

International Bond

Terms and Conditions

NOT FOR EXTERNAL DISTRIBUTION

LONDON & COLONIAL

These Terms and Conditions apply to International Bond ('IB') issued on or after 30th June 2026.

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Section 1. Notification of Risk

1.1 London & Colonial Assurance PCC Plc (LCA) is structured as a Protected Cell Company ('PCC') subject to the provisions of Gibraltar's Protected Cell Companies Act 2001. This means that LCA will create legally recognised 'Cells' within the company which are held independently of one another. The assets and liabilities of one Cell are kept separate and therefore are protected from those of other Cells. Each Cell has its own designation (the International Bond number), and it is the duty of the directors to keep the assets and liabilities of each Cell separate. Also, the directors must account for each Cell separately as the legislation prohibits the assets of a Cell being used to satisfy any liability not attributable to that Cell.

1.2 The added protection offered by the PCC would undoubtedly be effective in any legal proceedings brought in Gibraltar. However, the directors of LCA know of no legal challenges to the PCC concept in any other jurisdiction. They are therefore unable to give Policyholders an assurance that the courts of another country would grant the level of protection for cellular assets intended under Gibraltar's Protected Cell Companies Act 2001.

Section 2. About LCA

2.1 LCA (Company Registration Number 80650) whose registered office is situated at 3rd Floor, 55 Line Wall Road, Gibraltar, is a company incorporated in Gibraltar under the provisions of the Gibraltar Companies Act. LCA is licensed by the Gibraltar Financial Services Commission ('GFS') under the Financial Services Act 2019 to carry out life assurance business in Gibraltar.

2.2 LCA may employ agents to perform any administrative, management or other ancillary services required to enable it to perform its obligations.

Section 3. Introduction

3.1 The International Bond ('IB') is a single premium unit-linked assurance policy, issued by LCA. The IB is issued as a group of individual identical Policies. The minimum number of Policies is 500 with the maximum being 99,999. On the Application Form you must select how many Policies will make up the IB. If you do not indicate the number, we will issue your IB with 500 Policies. The Policy Schedule will show the number of Policies that make up the IB. You cannot increase the number of Policies once the IB has commenced.

Each Policy held within the IB can be dealt with separately; for example, it can be fully surrendered or assigned.

3.2 The IB can be written on either:

- A Life Assurance basis which ends on the death of the last Life Assured, or
- A Capital Redemption basis with a fixed term of 99 years.

3.3 On the Application Form you must select whether you wish the IB to be issued on a Life Assurance or Capital Redemption basis. The Policy Schedule will show which version you requested. You cannot change the version once the IB has commenced.

Section 4. Interpretation

4.1 Interpretation

In these Terms and Conditions:

a. the headings are for ease of reference and do not form part of the contract,

b. where appropriate, any reference to the singular includes the plural and similarly, reference to the plural can include the singular,

c. reference to one gender includes every gender,

d. any reference to a statute or statutory provision shall include that statute or statutory provision as amended, modified, extended, re-enacted, or replaced from time to time, and

e. any reference to a party shall include his successors, executors, administrators, or assignees.

Section 4. Interpretation and Definitions

4.2 Definitions

In these Terms and Conditions important words and expressions have been given capital letters and are defined below.

Cash Account means the account through which all cash transactions are made by us, including the payment of all withdrawals, charges, and fees. It is maintained by us as part of the Portfolio. Interest will also be paid should the Policyholder qualify. Please refer to our Interest Sharing Policy for further information.

Cell means the cell created by us for the purpose of segregating and protecting the assets of the IB in the manner provided by the Gibraltar Protected Cell Companies Act 2001.

Custodian means the organisation appointed by us to deal with the receipt, delivery, and settlement of the non-cash assets of the IB.

Deed of Assignment is a legal document that transfers or assigns the legal rights and obligations under a contract to another party.

Discretionary Fund Manager means someone who you wish us to appoint to manage the Portfolio that sits within the IB.

Financial Adviser means any Financial Adviser who you seek advice from in relation to your financial affairs. You appoint the Financial Adviser to act on your behalf. As the Financial Adviser is not acting on our behalf, we are not liable for their acts or omissions.

International Bond ('IB') means the International Bond and consists of all the Policies issued within the International Bond.

Investment Adviser means any Investment Adviser who you seek advice from in relation to the assets held within the Portfolio. You appoint the Investment Adviser, subject to our acceptance, to act on your behalf. As the Investment Adviser is not acting on our behalf, we are not liable for their acts or omissions.

Life Assured means the person or persons on whose life the IB is written if a Life Assurance basis has been selected. There can be up to six Lives Assured. The Life Assured will be shown on the Policy Schedule.

"LCA", "we", "us" and **"our"** refers to London & Colonial Assurance PCC Plc.

