

Contract Terms and Conditions

Universal Personal Portfolio - Z8

Life Assurance Lump Sum Contribution Contract



HANSARD
INTERNATIONAL

Index for Terms and Conditions

Clause	Page number
1. The Contract	4
2. Definitions and interpretation	4
3. Cancellation Rights	5
4. Contract Holder information	5
5. Limitation of powers of the Company's personnel and third parties	5
6. Unit Funds	5
7. Value of a Unit Fund	6
8. Allocation of Units to the Contract	6
9. Price of a Unit	6
10. Switching	7
11. Contract charges	7
12. Surrender and withdrawal charges	8
13. Events outside our control	8
14. Legislative changes and force majeure	8
15. Issue of Contracts for additional Contributions	8
16. Surrender and Surrender Value	8
17. Withdrawal	9
18. Rounding	9
19. Currency	9
20. Contract Ownership Rights	9
21. Death Benefit	9
22. Surrender and withdrawal benefit	10
23. Notices	10
24. Complaints	10
25. Tax	10
26. Unclaimed Contract Benefits	10
27. Variations to the Contract	10
28. Place at which this Contract was made	11
29. Law	11
30. Levies for Contract Holder protection	11

Contract Terms and Conditions

The Contract Terms and Conditions together with the documents identified in Clause 1.1 (the "Contract") set out the entire agreement between Hansard International Limited and the Contract Holder(s) as defined below.

Please read all of the Contract documents carefully to ensure that you have a full understanding of the contractual commitment you have selected to enter into.

Throughout this document, any statements that refer to "the Company", "us", "we" and "our" mean Hansard International Limited. Any statements that refer to "you" and "your" mean the Contract Holder(s) as defined below.

1. The Contract

- 1.1. The Contract shall consist of the following:
 - 1.1.1. the application form signed by you;
 - 1.1.2. the Contract Certificate;
 - 1.1.3. these Contract Terms and Conditions;
 - 1.1.4. the Schedule One attached;
 - 1.1.5. any endorsement; and
 - 1.1.6. any further information which you supplied or authorised the provision of in response to a request by us.
- 1.2. We shall pay to you the benefits provided by the Contract subject to the Contract Terms and Conditions set out below.

2. Definitions and interpretation

- 2.1. **Appointed Actuary** means the Company representative who has legal responsibilities concerning the sound and prudent financial management of the Company. The Appointed Actuary also has a professional duty to consider the interests of all Contract Holders.
- 2.2. **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.
- 2.3. **Commencement Date** means the date on which the Contract commenced and which may be different from the Date of Issue. This date is shown on your Contract Certificate.
- 2.4. **Contract Certificate** means any Contract Certificate issued by us and made part of this document. If more than one Contract Certificate is so issued, then each one shall, together with these Contract Terms and Conditions and Schedule One, form a separate Contract for the purposes of this document.
- 2.5. **Contract Holder(s)** means the person(s) so described in the Contract Certificate and shall include the Contract Holder's successors, assigns or personal representatives.
- 2.6. **Contract Value** means the value of all Units allocated to this Contract at their Bid Price on the next Valuation Day after the day or event in respect of which it is necessary to establish the Contract Value.
- 2.7. **Contract Year** means any period of 12 months commencing on the Commencement Date or any anniversary.
- 2.8. **Contribution** means any monies applied in payment under this Contract or the monetary value of any existing investments transferred to the Personal Fund of this Contract. The minimum amount of initial and additional contributions currently acceptable by us is given in the Schedule One to this Contract.
- 2.9. **Contribution Remaining Allocated (CRA)** means the Contribution amount remaining allocated to the Contract after adjustments for any additional Contributions or withdrawals. At the start of the Contract this is the Contribution shown in the Contract Certificate.

If you pay an additional Contribution, the CRA will increase by an amount equal to the additional Contribution. If you make a withdrawal, the CRA will be reduced by a percentage equivalent to the withdrawal amount divided by the Contract Value immediately prior to the withdrawal.

