Terms and Conditions

HANSARD
INTERNATIONAL

Contract Terms and Conditions

# Vantage Platinum II

Life Assurance Regular Contribution Contract

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# Contract Terms and Conditions

The Vantage Platinum II (life assurance) is a unit linked regular contribution contract designed to give the Contract Benefits (defined below) set out in these Terms and Conditions (the "Contract Terms"). The Contract Terms together with the documents identified in Clause 1.2 ("Contract Documents") set out the entire agreement between Hansard International Limited and the Contract Owner (the "Contract").

The Contract Owner's Independent Financial Advisor is responsible for explaining these contract terms to the Contract Owner before the application is submitted. The Independent Financial Advisor is responsible for advising the Contract Owner on the suitability of the product and choice of Unit Funds.

## 1. Parties and the Contract

1.1. The contracting parties are:

1.1.1. Hansard International Limited, a company incorporated and registered in the Isle of Man with number [032648C] whose registered office is at 55 Athol Street, Box 192, Douglas, Isle of Man, IM99 1QL ("the Company"); and

1.1.2. The Contract Owner (defined below).

1.2. The Contract shall consist of the following:

1.2.1. the Declaration and Signature form signed by the Contract Owner or by a person authorised on their behalf;

1.2.2. the Contract Terms and Conditions;

1.2.3. the Schedule One document;

1.2.4. the Contract Certificate;

1.2.5. any endorsement; and

1.2.6. any other relevant information supplied by the Contract Owner (or as directed by the Contract Owner) to the Company upon request.

1.3. The Company shall pay to the Contract Owner the Contract Benefits provided by the Contract subject to the Contract Documents and Contract Terms set out below.

## 2. Definitions

2.1 **Accumulator Units** means Units allocated in respect of any Contribution or part thereof, relating to any period after the expiry of the Initial Period.

2.2 **Additional Contribution** means a contribution that is made in addition to the Contracted Contributions as shown on the Contract Certificate.

2.3 **Anniversary Date** means an anniversary of the Contract Start Date.

2.4 **Bid Price** means the price at which Units are allocated, valued, or cancelled to pay benefits or to deduct charges and is calculated in accordance with Clause 9.

2.5 **Bonus Units** means additional Units calculated and allocated in accordance with Clause 13.

2.6 **Bonus Unit Factor** means the yearly percentage rate at which Bonus Units are calculated and allocated to the Contract as shown in the Contract Certificate.

2.7 **Charging Day** means a day determined by the Company, on which the Company deducts Accumulator Units to cover the Contract Charges.

2.8 **Contract Benefit** means the monies due to the Contract Owner(s) from the Contract Value at the date of any instructed withdrawal or surrender of the Contract, or the Maturity Benefit, or the Death Benefit.

2.9 **Contract Certificate** means the certificate produced by the Company which, together with the Contract Documents listed in Clause 1.2, form the basis of the Contract. If there is more than one Contract Certificate, then each one will constitute a separate Contract on the terms specified by the Company.

2.10 **Contract Charges** means the charges the Company will take in accordance with Clause 16. All Contract Charges applicable to the Contract are set out in Schedule One.

2.11 **Contracted Contributions** means the amounts payable by the Contract Owner for the benefits provided by this Contract and is the amount shown in the Contract Certificate. It will be payable within the term shown in the Contract Certificate.

2.12 **Contract Currency** means the currency in which the Contract is based as stated in the Contract Certificate.

2.13 **Contract Limits** means the upper and lower limits specified in Schedule One as either a percentage figure or an amount in the Contract Currency that apply from time to time in relation to Contributions and Withdrawals.

2.14 **Contract Owner** means the person(s) so described in the Contract Certificate and shall include the Contract Owner's successors, assignees, or personal representatives.

2.15 **Contract Start Date** means the effective commencement date of the Contract shown in the Contract Certificate.

2.16 **Contract Term** means a period selected by the Contract Owner of between 5 and 35 years at the outset of the Contract.

2.17 **Contract Value** means the value of all Units allocated to this Contract at their Bid Price (subject to any applicable currency exchange rates) on the next Valuation Day after the day or event in respect of which it is necessary to establish the Contract Value.

2.18 **Contract Year** means any period of 12 calendar months commencing on the Contract Start Date or an Anniversary Date.

2.19 **Death Benefit** means 101% of the Contract Value as stated in the Contract Certificate and payable in accordance with Section 27.

2.20 **Hansard Unit-linked Funds** means the range of Unit Funds made available by the Company from time to time.

2.21 **Independent Financial Advisor (IFA)** means an independent party, who is not an agent of the Company, who is nominated by the Contract Owner(s) to provide financial advice and who submits the application on behalf of the Contract Owner.

2.22 **Initial Period** means the period in months between the Contract Start Date and the "End of Initial Period" date shown in the Contract Certificate.

2.23 **Initial Units** means Units allocated in respect of a Contribution or part thereof, relating to the Initial Period.

2.24 **Life Assured** means the person or persons described as the Life/ Lives Assured in the Contract Certificate.

2.25 **Maturity Benefit** means the benefit which is payable when the Contract reaches the Maturity Date as described in Clause 28.

2.26 **Maturity Date** means the date shown as such in the Contract Certificate.

2.27 **Nominated Beneficiary** means the one or more beneficiaries nominated by the Contract Owner to receive the Death Benefit.

2.28 **Online Account** means the secure online service provided by the Company (subject to the Online Account Terms and Conditions from time to time) where Contract information is available and certain transactions may be performed.

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2.29 **Paid-Up Contract** means a Contract which would otherwise terminate due to the non-payment of Contracted Contributions and where the Contract has a Surrender Value, but the Contract remains active subject to certain conditions as set out in Clause 22.

2.30 **Surrender Value** means the amount for which the Contract Owner may surrender the Contract as calculated in accordance with Clause 17.