Long-Term Business Fund is the segregated fund maintained by us for all Policyholder assets and liabilities. All cellular assets will be held within the Long-Term Business Fund.

Maturity Date means 99 years after the Policy Date if a Capital Redemption version has been selected. The Maturity Date will be shown on the Policy Schedule.

Policy or **Policies** means each separate and identical Policy that makes up the IB. At the start of the IB, you will receive one set of our Terms and Conditions, and one Policy Schedule. Within the Policy Schedule the IB number and the number of identifiable Policies will be shown.

Policyholder, 'you' and **'your'** means the person who legally owns the IB. On the Policy Date, the Policyholder will be shown on the Policy Schedule. During the lifetime of the IB reference to Policyholder includes their successors, executors, administrators, and assignees.

Policy Currency means the currency chosen by you on the Application Form and is shown on the Policy Schedule. You may choose any one of the following as the Policy Currency: British Pound Sterling ('GBP'), Euro ('EUR'), or US Dollar ('USD'). Once the IB has started you will not be able to change the Policy Currency.

Policy Date means the date that your IB starts and is shown on the Policy Schedule.

Policy Schedule means the document(s) issued by us at the Policy Date and any date an additional Premium is added to the IB. These schedule(s) contain important information about the IB.

Portfolio means a separate identifiable group of investments (including the Cash Account), together with any liabilities, which are allocated for the purpose of determining the benefits payable under the IB. The Portfolio forms part of the assets in the Cell in which the IB is placed.

Premium means the amounts paid (including the value of any assets transferred, such as in-specie transfers) to us by you for allocation to the Portfolio. Before investing the amounts paid, we will deduct any bank charges incurred and any costs associated with any in-specie transfer. Details of any premiums paid into the IB will be shown in the Policy Schedule(s).

Valuation Date means any Working Day in March, June, September, and December each year on which a valuation takes place.

Working Day means a day other than a Saturday, a Sunday, or a public holiday in Gibraltar.

Section 5. The Contract

5.1 Upon approval by LCA of a duly completed Application Form for an IB and the International Tax Compliance Questionnaire, LCA shall establish the IB and allocate a Cell to it. Once the Premium has been received by LCA, an amount equal to the Premium will be credited to the Cell.

5.2 The IB will not be valid unless the Policy Schedule is signed on behalf of LCA by a duly authorised signatory.

5.3 The contract between you and us begins on the Policy Date and is made up of the duly completed Application Form, these Terms and Conditions, any Policy Schedule and all endorsements issued by us.

5.4 If there is a conflict between any documents making up the IB, these Terms and Conditions together with any Policy Schedules and endorsements that have been issued by us take priority given the level of protection for cellular assets intended under Gibraltar's Protected Cell Companies Act 2001.

Section 6. Premium

6.1 The first Premium is paid on the Policy Date. We will divide the first Premium equally among all the individual Policies that make up the IB (allowing for any necessary rounding). The Policy Schedule will show the first Premium paid into the IB.

6.2 During the IB's lifetime, additional Premium(s) can be paid into the IB. We will divide each additional Premium equally among all the in-force individual Policies that make up the IB (allowing for any necessary rounding). For each additional Premium paid we will provide you with a Policy Schedule which will contain important information about the additional Premium paid. To find out the minimum additional Premium, please refer to the latest IB Key Features Document ('KFD').

6.3 All Premiums must be paid in the Policy Currency shown on the Application Form. We reserve the right to accept a Premium paid in a different currency. Where a Premium is accepted in a different currency it will be converted into the Policy Currency at the exchange rates prevailing at our bank on the date the additional Premium is accepted.

Section 7. Investment Adviser

7.1 The Terms and Conditions of the appointment of any Investment Adviser are laid down in the relevant agreement. This agreement is entered into by you, us, and the Investment Adviser.

7.2 In the agreement the Investment Adviser is appointed to act on your behalf. The Investment Adviser is not acting on our behalf and does not represent us in any way. We do not provide investment advice and are not liable for any acts or omissions of your Investment Adviser.

7.3 It is your responsibility to ensure that you have read and understood the terms and risks associated with the relevant agreement.

7.4 When we receive investment instructions, we will check that the Investment Adviser who has provided those instructions is currently appointed by you. Within the instructions your appointed Investment Adviser will advise us on the structure of the Portfolio in full or in part.

7.5 Consent to the appointment shall not unreasonably be withheld by us. Following such an appointment, you may request in writing at any time, the replacement of an Investment Adviser.

7.6 It shall be a condition of the appointment of the Investment Adviser that the Investment Adviser undertakes to maintain such authorisations and licences (if any) as are necessary to enable them to provide the services referred to above in full compliance with the legislation of the country in which such services are provided.

Section 8. Discretionary Fund Manager

8.1 You may nominate a Discretionary Fund Manager to be responsible for selecting the assets to be allocated to the Portfolio.

