the Specified Account for the purpose of determining the measure of such property linked benefits payable under this Policy, and all other monies and investments of our long term business fund, are equally available for appropriation by us in or towards satisfaction by us of our liability to our policyholders at large. Accordingly (for the purpose only of resolving any doubts on the matter) we declare that although the amounts which may from time to time be attributed to the Specified Account shall form the basis upon which the benefits mentioned in Conditions 2, 3 and 4 are to be calculated nevertheless the Annuitant shall have no greater or lesser right or entitlement to any of the monies investments or assets in or belonging to us and held by us as aforesaid than any other policyholders.

Section 6

Investment of the Specified Fund

This section describes the role of the Investment Adviser and certain requirements relating to the investment of the Specified Fund.

- 6.1 We will appoint an Investment Adviser for the purpose of advising us on the investment of the Specified Fund. You must nominate an individual or firm acceptable to us to be the Investment Adviser for this purpose. The form and terms of the appointment must be acceptable to us and the Investment Adviser must agree to follow such procedures as we require from time to time.
- 6.2 The extent to which the Investment Adviser consults with you and/or makes decisions in consultation with you or makes decisions on your behalf and the basis on which the Investment Manager is remunerated must be agreed separately between you and the Investment Adviser.
- 6.3 Upon request in writing from you and subject to whatever terms of the appointment related to its termination, we will terminate the appointment of the Investment Adviser.
- 6.4 We will not accept investment instructions from anyone other than the Investment Adviser acting in accordance with an appointment current at the time that the instructions are received.
- 6.5 If at any time there is no person fulfilling the role of Investment Adviser you must make a nomination in accordance with Condition 6.1. While no appointment is in effect, unless other arrangements are made that are acceptable to both you and us, no new investments will be made but upon request from you all or any of the investments then held will be sold and the proceeds retained in cash.
- 6.6 The money allocated to the Specified Fund will be invested in whatever Acceptable Assets that the Investment Adviser instructs. The Investment Adviser may at any time instruct that any particular investments be sold or others acquired. All these instructions must be given in accordance with the procedures that we publish from time to time. We may impose special conditions in connection with any particular investments if we consider this necessary.
- 6.7 We may at any time require that all or any investments be realised to provide such liquidity as we consider necessary to meet claims made or anticipated under this Policy or to provide for any other contingencies that we in our sole discretion consider appropriate or necessary.

Section 7

Conversion to a guaranteed income basis

This section allows you to change the basis of the Annuity and to transfer to another Insurer.

- 7.1 Subject to the provisions of Conditions 7.2 and 7.3,
- 7.1.1 if at any time you request it in writing or
 - 7.1.2 if we on actuarial advice so decide,
- we will substitute for the amount payable under Condition 3.1 an amount equal to the annual income purchased or secured under either 7.2.1 or 7.2.2 in Condition 7.2 below as the case may be.
- 7.2 If a substitution is to be made as provided in Condition 7.1 we will sell all the investments then attributed to the Specified Fund and apply an amount, equal to the value of the proceeds together with any cash already held to the credit of the Specified Fund, as described in either 7.2.1 or 7.2.2 below as requested by you in writing:
- 7.2.1 to purchase in your name an annuity with any other Insurer in which case Condition 7.3 shall apply or
 - 7.2.2 to secure from us payment of income for the remainder of your life on such terms as we may offer at that date.
- 7.3 If we purchase an annuity (a "Replacement Annuity") with another Insurer in accordance with Condition 7.2.1 you must nominate the Insurer with which the Replacement Annuity is to be effected. If you should not do so within 21 days of a request from us for this purpose, or if the Insurer that you nominate is unable for any reason to bring the required annuity into effect, we will secure the income in whatever manner we think appropriate. The purchase of a Replacement Annuity will be a full discharge of all of our liabilities under this Policy. Also, for the avoidance of doubt, we will be under no obligation either to supplement the proceeds of the Specified Fund so as to secure income at any particular level or to make good any deficiency arising for any reason in any payments made by the Insurer of the Replacement Annuity that become due in accordance with its terms.

Section 8

General Provisions

This Section describes certain general conditions that apply to the Policy.

8.1 The Contract

No terms or conditions shall apply to this Policy which are not contained in these Conditions or the Schedule, whether made verbally or in writing, whether expressed or implied and by whomsoever they may be made and no alteration to these Conditions shall be valid unless such terms or conditions or alterations thereto are made in accordance with these Conditions or otherwise agreed between the Policyholder and us and signed or acknowledged in writing by our authorised officer.