2.31 **Unit Class** means Initial Units, Accumulator Units or Bonus Units or one or more of these, which represent the holdings in a Unit Fund under this Contract.

2.32 **Unit Fund** means the Unit Funds included in the range of Hansard Unit-linked Funds.

2.33 **Units** mean a notional share of a Unit Fund that is used solely to calculate Contract Benefits.

2.34 **Valuation Day** means a day on which the Company determines the Bid Prices of Units of a Unit Fund.

2.35 **Welcome Bonus** means additional Initial Units allocated to qualifying Contracts as set out in Clause 12.

2.36 **Withdrawal** means an instruction from the Contract Owner to pay the requested proportion of the Contract Benefit.

## 3. Cancellation Rights

3.1 The Contract provides "Cancellation Rights", which give the Contract Owner a period of 30 calendar days from the Contract Start Date to consider the Contract and if desired elect to cancel the Contract without incurring any Contract Charges.

3.2 To cancel, the Contract Owner must notify the Company by email at ClientServicesSupport@hansard.com

3.3 The Company will return any Contributions paid by the Contract Owner without deducting any applicable Contract Charges.

3.4 If any Contributions have been invested, then the amount returned to the Contract Owner may be less than the Contributions paid to the Company if the value has dropped as a result of market movement, or any withdrawals have been made by the Contract Owner.

3.5 Where Additional Contributions are made to the Contract, the Contract Owner has 30 calendar days from the date the Additional Contribution is allocated to request this be returned to them. In this situation, Clauses 3.3 and 3.4 will apply.

## 4. Contract Owner Information

4.1. This Contract is not available to residents of the United States of America or U.S. persons and is not normally available in EU member states. If the Contract Owner becomes resident in one of these territories the Company must be notified promptly. The Company may not be able to accept in respect of this Contract:

4.1.1. Payment of any further Contributions; or

4.1.2. Any instructions to vary the choice of Unit Funds from the range available.

4.2. Upon receipt of the application for the Contract, the Company will provide the Contract Owner with access details to register for the Online Account. The Contract Owner must complete the access requirements as soon as is reasonably practicable after receipt of notification from the Company.

4.3 The Contract information is shown in the Contract Certificate which the Company produces when the Contract is issued. This and all other documents, correspondence and statements relating to the Contract will only be available through the Online Account.

4.4 If a third party has completed any document relating to this Contract, that third party will be regarded by the Company as having been so authorised by the Contract Owner.

4.5 The Contract Owner must provide the Company with information and documents requested from time to time in order for the Company to meet its anti-money laundering, counter-financing of terrorism and other regulatory obligations in relevant jurisdictions.

4.6 If the Contract is held by joint Contract Owners, then both Contract Owners will be jointly and severally liable for meeting the contractual requirements under these Terms and Conditions.

## 5. Unit Funds

5.1 A list of the Unit Funds currently available to the Contract Owner is available on request or through the Contract Owner's Online Account. The Company reserves the right to vary from time to time the maximum number of Unit Funds in which the Contract Owner may invest.

5.2 The Company shall maintain in its absolute discretion the range and number of Unit Funds that form the Hansard Unit-linked Funds. Changes to the Hansard Unit-linked Funds will generally be for legal and/or commercial reasons and be in accordance with the principles of fair treatment of customers.

5.3 In accordance with Clauses 5.1 and 5.2, the Company may invoke any of the following rights:

5.3.1. its discretion in the selection of the investments of each Unit Fund and it also has discretion to determine the proportion of that Unit Fund to be represented by any particular asset or cash;

5.3.2. its rights to add new Unit Funds to its range without notification, however once a Unit Fund is added to the range the Contract Owner may select the new Unit Funds if desired;

5.3.3 its right at any time to:

5.3.3.1. close a Unit Fund: in the case of a Unit Fund closure the Company may redirect/switch units from the Unit Fund that is closing to another Unit Fund as similar as possible to the closing Unit Fund; and

5.3.3.2. suspend a Unit Fund: in the case of a Unit Fund suspension the Company may redirect Contributions from the suspended Unit Fund to another Unit Fund as similar as possible to the suspended Unit Fund.

5.3.4 its power to borrow money in any currency and at any time for the purpose of the operation of a Unit Fund and to mortgage or charge in any other way any of the assets of that Unit Fund as security for such borrowing; and

5.3.5 its power to delegate all or any of its discretionary powers in relation to the investment and operation of any Unit Fund.

5.4 Where possible the Company will contact the Contract Owner via the Online Account who can, prior to the closure or suspension of a Unit Fund, select an alternative Unit Fund choice. Where it is not possible for the Company to provide prior notice of a closure or suspension of a Unit Fund, the Company may select a default alternate Unit Fund in its discretion and the Company will confirm in writing via the Online Account the details and options available as soon as reasonably practicable.

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5.5 The Unit Funds and all their assets at any time are solely the property of the Company. The Contract Owner has no legal rights to or claim of ownership of the underlying assets in any Unit Fund.

## 6. Unit Fund Income and Expenses

6.1 Each Unit Fund will consist of assets, cash, or other property which the Company, from time to time, designates as forming part of that Unit Fund together with the re-invested interest, dividends, capital profits or other distributions arising from those underlying assets. All interest, dividends or other distributions arising out of the underlying assets (net of any tax deducted or payable as appropriate) shall accrue to and form part of each respective Unit Fund.

6.2 The value of a Unit Fund reflects the charges inherent in the underlying assets and any charges applied by external managers, over which the Company has no control. As a result, they may change at any time without notice.

6.3 The Company shall be entitled to pay out of each Unit Fund all fiscal charges, management costs, administration costs, marketing costs, and expenses in respect of that Unit Fund including charges for custodians and trustees.