8.2 At all times, the appointment of the Discretionary Fund Manager will be subject to our acceptance. The Discretionary Fund Manager will be required to sign a relevant agreement.

8.3 At all times, the Discretionary Fund Manager is acting on your behalf. The Discretionary Fund Manager is not acting on our behalf and does not represent us in any way.

8.4 The Discretionary Fund Manager must maintain such authorisations and licences (if any) as are necessary to enable them to provide the services referred to above in full compliance with the legislation of the country in which such services are provided.

Section 9. Assets of the International Bond

9.1 The assets allocated to the Portfolio shall always be held within the allocated Cell in our Long-Term Business Fund. These assets belong to us and are held in our name or in the name of a Custodian or nominee appointed by us.

9.2 For the avoidance of doubt, you shall have no right or interest in or over the assets allocated to the Portfolio.

9.3 All income and capital arising from the assets of the Portfolio shall be credited to the Portfolio.

Section 10. Asset Allocation

10.1 On the Policy Date:

- we will keep sufficient cash in the Cash Account to cover fees and regular withdrawals for the next 12 months (if the Policy has been set up to make regular withdrawals) and,
- transfer the remaining first Premium to the Portfolio. The transfer will normally take place within 48 hours of the Policy Date. There may be a delay in the transfer if, for example, your appointed Investment Adviser or Discretionary Fund Manager needs to set up an investment account with us.

10.2 The assets that sit within the Portfolio will be determined by your appointed Investment Adviser or Discretionary Fund Manager.

10.3 Where we receive clearly defined instructions, we will process and implement those instructions on the first Working Day after receipt, following our approval and acceptance of such instruction. To carry out any instruction there must be sufficient cleared funds available.

10.4 The structure of the Portfolio shall be determined by your Investment Adviser or Discretionary Fund Manager by giving written instructions to us.

10.5 Your Investment Adviser or Discretionary Fund Manager may only recommend purchasing assets for allocation to the Portfolio which fall within our Statement of Investment Principles.

10.6 In certain circumstances we may require you to sign an investment risk disclaimer if the assets recommended by your Investment Adviser or Discretionary Fund Manager require this.

10.7 Where we receive clearly defined instructions to purchase assets for allocation to the Portfolio, we will do so by:

- purchasing the appropriate units, shares or other assets to the total value specified within the clearly defined instructions. We will use the prices published by the third-party manager of the asset or their agent at the time of the purchase. For the avoidance of doubt, any such assets purchased shall be purchased at no more than the open market buying price where the asset is quoted on an exchange or at a fair value agreed by us; and then
- debiting the Cash Account on the date we pay for settlement of the transaction with the purchase price, together with all expenses, taxes, duties, and charges in connection with the purchase.

10.8 Where we receive clearly defined instructions to sell assets allocated to the Portfolio, we will do so by:

- selling the appropriate units, shares or other assets to the total value specified within the clearly defined instructions. We will use the prices published by the third-party manager of the asset or their agent at the time of the sale. For the avoidance of doubt, any such assets sold shall be sold at no more than the open market selling price where the asset is quoted on an exchange or at a fair value agreed by us; and then
- crediting the Cash Account on the date we pay for settlement of the transaction with the sale price, net of all expenses, taxes, duties, and charges in connection with the sale.

10.9 We always have the right:

- to determine the suitability of assets for allocation to the Portfolio, in keeping with our Statement of Investment Principles
- to refuse a request to sell or realise in any other manner any asset allocated to the Portfolio which we consider is not readily realisable,
- to refuse a request to buy any asset which we consider to be unsuitable for allocation to the Portfolio, and
- to sell or realise in any other manner (including liquidation) any asset allocated to the Portfolio which we deem, or which has become, unsuitable for allocation to the Portfolio.

Section 10. Asset Allocation (Continued)

10.10 When considering the asset allocation to the Portfolio we will consider, amongst other things:

- any current or proposed legal, regulatory, or other official requirements applicable to us, the IB or you,
- whether the relevant asset:
  - » has become valueless, or
  - » is, directly or indirectly, contrary to our normal investment philosophy, or
  - » investment, directly or indirectly, in a company whose activities are regarded by us as being illegal, unethical or of a nature that may be of detriment to our reputation, and
- the need to make the administration of the Portfolio reasonably practicable and profitable.

10.11 We will not incur any liability because of exercising any of our rights under this clause. Specifically, if we reject any instruction or wish to exercise our rights in relation to any assets allocated to the Portfolio which we consider are not readily realisable, we may, in our sole discretion, deem you to have requested total surrender of the whole IB in accordance with Section 17.6.

10.12 All transactions relating to assets allocated, or to be allocated to the Portfolio will be effected by us, our nominee, or our Custodian.