- 2.10. **Date of Issue** means the date on which the Contract was issued. This date is shown on your Contract Certificate.
- 2.11. **Death Benefit** means the sum payable in accordance with Clause 21.
- 2.12. **Hansard Unit Funds** means the range of Unit Funds made available by the Company from time to time.
- 2.13. **Life Assured or Lives Assured** means the person or persons described as such in the Contract Certificate.
- 2.14. **Nominated Beneficiary** means a beneficiary nominated by the Contract Holder to receive the Death Benefit subject to the provisions of Clause 20.
- 2.15. **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.
- 2.16. **Personal Fund** means an investment fund, other than a Hansard Unit Fund, created by the Company solely for the purpose of holding cash and acceptable assets or other property in connection with the Contract. The Personal Fund is set up and operated in accordance with the terms of Clauses 6.3 and 6.4. It can contain Units from a Hansard Unit Fund as described in Clause 6.
- 2.17. **Service Charge** means a charge made by us in respect of this Contract each year. The amount of the charge is given in the Schedule One. The charge is payable at quarterly intervals by deduction of Units in accordance with the provisions of Clause 11.
- 2.18. **Surrender Charge** means a charge made by us when Units under the Contract are cancelled for the purpose of withdrawal or full surrender of the Contract, in accordance with the provisions of Clause 12.
- 2.19. **Surrender Value** means the amount for which the Contract Holder may surrender the Contract as calculated in accordance with Clause 16.
- 2.20. **Unit Fund(s)** means the assets, cash or other property held by the Company at any given time under the name of a specific Hansard Unit Fund (as described in Clause 6.5.1) and/or the Personal Fund. The value of these is used to calculate the benefits under the Contract. The Personal Fund may hold investments in Hansard Unit Funds (see also the definition of the Personal Fund). Each Unit Fund is set up and operated in accordance with the terms of Clause 6.
- 2.21. **Units** are notional portions of a Unit Fund representing your participation in the total value of the relevant Unit Fund. Such notional portions, or Units, are used solely for the purpose of calculating the benefits under the Contract.
- 2.22. **Valuation Day** means a day chosen by the Company for the purpose of calculating the Bid Prices of Units. The interval between one Valuation Day and the next will not usually be more than one calendar month.

Contract Terms and Conditions

3. Cancellation Rights

- 3.1. The Contract provides "Cancellation Rights", which give you a period of time from the Date of Issue to consider the Contract and if desired elect to cancel the Contract without incurring any Contract charges.
- 3.2. In order to exercise the Cancellation Rights you must contact us within 30 days from receipt of the email from us confirming that your "Welcome Letter" and Contract Documents are all available through your Online Account.
- 3.3. Upon receipt of a Cancellation Rights request we will return the relevant Contribution paid by you without deducting any applicable Contract charges. If the Contribution has been invested then the amount returned to you may be less than the Contributions paid to us if the value has dropped as a result of market movement.
- 3.4. Where you elect to make additional Contributions the above rights will apply to each new Contribution effective from the date of allocation as described in Clause 8. Exercise of Cancellation Rights against any additional Contributions will have no effect on previous Contributions.

4. Contract Holder information

- 4.1. Upon receipt of the application for the Contract, we will provide the Contract Holder with access details for the Online Account. The Contract Holder must complete the access requirements as soon as reasonably practicable after receipt of notification from us.
- 4.2. The Contract information is shown in the Contract Certificate which we produce 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.

5. Limitation of powers of the Company's personnel and third parties

- 5.1. Our employees are not under any circumstances empowered or authorised to complete, alter or amend an application form or any other document related to this Contract on behalf of the Life Assured or the Contract Holder. Each such document must be completed by the individual stipulated on the document or by a person authorised in writing by that individual to do so.
- 5.2. If a third party has completed any document relating to this Contract, that third party will be regarded by us as having been so authorised by the individual concerned.

6. Unit Funds

- 6.1. The allocation of Units in the Unit Funds is used solely for the purpose of calculating benefits under this Contract and other separately issued Contracts.
- 6.2. All Units in respect of Hansard Unit Funds allocated in respect of this Contract will be accumulator units.
- 6.3. The Personal Fund
 - 6.3.1. Assets may be placed in the Personal Fund by way of a cash Contribution to the Contract. When you notify us of the assets you wish to be held, subject to our acceptance, we will arrange for the instructed assets to be purchased and held within the Personal Fund. Alternatively, you may arrange for the legal title of existing assets to be transferred and held within the Personal Fund, subject to our acceptance.
 - 6.3.2. At any time, you may give instructions to sell assets linked to the Personal Fund and to apply the resulting proceeds, or part, to the purchase of other assets to be linked to the

Personal Fund or to the purchase of Units in a Hansard Unit Fund.