6.4 The annual management charges and Initial Unit charges set out in Schedule One are deducted from the Unit Funds.

## 7. Value of a Unit Fund

7.1 The value of a Unit Fund can be calculated at any time, although a valuation will normally be made at least once each calendar month for the purpose of determining the Bid Price.

7.2 In calculating the value of a Unit Fund, the following are taken into account:

7.2.1 deductions of all outgoings relating to the underlying assets, including any mortgages, overdrafts, allowable expenses and charges, including the annual management charge, and such provisions for any actual or potential liability for taxes as is required by law and reasonably considered appropriate;

7.2.2 additions for income from the underlying assets net of any tax deducted or payable; and

7.2.3 any other income and expenses of the Unit Fund detailed in Clause 6.

7.3 The value of underlying assets which are quoted on a recognised stock exchange will be determined by reference to the market dealing prices quoted for that investment.

7.4 The value of any other underlying assets will be determined by the Company in such manner as it considers appropriate depending on the nature of the asset. The value of underlying assets where market prices are provided by a nominated manager will be determined by reference to these prices.

7.5 It may be necessary during a period of deferral for the Company to value a Unit Fund at nil (or on any reasonable basis) as described in Clause 35.

## 8. Units

8.1 Each Unit Fund is divided into Units. Units allocated to the Contract in respect of the Welcome Bonus and Contributions relating, wholly or partly, to the Initial Period are called Initial Units. Units allocated in respect of Contributions relating wholly or partly, to the period after expiry of the Initial Period are called Accumulator Units. If a Contribution relates to a period of time which falls partly within the Initial Period and partly after the end of the Initial Period, Units will be proportionally allocated into Initial Units and Accumulator Units.

8.2 Bonus Units will be allocated to the Contract subject to the provisions of Clause 13.

8.3 Initial Units, Accumulator Units and any allocated Bonus Units will acquire a Surrender Value subject to the provisions contained in the Contract Terms.

8.4 The allocation of Units in the Unit Funds is solely for the purpose of determining the Contract Benefits payable under the Contract.

## 9. Price of a Unit

9.1 The Bid Price of a Unit in each Unit Class of the Unit Funds shall be determined by the Company on each Valuation Day as described in Clause 7, subject to Clauses 9.2 to 9.5.

9.2 The minimum Bid Price of a Unit shall be determined by the value of the underlying assets at the market dealing price, less any costs of realising the underlying assets as the Company deems appropriate, divided by the number of Units in the Unit Fund, the result being decreased by not more than 0.5%.

9.3 The maximum Bid Price of a Unit shall be determined by the value of the underlying assets at the market dealing price, increased by any cost of acquiring the underlying assets as the Company deems appropriate, divided by the number of Units in the Unit Fund, the result being increased by not more than 0.5%.

9.4 The Bid Price applying on a given Valuation Day will be between the minimum and maximum allowed by the Contract Terms, with due allowance for the prospects of the Unit Fund (whether it is expanding or contracting), equity and the need for pricing to be administratively smooth.

9.5 In cases where a Bid Price cannot be determined to meet these criteria, the Company has the right to defer the calculation as described in Clause 35 until an appropriate Bid Price can be so determined.

## 10. Creation and Cancellation of Units

10.1 Whenever the Company creates additional Units in a Unit Fund, there will be added to that Unit Fund an amount equal in value to the number of additional Units so created multiplied by the unrounded Bid Price of an existing Unit.

10.2 Whenever the Company cancels existing Units in a Unit Fund, there shall be deducted from that Unit Fund an amount equal in value to the number of Units cancelled, multiplied by the unrounded Bid Price of an existing Unit.

## 11. Allocation of Units to the Contract

11.1 On the Valuation Day following receipt of a Contribution which is clearly attributable to the Contract, Units will be allocated to the Contract of each Unit Fund in the relevant proportion as selected by the Contract Owner as notified to the Company.

11.2 The number of Units allocated in respect of a Unit Fund will be determined by multiplying the Contribution by the allocation rate. The result is then multiplied by the appropriate proportion for the selected Unit Fund, multiplied by the applicable currency exchange rate if the Unit Fund is denominated in a different currency than the Contract Currency, and then divided by the relevant Bid Price of the Unit Fund.

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11.3 The Bid Price of each Unit Fund and the applicable currency exchange rates used will be those available on the Valuation Day stated in Clause 11.1.

11.4 The allocation of Units to the Contract will be determined by the amount of each Contracted Contribution received by the Company.

11.5 The initial allocation rate for Contributions is shown in the Contract Certificate.

11.6 The Company shall not be held responsible for any delay or failure to allocate Units to the Contract if the failure or delay is due to or caused by events or circumstances beyond its control.

## 12. Welcome Bonus

12.1 The Contract will qualify to receive a Welcome Bonus when the first Contracted Contribution is allocated subject to the following conditions:

12.1.1 the Contracted Contribution amount meets the qualifying Contracted Contribution levels set out in Schedule One; and

12.1.2 the Contract Term is at least 10 years.

12.2 The Welcome Bonus amount is calculated as the first Contracted Contribution amount multiplied by the allocation rate in the Contract Certificate. This is multiplied by the Contract Term and then multiplied by the Welcome Bonus rate. If the Contract Term is greater than 25 years, then a maximum of 25 years will be used.

12.3 The rate applied for the Welcome Bonus depends on the frequency of Contracted Contributions, such rates are shown in Schedule One.

12.4 The Welcome Bonus amount will purchase Initial Units using the relevant Bid Price and applicable currency exchange rate on the same Valuation Day that the first Contracted Contribution is allocated and in the same Unit Fund proportions as the first Contracted Contribution.

12.5 The Initial Units allocated in respect of the Welcome Bonus amount will be removed if:

12.5.1 Five years' worth of Contracted Contributions are not paid prior to maturity;

12.5.2 While the Contract has become Paid-Up (as defined in Clause 22); or

12.5.3 the Contract is surrendered as described in Clause 17.