10.13 The manager of an asset held within the Portfolio may decide to suspend or close the asset for reasons beyond our control. The actions we take depend on the circumstances of the suspension or closure. We will notify you about the suspension or closure of an asset and any action we take as soon as we can.

10.14 The third-party manager of an asset may decide to close or modify their asset. We will make reasonable efforts to let you know as soon as possible after we are made aware of a closure, merger, or other material change to an asset allocated to the Portfolio.

Section 11. Cash held in the Portfolio

11.1 Within the Portfolio we will hold a cash balance to meet future charges and the next twelve months of regular withdrawals, if regular withdrawals have been set up. On the Commencement Date there should be sufficient cash held within the Portfolio to cover any charges and fees and International Bond payments due in the first year.

11.2 Where there is an insufficient cash balance held within the Portfolio, we reserve the right to sell assets allocated to the Portfolio for the purpose of ensuring there is sufficient cash available to meet future anticipated charges and withdrawals. When selling these assets, we will also consider any accrued or prospective fees, expenses, and charges payable in connection with the sale of one or more asset(s).

11.3 We may:

- Add interest on any cash balance, or
- Charge interest where there is an insufficient cash balance.

Section 12. Valuation

12.1 On each Valuation Date we will calculate the value of the Portfolio in the Policy Currency. In calculating the value of the Portfolio, the following will be considered:

- the value of the assets allocated to the Portfolio,
- any income which has accrued on the assets allocated to the Portfolio in accordance with the provisions of this contract, and
- any provision for expenses, taxes, duties, charges, and other liabilities for which the Portfolio or we are or may become liable.

12.2 When calculating the value of the assets allocated to the Portfolio:

- units, shares, or other securities which are listed, quoted, or traded on a recognised stock exchange will be valued at their most recent closing mid-prices available to us on the relevant Valuation Date. The mid-prices will be quoted by the fund manager or the relevant fund or as quoted in the recognised official list of market dealing prices published by the relevant exchange or by any other relevant medium selected by us,
- any other assets will be valued at the price at which we estimate they might be sold on the relevant Valuation Date (considering, where there are any published valuations or prices for such assets, any subsequent changes in the relevant market, any current restrictions, or difficulties in trading in such assets and any other circumstances likely to affect such valuations or prices). We shall be entitled to obtain advice from independent valuers to determine the market values of such assets,
- if any of the assets or liabilities allocated to the Portfolio are valued in a currency other than in the Policy Currency , their values will be converted into the Policy Currency at the exchange rate(s) prevailing at our bank on the date of conversion.

12.3 Upon receipt of a valid request, a valuation of a Portfolio on a date that is not a Valuation Date can be provided. However, any fees or charges associated with providing this one-off statement will be deducted from the cash balance.

Section 13. Policy Currency

13.1 All Premiums must be paid in the Policy Currency shown on the Application Form. We reserve the right to accept a Premium paid in a different currency. The Policy Currency is selected at the time of application and cannot be changed thereafter.

Section 14. Our Charges

14.1 All charges and fees are deducted from the Cash Account.

14.2 All charges applicable to your IB are shown within your Personal Illustration. We may need to increase the level of charges to cover:

- increases in the rate of inflation in Gibraltar, (the Index of Retail Prices ('IRP'),
- increases in the cost administration,
- any additional costs associated with changes to legislative or regulatory requirements. Where an increase is required, we will contact you at least thirty (30) days before. This list is illustrative and not exhaustive.

14.3 Where there is an insufficient cash balance held within the Portfolio, we may need to sell assets allocated to the Portfolio to ensure there is sufficient cash available to cover the outstanding charges and fees. We shall not be liable for any impact this may have on the assets within the Portfolio, and, for the avoidance of doubt, we will not be liable for any additional financial costs associated with the sale of these assets.

These additional costs (if any) will be met by the Portfolio.

Section 14. Our Charges (Continued)

14.4. Establishment Charge

14.4.1 This is a charge for setting up your IB. The charge applies to each Premium that you pay into the IB.

14.4.2 The Establishment Charge will be shown on your Personal Illustration and Policy Schedule.

14.4.3 On the Policy Date the Establishment Charge is calculated as a percentage of the initial Premium paid. The charge applies to each Premium paid.

14.4.4 The Establishment Charge on each additional Premium paid is calculated as a percentage of the current total Premiums paid into the IB.

14.4.5 It will be deducted from the Cash Account within 48 hours of each Premium being paid.

14.5. Quarterly Administration Charge

14.5.1 This is a charge for administrating the IB.

14.5.2 The current Quarterly Administration Charge is shown on your latest Personal Illustration.

14.5.3 The Quarterly Administration Charge is deducted from the Cash Account on the last Working Day of each relevant quarter (quarterly (every three months) in arrears). Where the last day of a quarter is not a Working Day, the payment will be made on the next available Working Day. This charge will continue to be taken until the IB comes to an end.