8.2 Contract variations

8.2.1 Additional amounts may be paid to us to be treated as Premiums under this Policy provided that our acceptance of such amounts will be subject to our requirements current at the date of their receipt by us. The date on which we accept each additional amount will be treated as a Review Date and we will issue to you a replacement or additional Schedule confirming the additional amount received and the consequential changes to the Policy.

8.2.2 We may alter these Conditions unilaterally either:

- (a) if this is necessary to meet the requirements of any regulator whether in Gibraltar or elsewhere or
- (b) if this necessary to comply with Gibraltar law or
- (c) if there should be any change in the law or taxation affecting this Policy or any other change in circumstances that in our opinion makes it impracticable or impossible to give full effect to the provisions of this Policy.

8.2.3 In any of the events described in Condition 8.2.2 we shall vary the terms of this Policy as we consider appropriate to enable benefits to be provided under this Policy as near as possible to those originally intended. If we have to do this we will give you notice of the alteration that is necessary as soon as reasonably practicable.

8.2.4 No alterations other than those described in Condition 8.2.2 may be made unless they are agreed in writing by both you and us.

8.3 Age and gender

8.3.1 We will accept the age and gender of you and your Dependant as correct if we receive proof to our satisfaction.

8.3.2 If for any reason your and/or your Dependant's age or gender was mis-stated to us and the error is later discovered then the Standard Amount will be adjusted. We will recalculate both the Maximum Amounts and the Minimum Amounts applicable before the error was discovered and those due in the future on the basis of the correct age and gender.

8.3.3 If the amounts already paid were greater than the Maximum Amounts that should have been paid then we will reduce the future amounts becoming payable in accordance with actuarial advice.

8.3.4 If the amounts already paid were less than the Minimum Amounts that should have been paid then we will make an extra payment equal to the total of the shortfalls in all previous payments.

8.4 Supply of information

8.4.1 We will be entitled to require evidence to be produced to satisfy us of the continued existence, death or identity of any relevant person before making any payment under this Policy. We will also be entitled to require any other information or evidence to be produced to us that may be necessary to administer the Policy. We may act upon whatever information or evidence we are given but we will not be liable for any consequences if the information is not accurate or complete.

8.4.2 We will send you on an annual basis a statement including the following information:

- (a) details identifying the Acceptable Assets and cash attributed to the Specified Fund and the Specified Fund Value both at the beginning and end of the Policy Year,
- (b) all items credited to and debited from the Specified Fund during the Policy Year and
- (c) the Maximum Amount and Minimum Amount applying for the following Policy Year.

8.4.3 We will send you a statement of the Maximum Amount and the Minimum Amount whenever a Review Date occurs.

8.5 Communications and instructions

8.5.1 If we need to provide you with any document or cheque or to send you any kind of notice we must deliver this to you personally or post it to you at the last address shown for you in our records. In the absence of specific evidence to the contrary, be deemed to have been served within seventy-two hours of its despatch.

8.5.2 If you or any other person needs to give us any notices, information or requests, they must be given in writing and must be sent by pre-paid post or otherwise delivered to us either at registered office in Gibraltar or c/o London & Colonial Services Limited 38-42 Perrymount Road, Haywards Heath, West Sussex RH16 3DN or to such other place as we may from time to time tell you.

8.5.3 No instruction, request or notice will be accepted by us until we have received such documents, information and consents as it may in its absolute discretion consider necessary.

8.6 Tax and other levies

8.6.1 All payments that we make will be paid net of any tax or levies that we are required to deduct by UK HM Revenue & Customs or by any other authority or regulatory body that has legal jurisdiction over the payments.

8.6.2 If we are required to pay one or more long-term business levies under the provisions of the UK Financial Services and Markets Act 2000 or under any subsequent similar legislation in the UK or in Gibraltar we may on actuarial advice make whatever reductions in the Annuity or in the Specified Fund Value that we consider fair and appropriate.

8.7 Limitations

8.7.1 This Condition overrides anything else in this Policy that may say or imply anything different.

8.7.2 You may not assign your Annuity to anyone else or surrender it for a cash payment unless we have been advised in writing by the trustees or scheme administrator of the pension scheme that paid the Premium to us that this would be allowed.

