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ONLY

FLEXIBLE ANNUITIES



LONDON &
COLONIAL

INNOVATION IN PENSIONS

PART OF



GROUP PLC

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MEET LONDON & COLONIAL ASSURANCE PCC PLC

London & Colonial Assurance PCC Plc ('LCA') is a Gibraltar based life insurance company licensed to write Class I - Life and annuity, Class III - Linked long-term assurance business and VI - Capital redemption.

LCA has a long history in the UK annuity market, having transacted annuity business since its incorporation in 2001.

The business was primarily established to provide an alternative to conventional annuities for high-net-worth individuals wishing to use their pension funds to purchase an annuity that provides greater flexibility for income and investment choice.

LCA does not provide financial or investment advice. Our products are distributed through financial advisers, so our service features are designed to give maximum support to all of our intermediary partners.



LCA (As of end of 2018)

OVER

1,088

ANNUITANTS

IN EXCESS OF

£266m

FUNDS UNDER ADMINISTRATION

563

ANNUITIES PAID OUT TO DATE

OUR HOME IN GIBRALTAR



GIBRALTAR WAS CHOSEN AS IT OBSERVES HIGH STANDARDS OF SUPERVISION AND FINANCIAL REGULATION AND WAS THE FIRST EU JURISDICTION TO OFFER PROTECTED CELL COMPANY (PCC) LEGISLATION.

LCA is subject to continuous regulation by the Gibraltar Financial Services Commission (GFSC), the regulatory authority for all financial services providers operating in and from Gibraltar.

In their [country risk analysis](#) published in August 2018, AM Best categorised Gibraltar's economic, political and financial risk as a CRT-1 country with a very low level of risks in all categories. Specifically, a CRT-1 country is defined as having a "predictable and transparent legal environment, legal system and business infrastructure; sophisticated financial system regulation with deep capital markets" and a "mature industry framework".

PART OF A **BIG FAMILY**

LCA is part of STM Group Plc, a multi-jurisdictional financial services group listed on AIM, a market operated by the London Stock Exchange. Established in 1989, the Group specialises in the administration of client assets in relation to retirement, estate and succession planning and wealth structuring. Today, STM Group Plc has operations in the UK, Gibraltar, Malta, Jersey and Spain.

STM Group Plc strives to be the financial services provider of choice for the UK resident and UK expatriate market in relation to pension and life assurance solutions. Financial intermediaries that advise this market will recognise that STM Group companies offer an unrivalled service level to both them and their clients, putting the client at the forefront of its business proposition.

STM has developed a range of pension and annuity products for UK nationals and internationally domiciled clients and has two Gibraltar life assurance companies within the Group.



STM GROUP PLC *(As of end of 2018)*

ADMINISTERS IN EXCESS OF

15,500

RETIREMENT PLANS

+

2,800

LIFE ASSURANCE POLICIES

HAS APPROX.

£8.6 billion

ASSETS UNDER ADMINISTRATION
ACROSS PENSIONS, LIFE, AND TRUST
& COMPANY BUSINESS UNITS

OUR ANNUITY PRODUCTS

LCA's annuities could be the right choice for your clients if:

- They are UK residents looking for tax efficient, regular (i.e. monthly, quarterly, half-yearly or annual) income payments for life;
- They have a fund in excess of £100,000;
- They would like to be able to vary the level of income they receive depending upon their circumstances;
- They wish to retain control of their fund so that upon death, the remaining value of the annuity fund can be used to provide benefits for dependants and other beneficiaries. See Preference Share section on page 7 of this brochure.

Currently, LCA markets two annuities for UK tax residents, the **Flexible Life Annuity** and the **Flexible Pension Annuity**.



FLEXIBLE PENSION ANNUITY (FPA)

The FPA is a pension annuity purchased on behalf of the policyholder by the trustees of the pension scheme holding the pension assets. The product allows full flexibility, providing the policyholder with the option to elect how much income to take each year in line with pension freedoms.

The policy is purchased by the trustees of the registered pension scheme, therefore there is greater investment flexibility. An in-specie transfer of existing pension scheme assets is allowed.

FLEXIBLE LIFE ANNUITY (FLA)

The FLA is a purchased life annuity. During the lifetime of the annuity, the policyholder can elect to change the amount of the annuity payments (either increase or decrease).