14.5.4 We reserve the right to increase the Quarterly Administration Charge in the future. Any increase will be based on the rate of inflation in Gibraltar ('IRP'). Any change to the Quarterly Administration Charge will be effective from 1 January and will be based on the IRP on 1 July of the previous year.

14.5.5 Please refer to the IB Charges and Fees document for further details.

Section 15. Investment Transaction Fees

No investment transaction fees associated with the International Bond will be deducted by LCA. However, the Investment Adviser may deduct investment transaction fees directly from the Investment Portfolio.

Section 16. Adviser Charging

16.1 Initial Adviser Charge

16.1.1 Within the Application Form(s) you can ask us to pay the initial Adviser Charge as:

- a monetary amount, or
- a percentage of your Premium, for the advice you received for setting up the IB and paying an additional Premium into the IB.

16.1.2 You can instruct us to pay this:

- from the Premium before it is invested into the IB, or
- from the IB once it has commenced.

16.1.3 If the initial Adviser Charge is taken before the IB has commenced, the amount invested will be less than the sum of money you have given to us. However, if the charge is taken after the IB commences it is treated as a one-off withdrawal (see Section 17.5) and will count towards the 5% Tax-Deferred Allowance in Year 1.

Section 16. Adviser Charging (Continued)

16.2(a) Ongoing Adviser Charge

16.2.1(a) During the lifetime of the IB there are two types of Adviser Charges you can request for us to pay:

- ongoing Adviser Charges (16.2(a)), or
- one-off Adviser Charges (16.2(b)).

16.2.2(a) You can ask us to pay Adviser Charges:

- as part of your application for the IB,
- as part of your application to pay an additional Premium into your IB, or
- by completing a separate Adviser Charge instruction form. This form is called a Service Management Fee form.

16.2.3(a) You can ask us to pay an ongoing Adviser Charge as:

- a monetary amount, or
- a percentage of the value of the IB at the latest Valuation Date

16.2.4(a) Ongoing Adviser Charge will be paid quarterly (every three months) in arrears.

16.2.5(a) Ongoing Adviser Charges will be taken from the Cash Account on the last Working Day of each relevant quarter. Where the last day of a quarter is not a Working Day the payment will be made on the next available Working Day.

16.2.6(a) Each ongoing Adviser Charge will be deducted equally across all the Policies that made up the IB.

16.2.7(a) We will continue to pay the ongoing Adviser Charge until one of the following happens:

- you ask us to stop paying the ongoing Adviser Charge,
- where the stop date has been reached if you had indicated one previously,
- there are insufficient funds in the Cash Account,
- where a Death Benefit is paid,
- where a Maturity Date is reached, at which stage the IB comes to an end.

16.2.8(a) All ongoing Adviser Charges will count towards the 5% Tax-Deferred Allowance for UK residents.

16.2(b) One-off Adviser Charges

16.2.1(b) You can ask us to pay a one-off Adviser Charge, at any time, during the IB's lifetime.

16.2.2(b) You must decide whether to pay this one-off Adviser Charge as: a monetary amount, or a percentage of the value of the IB as at the latest Valuation Date

16.2.3(b) A one-off Adviser Charge will be deducted equally across all the Policies that made up the IB.

16.2.4(b) All one-off Adviser Charges will count towards the 5% Tax-Deferred Allowance for UK residents.

Section 17. Taking money from your International Bond

The "5% Tax-Deferred Rule"

Also known as the "5% rule", the 5% Tax-Deferred Rule is a UK tax rule that applies to investment bonds.

It allows Policyholders to withdraw up to 5% of the original investment amount each Policy year without incurring an immediate income tax charge.

- The 5% is cumulative. If you do not use it in one year, it rolls over to the following year.
- It continues for up to 20 years (5% × 20 = 100% of the Initial Premium).
- These withdrawals are treated as a return of capital, not income, therefore no immediate tax is due.
- **It is recommended that you seek independent tax advice.**

Section 17. Taking money from your International Bond (Continued)

The "5% Tax-Deferred Rule" (Continued)

17.1 You can take money from the IB by:

- taking regular withdrawals from all the Policies within your IB (17.4)
- taking a one-off withdrawal from all the Policies within your IB (17.5)
- totally surrendering the whole IB (17.6)
- totally surrendering one or more of the Policies within your IB (17.6)

17.2 Any money withdrawn by you will be taken from the Cash Account and paid net of all expenses, taxes, duties, and charges incurred in respect of the withdrawal.

17.3 All withdrawals will be paid to your bank account.

17.4 Regular Withdrawals

17.4.1 You may request, at any time, to take regular withdrawals. You can choose to take these regular withdrawals:

- monthly,
- quarterly (every three months),
- half-yearly (every six months), or
- yearly.