## 13. Loyalty Bonus

13.1 Bonus Units will be calculated in respect of the Loyalty Bonus at the end of each calendar month from the Contract Start Date by multiplying one twelfth of the Bonus Unit Factor by the number of Accumulator Units and any Bonus Units still allocated to the Contract after the deduction of all expenses and Contract Charges.

13.2 The Bonus Unit Factor is shown in the Contract Certificate and may be increased in accordance with the conditions specified in Schedule One.

13.3 Bonus Units calculated during the preceding five years will be allocated to the Contract on the fifth Anniversary Date and every five years thereafter. Bonus Units will also be allocated on the Maturity Date for any Bonus Units calculated since the previous five-year Anniversary Date.

13.4 Once they have been allocated Bonus Units will have a value that can only be realised upon surrender, maturity, or death of the Life Assured.

13.5 Bonus Units will not be calculated while the Contract has become a Paid-Up Contract.

13.6 Bonus Unit calculation will only recommence when the Contract is no longer Paid Up and Contributions are reinstated.

13.7 Bonus Units are not included in the Unit Value.

13.8 Bonus Units are not available to meet Contract Charges.

13.9 Bonus Units are not available to fund withdrawals.

13.10 The annual management charge and Bid Price are the same for Accumulator Units and for Bonus Units.

## 14. Switching

14.1 Subject to the following provisions, the Contract Owner may instruct the Company, in a form prescribed by the Company or via their Online Account, to cancel some or all of the Units in any Unit Fund allocated to the Contract and to allocate in their place Units in another Unit Fund. This is referred to as a "Switching Instruction".

14.2 The value of the Units to be cancelled will be calculated by multiplying the number of cancelled Units of each Unit Class by the Bid Price of the relevant Unit Fund, with the result then being multiplied by the applicable currency exchange rate if the Unit Fund is denominated in a different currency than the Contract Currency.

14.3 The value of cancelled Units shall be allocated to the acquisition of Units in the Unit Funds as specified by the Contract Owner.

14.4 The number of Units to be allocated shall be calculated by dividing the value of the cancelled Units by the Bid Price of the replacement Units in each corresponding Unit Fund, multiplied by the applicable currency exchange rate if the Unit Fund is denominated in a different currency than the Contract Currency.

14.5 The Bid Price of each Unit Fund and the applicable currency exchange rates used will be those available on the next Valuation Day following receipt by the Company of the Switching Instruction.

14.6 The Company determines from time to time the minimum sum which may be switched from one Unit Fund to another and must be considered when placing a Switching Instruction.

14.7 The Company shall not be held responsible for any delay or failure to carry out the Contract Owner's instruction to switch from one Unit Fund to another if the failure or delay is due to or caused by events or circumstances beyond its control.

14.8 It is not permitted to switch Units held on one Contract into another Contract.

14.9 A Switching Instruction will always switch Units between the same Unit Class:

14.9.1 Initial Units will be switched into Initial Units;

14.9.2 Accumulator Units will be switched into Accumulator Units; and

14.9.3 Bonus Units will be switched into Bonus Units.

14.10 A charge may be applied when a Switching Instruction is requested. The amount of the switching charge is specified in Schedule One. The switching charge is applied as described in Clause 16.1.5.

14.11 For the purpose of calculating the switching charge, the number of switches in a given Switching Instruction will be the higher of either the number of Unit Funds switched out of, or the number of Unit Funds switched into.

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## 15. Redirection

15.1 The Contract Owner may instruct the Company in a form prescribed by the Company or via their Online Account to amend the selection and proportions of Units Funds to be purchased by future Contributions. This is referred to as a "Redirection Instruction".

15.2 The Company will not be held responsible for any delay or failure to carry out the Contract Owner's Redirection Instruction if the failure or delay is due to or caused by events or circumstances beyond the Company's control.

15.3 The switching charge does not apply to Redirection Instructions.

## 16. Contract Charges

16.1 The Contract is subject to the Contract Charges set out below:

16.1.1 An allocation charge, subject to the Contracted Contribution amount as specified in Schedule One. The allocation charge is applied at the point when each Contracted Contribution is allocated to the Contract Owner's chosen Unit Funds.

16.1.2 An annual management charge applicable on the Units at the respective yearly rates specified in Schedule One. The annual management charge is reflected in the quoted Bid Price for the relevant Unit Class of each Unit Fund as described in Clauses 6, 7 and 9.

16.1.3 An Initial Unit charge applicable on the Initial Units at the rate specified in Schedule One. The Initial Unit charge is reflected in the quoted Bid Price for the relevant Unit Class of each Unit Fund as described in Clauses 6, 7 and 9.

16.1.4 A service charge which is applied on the Charging Day each month by deducting Accumulator Units allocated to the Contract. The amount of the service charge is specified in Schedule One.

16.1.5 A switching charge, as detailed in Schedule One, is deducted from the Accumulator Units allocated to the Contract after the Switching Instruction has been processed.

16.1.6 a currency conversion charge is included within the rates of currency exchange that the Company apply.

16.2 The value of Accumulator Units to be deducted will be calculated at the Bid Price of the Accumulator Units and the applicable currency exchange rate if the Unit Fund is denominated in a different currency than the Contract Currency on the last Valuation Day preceding the Charging Day.

16.3 Where there are Accumulator Units in more than one Unit Fund, such Units shall be deducted from each Unit Fund in proportion to the value of the Accumulator Units in each Unit Fund.

16.4 Where there are insufficient Accumulator Units to meet all or part of the applicable Contract Charges on the Charging Day, including any previous shortfall, then provided that Contracted Contributions have been maintained without interruption to the Charging Day and no withdrawals have been made, the shortfall will be carried forward to the next Charging Day.