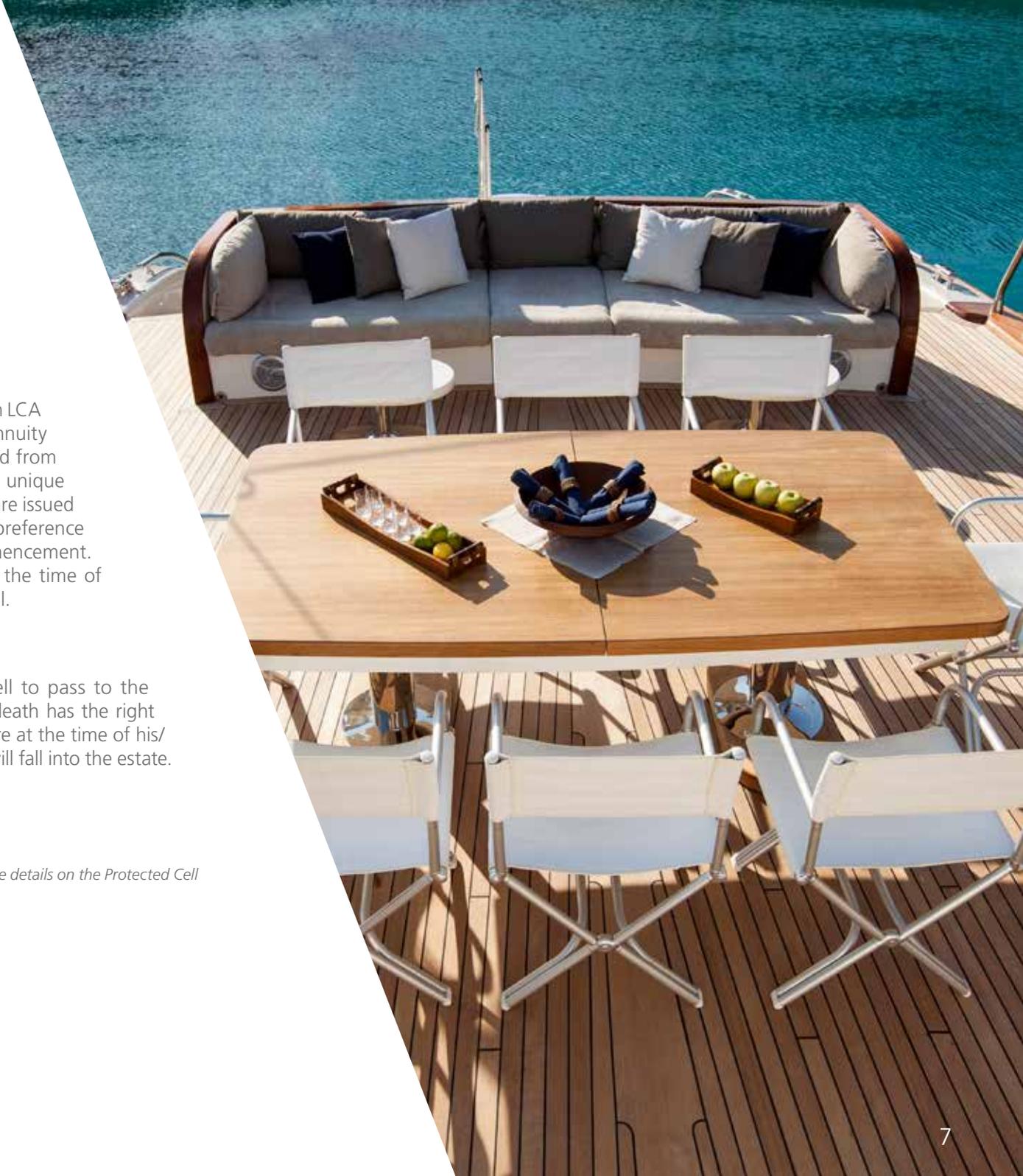
A wide range of assets is allowed in the FLA. HM Revenue and Customs personalised bond rules apply, so investments need to be advised by a qualified investment adviser.

PREFERENCE SHARE

LCA is organised as a Protected Cell Company (PCC)*. Each LCA annuity is linked to a cell and the assets backing the annuity are owned by the cell and hence completely ring-fenced from all other policyholders' and shareholders' assets. Each unique cell of the company can have at least one preference share issued to that cell. LCA's policyholders are able to purchase a preference share in the cell containing their policy at policy commencement. The preference share gives the holder of the share at the time of policyholder's death access to the assets held in the cell.