17.4.2 The minimum regular withdrawal that you can take is:

Withdrawal	GBP	EUR	USD
Monthly	100	120	140
Quarterly	300	360	420
Half-yearly	600	720	840
Yearly	1,200	1,440	1,680

17.4.3 The date that you take these regular withdrawals must be between 1st and 28th inclusive. Where any date between 1st and 28th inclusive is not a Working Day the regular withdrawal will be paid to you on the previous available Working Day.

17.4.4 All regular withdrawals are deducted equally across all the Policies that make up the IB. Where there is insufficient cash in the Cash Account to meet the next regular withdrawal, we will sell assets allocated to the Portfolio for the purpose of meeting the next twelve months of regular withdrawals. When selling these assets, we will also consider any accrued or prospective fees, expenses, and charges payable in connection with the sale of the asset.

17.4.5 Where the value of the Portfolio falls below a certain amount identified by the Company we have the discretion to deem that the IB has been surrendered by you in accordance with Section 17.6. We will contact you at least thirty (30) days in advance to provide notice of the surrender.

17.4.6 The regular withdrawals will continue until:

- You write and tell us to stop them, or
- The IB comes to an end either on death or maturity, or
- The value of the IB is not sufficient to meet the next regular withdrawal.

17.4.7 Regular withdrawals count towards the 5% Tax-Deferred Allowance for UK tax residents.

17.5 One-off Withdrawals (also known as a Partial Surrender or Encashment)

17.5.1 You may request, at any time, to take a one-off Withdrawal . The amount requested must be at least GBP 1,200/ EUR 1,440/ USD 1,680.

17.5.2 On receipt of a valid instruction, we will value the Portfolio. Where the instructions have been received between 29th and 31st inclusive we will value the Portfolio on the next available Working Day.

17.5.3 Assets to the amount requested will be sold and converted to cash, with the cash being placed in the Cash Account. When selling these assets, we will also consider any accrued or prospective fees, expenses, and charges payable in connection with the sale of the asset. Alternatively, we may elect to transfer an asset in-specie to you or your nominee.

17.5.4 The one-off withdrawal will be taken equally across all the Policies that made up the IB.

17.5.5 A one-off withdrawal counts towards the 5% Tax-Deferred Allowance for UK tax residents.

Section 17. Taking money from your International Bond (Continued)

17.6 Total Surrender of the whole IB or Total Surrender of an individual Policy

17.6.1 You can request, at any time to:

- totally surrender the whole IB, or
- totally surrender one or more of the individual Policies within the IB.

17.6.2 Where you totally surrender the whole IB, the IB will end, and no further benefits will be payable.

17.6.3 Where you totally surrender one or more of the individual Policies within the IB:

- the Policies you have surrendered will end and no further benefits will be payable from them,
- the remaining Policies will continue in-force.

17.6.4 On receipt of clearly defined instructions, we will value the Portfolio. Where you are totally surrendering the whole IB all the assets held within the Portfolio will be sold and converted to cash. When selling these assets, we will also consider any accrued or prospective fees, expenses, and charges payable in connection with the sale of the assets and our outstanding charges. Alternatively, we may elect to transfer an asset in-specie to you or your nominee. When transferring these assets, we will also consider any costs associated with this transfer.

17.6.5 Where you are totally Surrendering one of the individual Policies within the IB, we will value the Portfolio. The value of the Portfolio will then be divided by the number of remaining in-force Policies to establish the value of each individual Policy. Assets to the value of the number of surrendered Policies requested will be sold and converted to cash. When selling these assets, we will also consider any accrued or prospective fees, expenses, and charges payable in connection with the sale of the asset and our outstanding charges. Alternatively, we may elect to transfer an asset in-specie to you or your nominee. When transferring these assets, we will also consider any costs associated with this transfer.

17.6.6 If you totally surrender the whole IB or one of the individual Policies any outstanding charges will be deducted from the surrender proceeds before being paid to you. Outstanding charges can include, amongst other things:

- Establishment Charges;
- Quarterly Fees;
- Bank Charges (if applicable).

Section 18. Death Benefit (Life Assurance basis only)

18.1 Where the Life Assurance basis has been selected you must tell us when a Life Assured dies, and provide their death certificate. In addition to providing the death certificate, where the Death Benefit is payable, we also require proof of the claimant's legal entitlement.

18.2 If the IB has been issued on the life of one person, the Death Benefit is payable on the death of that person.

18.3 Where there are two or more persons the Death Benefit will not be paid until the last Life Assured dies.

18.4 LCA is a company incorporated in Gibraltar. This means that the IB will be an asset situated in Gibraltar and the claimant's legal entitlement (Grant of Representation) will require re-sealing with the Gibraltar courts. LCA will undertake this process for the claimant and deduct the cost from the benefit payable.