16.5 If the provisions contained in Clause 16.4 are not satisfied, or where a shortfall has been carried forward for at least one Contract Year after the second Contract Anniversary, then the Contract will be automatically surrendered subject to the provisions of Clauses 17 and 29.

16.6 Credit card charges and bank transfer charges may also be applied by the Contract Owner's credit card provider or bank when the Contract Owner makes Contributions, or by the Company's bank when the Company actions a Contract Owner payment instruction from the Contract.

## 17. Surrender and Surrender Value

17.1 The Contract Owner may instruct the Company in a form prescribed by the Company or via their Online Account to surrender the Contract. If the Contract is held by joint Contract Owners, then either of the Contract Owners can instruct a surrender (subject to Clause 29).

17.2 The Contract will only acquire a Surrender Value subject to the Contract Owner having made two years' worth of Contracted Contributions at the original contracted level specified in the Contract Certificate.

17.3 Subject to Clauses 17.2, 30, 34 and 35, the amount of the Surrender Value will equal, at the next Valuation Day after the Company receives instructions for the surrender, the Bid Price value (subject to currency exchange rates where applicable) of:

17.3.1 Initial Units allocated to the Contract, less all Initial Unit annual management charges and Initial Unit charges referred to in Schedule One which would have been payable from the date of surrender until the Maturity Date;

17.3.2 Accumulator Units allocated to the Contract, less any charges or shortfall carried forward; and

17.3.3 any Bonus Units allocated to the Contract.

17.4 In the event of an automatic surrender under Clauses 16.5 and 22.4.3, subject to Clauses 17.2, 30, 34 and 35, the amount of the Surrender Value will equal, on the Valuation Day when the charges were due to be deducted, the Bid Price value (subject to currency exchange rates where applicable) of:

17.4.1 Initial Units allocated to the Contract, less all Initial Unit annual management charges and Initial Unit charges referred to in Schedule One, which would have been payable from the date of surrender until the Maturity Date; and

17.4.2 any Bonus Units allocated to the Contract; less any charges or shortfall carried forward.

17.5 If the Contract terminates without value and the Contract Owner subsequently wishes to reinstate the Contract, the Contract Owner must apply to the Company to do so and the Company will decide whether to agree to that reinstatement and if so, on which terms the Company will reasonably decide at its own discretion. In the event of the Company agreeing to a reinstatement the Contract will be reinstated on such terms as the Company sees fit with effect from the date on which the Company receives the first Contribution under the reinstated Contract.

17.6 If the Contract is surrendered during a period of deferral as described in Clause 35, then any Unit Funds that are unable to be valued will be excluded from the Surrender Value payable.

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## 18. Withdrawal

18.1 The Contract Owner may only make a Withdrawal subject to the Contract Owner having made 24 months' worth of Contracted Contributions as specified in the Contract Certificate.

18.2 If the Contract is held by joint Contract Owners, then any of the Contract Owners can instruct a withdrawal from the Contract.

18.3 The withdrawal amount requested will be met by the cancellation of Accumulator Units at their Bid Price (subject to currency exchange rates where applicable) on the Valuation Day following receipt by the Company of the withdrawal request.

18.4 No withdrawal can be made where:

18.4.1 the amount requested to be withdrawn is more than the maximum withdrawal amount as set out in Schedule One; or

18.4.2 the amount requested to be withdrawn is greater than the Surrender Value of the Contract as calculated under Clause 17.

## 19. Payment of Contracted Contributions

19.1 All Contracted Contributions are due with the frequency and in the currency as specified in the Contract Certificate.

19.2 A Contracted Contribution will be regarded as paid on the later of the day on which it is credited to the Company's bank account and the date that the Contribution received can be clearly identified as relating to the Contract. The same applies to any Additional Contributions which may be received subject to Clause 21 of these Terms and Conditions.

19.3 All Contributions made to the Contract must be made payable to "Hansard International Limited".

19.4 All Contributions must have the appropriate information provided as the payment reference (as instructed by the Company) as this allows the Company to identify the Contract Owner and to allocate the Contributions to the Contract. Any Contributions without such payment reference may not be allocated to the Contract and may be returned to the originating bank account, and Bank Transfer Charges may apply.

19.5 Following the completion of the Initial Period, the Contract Owner may elect to increase, decrease, or suspend their Contributions subject to the Contract Limits detailed in the Contract Certificate.

19.6 If the Contract is owned by joint Contract Owners, then any of the Contract Owners can amend the Contribution payments.

## 20. Non-payment of Contracted Contributions

20.1 For Contacts where the Initial Period is not complete, the Contract will be terminated without value where:

20.1.1 a total of three months' worth of Contracted Contributions have not been paid; and

20.1.2 the time elapsed from the due date of the oldest outstanding Contracted Contribution is three months.

20.2 For Contracts where the Initial Period is complete, and Accumulator Units are held, the Contract will be converted into a Paid-Up Contract for non-payment of Contracted Contributions in accordance with Clause 22.2.

## 21. Contract Terms for Additional Contributions

21.1 The Contract only relates to the Contracted Contributions stated in the Contract Certificate and the Company does not guarantee that new applications for Additional Contributions will be available on the same terms as the Contract.

21.2 If the Contract Owner elects at a future date to make Additional Contributions above the level stated in the Contract Certificate and these are accepted by the Company, this acceptance may be subject to the terms offered to new applicants at that time and may necessitate the issue of a new contract.

21.3 An Additional Contribution is subject to the approval of the Company, which reserves the right to decline any Additional Contribution payment at its reasonable discretion. If the Additional Contribution is not approved, the Contract Owner may apply for a new contract.

## 22. Paid-up Contract

22.1 All Contracted Contributions are due at the amount and frequency as specified in the Contract Certificate.

22.2 The Contract will be converted into a Paid-Up Contract when the Initial Period is complete, Accumulator Units are held and:

22.2.1 a total of thirteen months' worth of Contracted Contributions have not been paid; and

22.2.2 the time elapsed from the due date of the oldest outstanding contribution is thirteen months.

