



Why choose London & Colonial Assurance PCC Plc?

About London & Colonial Assurance PCC Plc

London & Colonial Assurance PCC Plc ('LCA') is a Gibraltar based life insurance company operating out of Gibraltar's highly regulated and long established financial centre. LCA was established in 2001 as a public limited company and a life insurance provider.

LCA is 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 market and provides an alternative to conventional annuities, offering greater flexibility for income and investment choice.

In 2016 LCA was acquired by London Stock Exchange-listed STM Group Plc, a multi-jurisdictional financial services group. Established in 1989, STM Group specialised in the administration of client assets in relation to retirement, estate and succession planning, and wealth structuring. In 2024, STM Group was acquired by Global Pension Corporation.

Why 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 (see details on PCC overleaf).

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 report](#) published in August 2024, 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".



Policyholder Protection

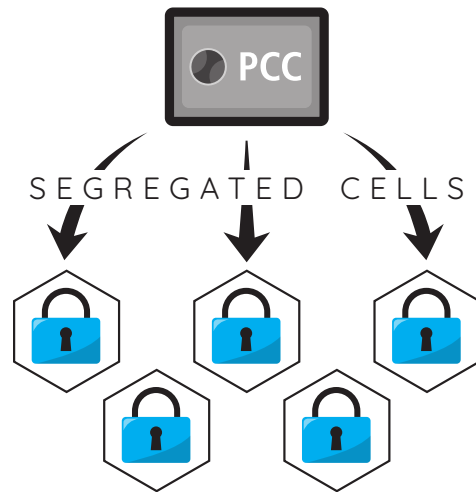
LCA markets several unit-linked annuities for UK tax residents, the Flexible Life Annuity, the Later Life Account, the Immediate Care Annuity, and the Flexible Pension Annuity. All annuities are covered by the UK Financial Services Compensation Scheme ('FSCS').

The sale of LCA's products conducted in the UK to UK residents is covered by the FSCS. Therefore, in the unlikely event that LCA were to default on any product claims, clients will be covered by the 'protected contracts of insurance' part of the FSCS. Please refer to the FSCS website for full details: www.fscs.org.uk

Protected Cell Company Legislation

All annuity products currently marketed by LCA utilise the Protected Cell Companies ('PCC') structure as it affords 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'. The assets within the 'cell', which are used to back the annuity payments, are 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 The LCA Annuity

For each client that purchases an LCA annuity, a unique 'cell' is opened with LCA. As well as purchasing a LCA annuity each client also has the option to buy a preference share in LCA. For more information on purchasing a LCA preference share, please see LCA's Purchase of Preference Shares document. Each 'cell' has its own designation (the annuity number) and is completely separate from all other 'cells' and the company. 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' being used to satisfy any liability not attributable to that 'cell'.

In the unlikely event that anything should happen to LCA, as the 'cell' is ring-fenced from the company itself the assets within the 'cell' would remain secure and untouched by any LCA creditor. This means that each client is provided with 100% policyholder protection.

Please note: 100% policyholder protection does not apply to any losses due to the performance of the investments that LCA has purchased to provide your annuity product.