18.5 Calculating the Death Benefit

18.5.1 Once we have received all relevant documentation we will sell and convert to cash all the assets allocated to the Portfolio. When selling these assets, we will also consider any accrued or prospective fees, expenses, and charges payable in connection with the sale of the asset. Alternatively, we may elect to transfer an asset in-specie to the claimant or their nominee.

18.5.2 We shall calculate an amount equal to the value of the Portfolio less:

- any expenses, taxes, duties, and charges that we have incurred in connection with the transfer of any assets and the arrangements for such transfer,
- any outstanding charges which can include, amongst other things:
  - » Establishment Charges;
  - » Quarterly Fees;
  - » Bank Charges (if applicable), plus
  - » Interest should the Policyholder qualify. Please refer to our Interest Sharing Policy for further information.

Section 18. Death Benefit (Life Assurance basis only) (Continued)

18.5 Calculating the Death Benefit (Continued)

18.5.3 The Death Benefit payable will be the amount calculated above, plus either the greater of 1% of the final value of the Portfolio or GBP 250/EUR 300/USD 350 This final figure will be calculated once notification of death has been received and accepted.

18.5.4 Once we have paid the Death Benefit the IB will end and no further benefits will be payable.

Section 19. Maturity Benefit (Capital Redemption basis only)

19.1 The IB will terminate on the Maturity Date shown on the Policy Schedule provided it has not already terminated.

19.2 On the Maturity Date we shall calculate an amount equal to the value of the Portfolio less:

- any expenses, taxes, duties, and charges that we have incurred in connection with the transfer of any assets and the arrangements for such transfer, and any outstanding charges plus, interest should the Policyholder qualify. Please refer to our Interest Sharing Policy for further information

19.3 The Maturity Benefit payable will be the amount calculated above plus 1% of the final value of the Portfolio, or if less GBP 250/EUR 300/USD 350.

19.4 Once we have paid the Maturity Benefit the IB will end and no further benefits will be payable.

Section 20. Chargeable Events

20.1 In the UK, a Chargeable Event for an offshore bond refers to specific actions or occurrences that trigger a potential income tax liability under HM Revenue and Customs ('HMRC') rules. These events are governed by the Chargeable Events Regime and further details about each of these types of chargeable events are given in the detailed guidance from IPTM7300 onwards. It is recommended that you speak to your tax or Financial Adviser about the impact that these events will have on your tax position.

20.2 Chargeable Events include the following events or actions:

20.2.1 Full Surrender: when the entire bond is cashed in

20.2.2 Partial Surrender: when withdrawing part of the investment, if the Withdrawal amount exceeds the 5% annual Tax-Deferred Allowance

20.2.3 Death of last Life Assured: under the Life Assurance basis, when the IB comes to an end on death.

20.2.4 Maturity of the IB: under the Capital Redemption basis, when the IB's fixed term comes to an end

20.2.5 Assignment for money/money's worth: when ownership of the IB is transferred in exchange for value.

20.2.6 Excess Events: when cumulative Withdrawals exceed the 5% Tax-Deferred Allowance in a Policy Year.

Section 21. Communications

21.1 Investment instructions, which are clear and unambiguous, will be executed in a timely manner. If we have not confirmed the execution of the investment instruction within five Working Days, please contact us in accordance with Section 32 .

21.2 All other requests, advice and instructions received from your Investment Adviser, your Financial Adviser, Discretionary Fund Manager or you will be dealt with as soon as reasonably possible but no later than ten Working Days. If we have not sent you confirmation that we are dealing with the request within ten Working Days, please contact us in accordance with Section 32.

21.3 Each request or instruction must be made or given to us in writing by email or signed letter.

21.4 All communication sent to you will be sent to your last known postal address. We will regard the communication as having been received by you within five business days of posting (excluding Sundays and bank holidays). Where we have emailed you, we will regard the communication as having been received on the same day.

21.5 Where there is more than one Policyholder, we will deal with the first named Policyholder.

Section 22. Assignment

22.1 If you transfer the whole IB or one of the individual Policies to another person(s), we will only register the transfer if you provide written notice to us. A Deed of Assignment must be completed.

22.2 Even though we note the transfer of ownership within our records, you are responsible for ensuring that the transfer is suitable for your needs and legally valid. We do not accept responsibility for making sure that the transfer has been completed successfully.

22.3 If the new owner is an individual, they must be aged 18 or over. You may not assign part of a Policy.

22.4 Each new owner must promptly provide evidence of identity, proof of residential address and any other evidence and information we may require.

22.5 Where the new owner is a UK Trust we will also require proof that the Trust has been registered on the UK Trust Registration Service.

22.6 The effect of an assignment is that you give up your rights under the IB, including the right to claim any financial benefit or receive any information in relation to the IB.