22.3 If Contracted Contributions are paid quarterly, bi-annually, or annually, the equivalent monthly value will be used for the purpose of converting the Contract into a Paid-Up Contract.

22.4 On conversion to a Paid-Up Contract

22.4.1 Contract Charges will continue to apply with the service charge increasing to the level applying to a Paid-up Contract as stated in Schedule One;

22.4.2 if, at any time, the Contract Charges due to be deducted exceed the Accumulator Unit value the Contract will be automatically surrendered on the date when the Contract Charges were due to be deducted; and

22.4.3 Bonus Units will not be calculated.

22.5 The Contract Owner may reinstate the Contract from a Paid-Up status subject to the Company's acceptance.

## 23. Recommencement in Contracted Contributions

23.1 The recommenced Contracted Contribution must be:

23.1.1 for an amount that does not fall below the minimum Contribution level stated in the Contract Certificate; and

23.1.2 payable at the frequency stated in the Contract Certificate.

23.2 If Initial Units relating to any applicable bonus were removed when the Contracted Contribution amount was stopped, then these Units will be re-allocated to the Contract when the Contracted Contributions recommence.

## 24. Rounding

24.1 The number of Units deemed to be allocated to and cancelled under this Contract will include fractions of a Unit rounded to the nearest second decimal place (or as many places as the Company deems appropriate). The Bid Price calculated under Clause 9 will be rounded to four significant figures (or as many places as the Company deems appropriate) subject to a maximum of four decimal places.

# Contract Terms and Conditions

## 25. Currency

25.1 The currency of this Contract is stated in the Contract Certificate. Once selected at the outset, the Contract Currency cannot be amended.

25.2 Contributions, Unit Funds, Contract Charges, Contract Benefits and/or the Contract itself may each be denominated in different currencies and currency conversions may be required at various stages throughout the life of the Contract. For example, whenever a withdrawal is made the amount required will be converted from the Unit Fund currency to the Contract Currency, and then to payment currency if different. As such some transactions may involve more than one currency conversion.

25.3 The rates of currency exchange used by the Company are available on request.

## 26. Contract Ownership Rights

26.1 The Contract Owner must be aged 18 or over and less than 65 years old on the Contract Start Date and must be aged 75 or younger at maturity.

26.2 Where the Contract is initially taken out by two Contract Owners, should one of the Contract Owners die ownership will pass to the surviving Contract Owner, subject to Clause 27 and where applicable any life assurance provisions specified in the Contract Certificate.

26.3 The Contract Owner may, at any time during the term of the Contract but before the death of the Life Assured, nominate a Beneficiary to whom the Death Benefit is to be paid and if more than one, the amount of their respective share in the Death Benefit. The Contract Owner can nominate a maximum of four beneficiaries. The beneficiary details provided will be used for identification and to contact the beneficiary in the event of the death of the Contract Owner(s). At such point, the Company will require the further provision of certified documentary evidence in order to verify the identity and residential address of the beneficiary, and any other information that would otherwise be required from the applicant at that time.

26.4 If a named Beneficiary is under the age of 18 years, any payment due to that Beneficiary will be made to the Beneficiary's parent or legal guardian.

26.5 Nomination of a Beneficiary may be done at the time of application or using the Online Account thereafter. If the Contract is held by joint Contract Owners, then either of the Contract Owners can amend a Nominated Beneficiary.

26.6 The Company is under no obligation to determine the validity of a Beneficiary nomination, or whether there are any restrictions or prohibitions in law governing the distribution of property that could affect the execution of an instruction.

26.7 The nomination of a beneficiary shall not:

26.7.1 affect the ownership of the Contract which will remain with the Contract Owner(s); and

26.7.2 confer any right or rights in the Contract on a beneficiary until a Contract Benefit becomes payable by the Company.

26.8 The nomination of a Beneficiary will automatically be revoked in the event of:

26.8.1 The surrender of the Contract without value.

26.8.2 The Contract Owner's instructions to do so using their Online Account.

26.8.3 The Nominated Beneficiary predeceasing the Contract Owner.

26.8.4 The ownership of the Contract is changed by deed of assignment.

26.9 Where the Contract is taken out or held by one Contract Owner and in the absence of a Nominated Beneficiary the Company will accept instructions from the deceased Contract Owner's legally appointed executor, personal representative or administrator (as applicable) of their estate. In this case, payment of any outstanding Contract Benefit or Surrender Value will be paid to the executor, personal representative, or administrator of the estate.

26.10 Any change of ownership should be made by a deed of assignment. No assignment of the Contract shall be binding on the Company unless it is in writing and a notice of assignment has been received by the Company whilst the Contract is active. The deed of assignment must be fully completed and signed by the current Contract Owner(s) and the new Contract Owner(s).

26.11 The Company assumes no responsibility for the validity of any assignment and where accepted shall be entitled to rely on the express written instructions in the assignment instrument.

26.12 For any assignment or any other legal change of ownership of the Contract, the Company will require satisfactory documentary proof that the person(s) nominated or claiming to have rights in respect of the Contract have been duly authorised by legal instrument or any applicable law to act in the stead of the Contract Owner.

26.13 The deed of assignment will be finalised by the Company once all verification of identity and address documentation in connection with the assignment has been received by the Company.

26.14 The Company reserves the right to reject an assignment.

26.15 The Company reserves the right to assign or novate any or all of its rights and obligations under the Contract to a third party at any time upon giving the Contract Owner(s) at least two (2) months' notice in writing.

26.16 The Contract Owner(s) will be deemed to have accepted the novation and/or assignment of the Contract one (1) month from receipt of the notice if the Company has received no instruction to surrender the Contract from the Contract Owner.

26.17 The Company reserves the right to only act where the written instructions are clear and there are no conflicting claims in respect of the Contract.