The preference share enables the funds from the cell to pass to the beneficiaries. Whoever holds the preference share on death has the right to the residual value. If the holder of the preference share at the time of his/her death is the policyholder then the assets in the cell will fall into the estate.

** Please see Section 'Policyholder Protection' of this brochure for more details on the Protected Cell Company structure.*





POLICYHOLDER PROTECTION

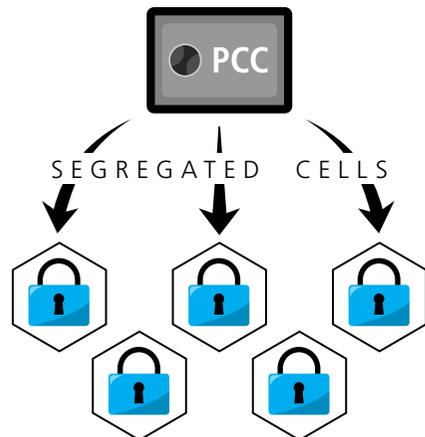
UK FINANCIAL SERVICES COMPENSATION SCHEME

The Flexible Life Annuity and the Flexible Pension Annuity are covered by the Financial Services Compensation Scheme (FSCS). In the unlikely event that LCA were to default on claims under its policies, sales of its products conducted in the UK to UK residents at the time the contract commenced, are covered by the 'protected contracts of insurance' part of the FSCS. Please see the FSCS website for full details: www.fscs.org.uk

PROTECTED CELL COMPANY (PCC) LEGISLATION

As a Protected Cell Company (PCC), all LCA products provide a high level of policyholder protection. A PCC structure is subject to the provisions of specific Gibraltar PCC Law which was implemented in 2001 (Protected Cell Companies Act 2001).

In a PCC, legally recognised cells are created within the company in order to segregate and protect each policyholder's assets from other policyholders and the company itself. This means that each individual policy is linked to a cell and the assets backing the policy are owned by the cell and hence completely legally ring-fenced from all other policyholders' and shareholders' assets. Put very simply, a PCC is a form of company comprised of individual parts, known as cells.



WHAT THIS MEANS FOR POLICYHOLDERS

For each client that purchases an LCA annuity, a unique cell is opened within LCA. Each cell has its own designation (the policy number) and is completely independent of all other cells and of the company's core. It is the Directors' duty to keep and account for the assets and liabilities of each cell separately. The PCC legislation prohibits the assets of a cell to be used to satisfy any liability not attributable to that cell.

In the unlikely event that anything should happen to LCA, your client's policy (and the assets within the policy) would remain secure from and untouched by any potential creditor. In other words, each cell is ring-fenced from all other cells, providing 100% policyholder protection.

Please note: 100% policyholder protection does not apply to the ongoing valuation of the investment as the value of investments can fall as well as rise.

OUR VALUES & CODE OF CONDUCT

LCA's Code of Conduct ('our Code') comprises the Principles of Conduct which are LCA's benchmark for ethical behaviour. All employees and Board members must know and follow the Principles enshrined within our Code:

We behave with professional integrity at all times. We treat those with whom we have contact in a fair and respectful manner and without discrimination and we encourage others to do the same.

We give fair and proper consideration and appropriate priority to the interests and requirements of our colleagues. We bring the best of ourselves to work and support one another working as one team to realise our full potential.

We put our customers' interests at the heart of our decision-making. We earn their trust by understanding their needs and delivering excellent service to build long term and stable relationships.

We act only within the limits of our personal competence and any limits of authorisation we may have.

We observe all relevant laws and regulations within our jurisdiction. This means not only working within the law, but within the spirit of the law.

We are individually accountable for everything that we do and we act at all times with honesty, care and diligence.

We actively listen to our customers and we deal with any complaints efficiently, fairly and with understanding.

We strive to develop and improve ourselves and encourage this in others, to achieve performance excellence and self-motivation, applying a "can do" philosophy to all of our business interactions.

We treat our customers' information with the appropriate confidentiality and we carefully record the right information to help serve them and keep their records accurate and up to date.

We do not partake in any illegal activities, either inside or outside of work, and we never engage in business that might be associated with criminal activities, bribery or corruption.

HOW TO CONTACT US

GET IN TOUCH WITH OUR **UK BUSINESS DEVELOPMENT
MANAGER PHIL RISBRIDGER** TO FIND OUT MORE:



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UK – GIBRALTAR – MALTA – JERSEY – SPAIN

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