Section 23. Governing Law

23.1 This IB shall be governed by and construed in accordance with the laws of Gibraltar and the parties hereto hereby surrender to the exclusive jurisdiction of the Courts of Gibraltar.

Section 24. Legislation

24.1 We may change the Terms and Conditions of this IB if the country in which you are or become resident has any requirements of law or regulation (statutory or otherwise) which affect this IB, directly or indirectly. We will only make this change if it is necessary to prevent infringement of such law or regulation.

Section 25. Notification of change of personal circumstances

25.1 You must inform us by email or signed letter within three months of the event of any change in your residence, citizenship, or domicile. A change may impose limitations on how we are able to deal with your IB.

Section 26. Force Majeure

26.1 No liability shall arise if we are prevented from carrying out our obligations under the IB by any event beyond our control including without limit: war, riot, civil war, acts of God, national emergency, fire, earthquake, flood, strike, or industrial action.

Section 27. Data Protection

27.1 We will collect and use personal information about you, and any other individual named as part of your application for your IB such as your name, date of birth and national insurance number to provide the IB and our services under these Terms and Conditions and to manage our relationship with you.

27.2 To provide the IB or our services and meet our legal and regulatory obligations, we will keep your personal information and copies of records we create (such as calls with us). If the application does not proceed or if you surrender your IB, we are required to keep information for different legal and regulatory reasons. The length of time will vary, and we regularly review our retention periods to make sure they comply with the relevant laws and regulations.

27.3 The information collected (including details of your IB) may be shared with your professional advisers, including your Financial Adviser; your Investment Adviser; and your Discretionary Fund Manager you instruct us to appoint and other companies we work with to support us in the provision of the IB or services under these Terms and Conditions . Where we consider it appropriate and lawful to do so, we may also share your information with other organisations. We may also transfer and disclose your personal information and any other information provided to us by you for the purposes of complying with an instruction from the Gibraltar Regulatory Authority, as the Information Commissioner, or other competent regulatory authority and with laws, regulations and tax or regulatory rules. Whenever we share your personal information, we will do so in line with our obligations to keep your information safe and secure.

Section 27. Data Protection (Continued)

27.4 The majority of your information is processed in Gibraltar. However, some of your information may be processed by us or the third parties we work with outside Gibraltar, including countries such as the UK. Where your information is being processed outside of Gibraltar, we take additional steps to ensure that your information is protected to at least an equivalent level as would be applied by Gibraltar data privacy laws. For example, we will put in place legal agreements with our third party suppliers and do regular checks to ensure they meet these obligations.

27.5 For more information on how we process your personal information and what your rights are, please read our Privacy Policy found on our website.

Section 28. Tax Status and the Criminal Finance Act 2017

28.1 LCA strongly recommends that you seek tax advice prior to making any decisions regarding your financial arrangements.

28.2 You must advise LCA of any change to your tax residency and/or domicile within three months of the change.

28.3 You must be and remain tax compliant.

Section 29. Changes to the Terms and Conditions

29.1 We may change the Terms and Conditions of the IB if there is a change in law, taxation, regulation, or guidance from our industry so that:

- it becomes unreasonable or impossible to carry out the provisions of the IB;
- the basis of taxation which applies to us, or the IB is changed; or
- any existing taxes, charges or levies are changed, or any new taxes, charges or levies are imposed.

29.2 If we have to change the terms of the IB, we will give you at least three months' written notice. If you are unhappy with any change that we must make to the Terms and Conditions, you have the right to totally surrender the IB in accordance with Section 17.6.

Section 30. Rights of Third Parties

30.1 Only you, your personal representatives, or assignees (including Trustees if the IB is held in Trust) may enforce the terms of the IB.

Section 31. Misrepresentation

31.1 If any of the information submitted to us in respect of the IB is inaccurate to the extent that, had accurate information been given to us at the time of the application we would not have issued the IB, we reserve the right to terminate the IB.

31.2 Where we have exercised our right to terminate the IB, we will return the value of the Portfolio which may be less than the Premium paid.

Section 32. Queries, Complaints and Contact Details

32.1 For further information, or if you wish to complain about any aspect of the service you have received, please contact the Customer Service Team.

The Customer Service Team may be contacted by telephone during normal working hours of 9.00am to 5.00pm, Central European Time, Monday to Friday.

Telephone: (UK): 0044 (0)2036 406843

Or by post or email using the details below.

Postal Address:

London & Colonial Assurance PCC Plc

3rd Floor

55 Line Wall Road

Gibraltar, GX11 1AA

Email: lca@lcalife.co.uk

32.2 Should you remain unhappy with LCA's resolution of your complaint, you can contact the Gibraltar Law Courts at:

Gibraltar Law Courts

32-36, Town Range

Gibraltar, GX11 1AA

Website address: https://www.gcs.gov.gi/

Making a complaint will not prejudice your right to take legal proceedings.

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