26.18 Where a Contract Owner has died, the Company reserves the right to refrain from acting on any instructions until a decision has been received, following a reasonable request, from a competent court sanctioning an individual's appointment or probate is granted on the deceased Contract Owner's estate.

## 27. Death Benefit

27.1 On the death of the Life Assured (or the first Life Assured to die for a joint life contract), before the Maturity Date and provided this Contract has not otherwise come to an end the Contract will terminate and subject to receiving the documents referred to in Clause 27.2 and 29.1.2, and subject to Clauses 30, 34 and 35 the Company will pay to the Contract Owner or Nominated Beneficiary the Death Benefit.

27.2 The Death Benefit is payable only after receipt by the Company of a certified copy of the death certificate or equivalent and all other documents and any other information that the Company may reasonably request.

# Contract Terms and Conditions

27.3 The Company shall pay to the Nominated Beneficiary in the case of a single life contract or to the second Life Assured in the case of a joint contract the Death Benefit of 101% of the Contract Value of the Contract.

27.4 For the purposes of calculating the Death Benefit, the relevant Valuation Day will be the next Valuation Day after the receipt by the Company of a valid notification of the death of the Life Assured or, if more than one, of the death of the first Life Assured to die.

27.5 If the Company is unable to make payment to a Nominated Beneficiary, or if a Nominated Beneficiary should declare in writing to the Company that they do not wish to receive the Death Benefit, the Company will seek to make payment of the relevant percentage of the Death Benefit to the deceased Contract Owner's legally appointed executor, personal representative, or administrator (as applicable) of their estate.

27.6 If the death giving rise to the claim was suicide, and if the death occurred within one year of the Contract Start Date of this Contract, the Company will have complete discretion as to the amount of the Death Benefit payable. However, the amount payable will never be less than the Surrender Value of the Contract.

## 28. Maturity Benefit

28.1 If this Contract has not otherwise come to an end and the Life Assured survives to the Maturity Date the Contract will terminate and the Company will pay to the Contract Owner the Contract Value in the Contract Currency, subject to the provisions of Clauses 29, 30, 34, and 35.

28.2 For the purposes of calculating the Maturity Benefit, the relevant Valuation Day will be the Contract Maturity Date. The Maturity Benefit will equal the Contract Value plus any Bonus Units that have been calculated since the previous five-year Anniversary Date but not yet allocated. The amount of the Maturity Benefit is payable only after the deduction of any amounts due to the Company in connection with this Contract.

## 29. Payment of Contract Benefits

29.1. A Contract Benefit may be claimed under this Contract in respect of:

29.1.1 a claim for the Maturity Benefit, subject to the provision of any documentation the Company may reasonably require in order to determine legal title and any other information that the Company may deem necessary;

29.1.2 a claim for Death Benefit, subject to the provision of a completed death claim in the prescribed form, evidence of the date and cause of death and any other information that the Company may deem necessary; and/or

29.1.3 a surrender or withdrawal, subject to the provision of an instruction sent by the Contract Owner to the Company or via the Online Account and any other information that the Company may deem necessary.

29.2 If the Contract Owner wishes to take a withdrawal or surrender the Contract, they may instruct the Company in a form prescribed by the Company or via their Online Account.

29.3 If the Contract is held by joint Contract Owners, then either of the Contract Owners can instruct a surrender or withdrawal from the Contract.

29.4 Where the age of any Life Assured is incorrectly stated in the Contract Certificate, the Contract will not become void, but any Contract Benefit will be adjusted to the extent that the Company reasonably considers appropriate.

29.5 Where ownership of the Contract has passed from the original Contract Owner named in the Contract Certificate to a third party, and the third party is claiming a Contract Benefit under the Contract, the Company will require satisfactory evidence of the third party's ownership of the Contract.

29.6 Any Contract Benefit described above will become payable only after the repayment of any amounts due to the Company.

## 30. Tax

30.1 In the event of any changes in taxation (including change due to an alteration in the residency status of the Contract Owner) affecting the Company's liability, which become effective after the Contract Start Date, in relation to either the Company, the Unit Funds or the Contract Benefits, the Company shall make such modifications to the benefits and conditions of this Contract as are necessary to enable it to meet the benefits and conditions as closely as is reasonably possible whilst acting within the confinements imposed upon it by such changes in taxation.

30.2 In the event that the Company's appointed actuary decides that the changes are not possible then the Contract will be surrendered. The terms of the surrender will be determined by the Company's appointed actuary who will take into account the Contract Owner's interests and those of the Company.

30.3 The Company maintains the Hansard Unit-linked Funds on behalf of the Contract Owners, and the capital gains and investment income arising on the Hansard Unit-linked Funds are not currently subject to tax.

30.4 In the event of any changes in taxation legislation affecting the Company, the Unit Funds or the Contract Benefits, the Company may make such alterations it considers necessary to the Contract Terms to take account of such changes and take such other action as it is obliged to do so by law. The Company will notify the Contract Owner accordingly.

30.5 Any personal tax reporting obligations or liabilities incurred are solely the Contract Owner's responsibility. The Company bears no responsibility for any tax arising on the Contract Owner as a result of the Contract.

## 31. Unclaimed Contract Benefits

31.1 Although the Company will pay the relevant Contract Benefits, there may be situations where the Contract Owner or Nominated Beneficiary do not claim the Contract Benefits.

31.2 In such a situation the Company will endeavour to contact the Contract Owner or Nominated Beneficiary by any reasonable means available at the time. If after all reasonable efforts to contact the Contract Owner or Nominated Beneficiary are exhausted or five years elapse from the date the Contract Benefit was due to be paid, then the Contract Benefit will be classified as unclaimed.