8.8 Law

8.8.1 This Policy is to be governed by and interpreted in accordance with the laws of

Gibraltar and the non-exclusive jurisdiction of the Courts in Gibraltar in relation to any claim, dispute or difference that may arise in connection with the Policy.

End of these Conditions

Schedule

Policy Number If more than one number is shown here, separate identical contracts have been made each one of which is identified by one of the numbers shown and the amounts shown in this Schedule are the aggregate of the respective equal amounts applicable to each contract	
Policyholder	
First Annuitant	
Date of birth of First Annuitant	
Nominated Second Annuitant	
Date of birth of nominated Second Annuitant	
Premium	
Annuity amount at Commencement Date	
Minimum Amount	£ pa
Maximum Amount	£ pa
Commencement Date	
Guarantee Period	[Nil/10 years]
Conditions Code	OA3 3TS

End of Schedule

Signed

For and on behalf of London & Colonial Assurance PLC

Appendix

For the purposes of Condition 5 the charges detailed below will be deducted from the Specified Fund on the relevant due dates.

1 An Initial Charge due on the date of commencement of the Policy calculated as the sum of (i), (ii), (iii), (iv), (v) and (vi) below but subject to a minimum of £1625 plus any adviser remuneration.

- (i) £775.00
- (ii) 0.85% of the Annuity Consideration up to a maximum of £250,000
- (iii) 0.70% of the excess, if any, of the Annuity Consideration over £250,000 up to a maximum of £500,000
- (iv) 0.60% of the excess, if any, of the Annuity Consideration over £500,000 up to a maximum of £1,000,000
- (v) 0.25% of the excess, if any, of the Annuity Consideration over £1,000,000 up to a maximum of £5,000,000
- (vi) 0.10% of the excess, if any, of the Annuity Consideration over £5,000,000

An amount of 1% of the Annuity Consideration is normally charged in addition to provide remuneration for the adviser.

2 An Annual Charge due on each anniversary of the Commencement Date of the Policy calculated as the sum of (i), (ii), (iii), (iv), (v) and (vi) below but subject to a minimum of £1125 plus any adviser remuneration. In each case the relevant amount means the value of the fund as determined at the last valuation.

- (i) £775.00
- (ii) 0.35% of the relevant amount up to a maximum of £250,000
- (iii) 0.30% of the excess, if any, of the relevant amount over £250,000 up to a maximum of £500,000
- (iv) 0.25% of the excess, if any, of the relevant amount over £500,000 up to a maximum of £1,000,000
- (v) 0.10% of the excess, if any, of the relevant amount over £1,000,000 up to a maximum of £5,000,000
- (vi) 0.05% of the excess, if any, of the relevant amount over £5,000,000

An amount of 0.5% of the value of the fund is normally charged in addition to provide remuneration for the adviser.

3 Transaction Charges

- | | |
|--|-----------------|
| (a) Income payments annually | no charge |
| Regular payments other than annually
(due annually in advance) | £15 per payment |
| Additional one-off payments | £25 per payment |
| (b) Recalculation of income limits at an anniversary date: | No charge |
| Upon request at a different date: | £150 |
| (c) Cash movements other than for annuity
payments and settlement of charges: | £30 |
| (e) Purchase of an annuity from another insurer: | £200 |

The minimum Initial Charge and the minimum Annual Charge and all charges shown under (b) to (e) above will be increased on 1st January 2010, and annually thereafter, in proportion to the annual increase in the UK index of National Average Earnings. The 12 month period used will be by reference to the latest figures available on the first day of each November prior to the relevant increase in charges. We will publish the charges that apply on our website and they are also available on request.

All charges made by any bank from time to time holding funds and similarly all charges made by custodians, investment managers and any other third parties providing investment related services will also be deducted from the Specified Fund as and when they fall due.

If one or more contracts of insurance have been made that are in all respects identical to the contract evidenced by this Policy –

- (a) the Initial Charge and the Annual Charge described in this Appendix will be calculated and determined as though there were one contract representing the aggregate of the Premiums and Specified Fund Values under all such contracts and will be applied proportionately to each contract and
- (b) the Transaction Charges described in this Appendix in respect of each relevant transaction will be determined as though there were only one such transaction rather than one transaction relating to each contract and each Transaction Charge so determined and all charges made by third parties will be applied proportionately to each contract.

The Company reserves the right to vary the charges or to introduce additional charges if significant additional work becomes necessary in order to comply with any regulatory or other requirements or circumstances arising that have consequences for the administration of the Contract.

End of Appendix