# Contract Terms and Conditions

## 32. Notices

32.1 All notices which the Contract Owner is required to give must be sent to the Company using the following methods:

- In writing:

  Hansard International Limited

  55 Athol Street

  Box 192

  Douglas

  Isle of Man

  IM99 1QL

  British Isles.
- By telephone: +44 (0)1624 688000
- By email: clientservicessupport@hansard.com
- Or by using the Contract Owner's Online Account at hansard.com

## 33. How to make a Complaint

33.1 If for any reason it is necessary to make a complaint about the Contract, the basis of the complaint should be made in writing to the Company as soon as possible. The Company's complaints policy is available on request or can be found at hansard.com. To make a complaint please contact the Company in one of the following ways:

- In writing: to the address given in Clause 32.1, marked for the attention of the Complaints Manager
- By email: complaints@hansard.com

## 34. Legal or Regulatory Changes

34.1 If legal or regulatory changes in any country prevent the Company from fulfilling precisely its obligations under this Contract, the Company will amend those obligations in such a way as to enable the Company to meet its original obligations as nearly as is possible, whist acting within the confinements imposed upon it by such circumstances.

## 35. Events outside the Company's Control

35.1 The Company reserves the right if, in its reasonable opinion, exceptional circumstances arise and it considers it to be in the general interests of the majority of Contract Owners to do so, to defer the following for such period as it considers appropriate and

equitable in the circumstances having regard to the interests of Contract Owners generally:

35.1.1 payment of Contract Benefits; and/or

35.1.2 withdrawal requests; and/or

35.1.3 switch requests; and/or

35.1.4 redirection requests.

35.2 As a deferment can arise for numerous reasons, the Company has the right to value the Unit Fund at nil or on any other reasonable basis during the period of deferment. The Company and/or the fund manager of an underlying asset in any Unit Fund may therefore exercise similar rights of deferment.

35.3 A deferment will affect the Company's ability to act on the Contract Owner's instructions including the making of any payment under the Contract, be it a withdrawal or surrender. Where it becomes necessary to defer:

35.3.1 the Contract Benefit will be calculated on the next Valuation Day after the end of the period of deferment;

35.3.2 the withdrawal or surrender will be calculated on the next Valuation Day after the end of the period of deferment;

35.3.3 the switch will be calculated on the next Valuation Day after the end of the period of deferment;

35.3.4 the redirection will be calculated on the next Valuation Day after the end of the period of deferment;

35.3.5 during the period of deferment, any Contributions which would otherwise have been allocated to investment in a particular Unit Fund will be redirected to an alternative investment in one or more other Unit Funds in accordance with Clause 5.3.3 or where possible upon receipt of the Contract Owner's written instructions; and

35.3.6 the pricing of a Unit will be calculated on the next Valuation Day after the end of the period of deferment.

35.4 The Company's obligation is to account to the Contract Owner for the sums it actually receives from the external manager in relation to the investment funds chosen by the Contract Owner less any Contract Charges under the Contract.

35.5 The Company shall be entitled to a reasonable extension of time to perform any obligation under this Contract where the delay is due to any cause beyond its reasonable control.

35.6 The Company will not be responsible for any delays or losses resulting from causes beyond its reasonable control, including without limitation: fire, explosion, flood, earthquake, storm, tornado, hurricane, war, strike, riot, acts of terrorism, or acts of God, mechanical breakdown, computer or system failure, interruption of power supplies, legislative changes, market conditions affecting the execution of transactions or value of Assets, any other cause beyond our reasonable control as a consequence of which the Company can no longer administer your Contract for a given period. The Company will use commercially reasonable efforts to avoid or remove such causes of non-performance and continue performance under the Contract as soon as reasonably practicable.

## 36. Amendments to the Contract

36.1 The Contract may only be amended by a written endorsement duly signed by a person expressly authorised by the Company for that purpose.

36.2 The Company may amend the terms of the Contract where there are legal, regulatory, or other circumstances that materially affect its ability to meet or perform its obligations under the Contract.

36.3 The Company may also amend the Contract to improve clarity, rectify errors and/or omissions.

36.4 Any amendment will be notified to the Contract Owner through the Online Account.

# Contract Terms and Conditions

## 37. Place at which this Contract was made

37.1 The Contract Owner's application for this Contract was accepted by the Company in the Isle of Man and accordingly this Contract was made in the Isle of Man.

## 38. Governing Law and Jurisdiction

38.1 This Contract and any dispute or claim arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the laws of the Isle of Man.

38.2 The courts of the Isle of Man shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this Contract or its subject matter or formation.

38.3 These Terms and Conditions are written in the English language. If these Terms and Conditions are translated into any other language the English language text shall prevail.

## 39. Miscellaneous Provisions

39.1 The Contract is an agreement between the Company and the Contract Owner, and no other party shall have any legal rights in relation to the Contract. Notwithstanding this, if the Contract Owner is incapacitated, either mentally or physically, and has put in place an Enduring Power of Attorney, the Company will accept the appointment of the Contract Owner's Attorney as having legal authority over the Contract once the Company has been provided with documentary evidence that confirms to its reasonable satisfaction a bona fide appointment and proof of identification of the natural person under the Enduring Power of Attorney.

## 40. Levies for Contract Owner Protection

40.1 The Company shall be entitled to make deductions as it deems appropriate at its sole discretion, from the Unit Funds and/or benefits payable under this Contract in respect of the operation of any statutory Contract Owner protection scheme from time to time in operation in the Isle of Man.

## 41. Waiver

41.1 No delay or omission by us in exercising any right under the Contract will operate as a waiver of it, nor will any single or partial exercise of it preclude any further exercise of any right.

41.2 No waiver of any breach of the Contract, and no course of dealing between the contracting parties shall be construed as a waiver of any subsequent breach of the Contract.

## 42. Severance

42.1 If any clause in this Contract is held invalid or unenforceable for any reason by any court of competent jurisdiction, such clause shall be severed, and the remainder of the Contract shall continue in full force and effect.




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