- 6.3.3. Each sale and each purchase of an asset will incur a dealing charge, the amount of which is given in the Schedule One. Where existing assets are transferred to the Personal Fund, an asset transfer charge will apply.
- 6.4. Constitution of the Personal Fund
 - 6.4.1. The Personal Fund will consist of monies and assets linked to the Personal Fund, together with the reinvested interest, dividends, capital, profits or other distributions (less any tax) relating to the existing assets linked to the Personal Fund.
 - 6.4.2. Subject to our prevailing asset acceptability criteria, which is available on request, a wide range of asset categories can be linked to this Contract, including unit trusts, deposits, equities, fixed interest securities and Hansard Unit Funds. Acceptable assets must be marketable and liquid. The minimum amount per asset is given in the Schedule One.
 - 6.4.3. At the time that Units of the Personal Fund are created, the Company will transfer (in accordance with this Contract) an amount equal in value to the number of additional Units so created, multiplied by the unrounded Bid Price of an existing Unit, to the Personal Fund. Similarly, at the time that Units of the Personal Fund are cancelled, the Company will transfer (in accordance with this Contract) an amount equal in value to the number of Units cancelled, multiplied by the unrounded Bid Price of an existing Unit, from the Personal Fund.
 - 6.4.4. All interest, dividends or other distributions arising out of the assets linked to the Personal Fund (net of any tax deducted or payable, as appropriate) will be added to that Personal Fund.
 - 6.4.5. In accordance with the Contract, the Company will deduct from the Personal Fund all costs, expenses and fiscal charges incurred in the management and safekeeping of the Personal Fund, including our Service Charge. The Service Charge is payable at quarterly intervals at the rate given in the Schedule One.
 - 6.4.6. No money will be placed into or deducted from the Personal Fund in any way except to the extent described in these Contract Terms and Conditions.
 - 6.4.7. We have the power to delegate all or any of our powers under this Contract to any person on such terms as we consider to be appropriate in order to operate this Contract in a manner we consider to be in your best interests.
- 6.5. Hansard Unit Funds
 - 6.5.1. The Company offers a range of Unit Funds on an as-is basis under a contractual arrangement with us, and the value of the Units in these Hansard Unit Funds is used by us to calculate the benefits payable under the Contract and other separately issued Contracts.
 - 6.5.2. The Company has the right to close individual Hansard Unit Funds either completely or to future new Contract Holders. In the former case, whenever possible the Contract Holder will be offered an opportunity to select an alternative. We may also establish new Hansard Unit Funds from time to time.

Contract Terms and Conditions

- 6.6. Constitution, income and expenses of the Hansard Unit Funds
- 6.6.1. Each Hansard Unit Fund will consist of those assets, cash or other property which are, from time to time, designated as forming part of that Unit Fund together with the re-invested interest, dividends, capital profits or other distributions arising from those assets. All interest, dividends or other distributions arising out of the assets of each Unit Fund (net of any tax deducted or payable as appropriate) will accrue to and form part of each respective Unit Fund.
- 6.6.2. At the time that Units of a Hansard Unit Fund are created, the Company will transfer (in accordance with this Contract) an amount equal in value to the number of additional Units so created, multiplied by the unrounded Bid Price of an existing Unit, to that Hansard Unit Fund. Similarly, at the time that Units of the Hansard Unit Fund are cancelled, the Company will transfer (in accordance with this Contract) an amount equal in value to the number of Units cancelled, multiplied by the unrounded Bid Price of an existing Unit, from that Hansard Unit Fund.
- 6.6.3. The value of a Hansard Unit Fund reflects the charges inherent in the asset itself and any charges levied by external managers, over which there is no control. As a result, they may change at any time without notice. These charges are reflected within the Bid Price of the Units.
- 6.6.4. The Company shall be mandated and entitled to pay out of each Hansard Unit Fund all fiscal charges, management costs, administration costs, marketing costs and expenses in respect of that Hansard Unit Fund including charges for custodians and trustees.
- 6.6.5. The annual management charge on the Hansard Unit Funds set out in the Schedule One is deducted from the Hansard Unit Funds on a daily basis and hence is reflected within the Bid Price of the Units.
- 6.6.6. No money will be placed into or deducted from a Hansard Unit Fund in any way except to the extent described in these Contract Terms and Conditions.
- 6.6.7. The Company shall have complete discretion to borrow money in any currency at any time for the purpose of operating a Hansard Unit Fund and to mortgage or otherwise charge all or any of the assets of the Hansard Unit Fund as security for such borrowing.
- 6.6.8. We have the power to delegate all or any of our powers under this Contract to any person on such terms as we consider to be appropriate in order to operate this Contract in your best interests.
- 7. Value of a Unit Fund**
- 7.1. The value of a Unit Fund is calculated by the Company at such times as we determine at our discretion takes into account:
- 7.1.1. deductions of all outgoings relating to the assets linked to the Unit Fund, 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; and
- 7.1.2. additions for income from the assets linked to the Unit Fund net of any tax deducted or payable.
- 7.2. The value of assets linked to the Unit Fund which are quoted on a recognised stock exchange will be determined by reference to the market dealing prices quoted for that investment.
- 7.3. The value of any other assets in the Unit Fund will be determined by the Company in such manner as we consider appropriate depending on the nature of the investment. The value of assets linked to a Unit Fund where market prices are provided by a nominated manager will be determined by reference to these prices.
- 7.4. The frequency of valuation will be determined by the Company but a valuation will normally be made at least once in each calendar month.
- 7.5. The purpose of the valuation is to determine the appropriate Bid Price.
- 8. Allocation of Units to the Contract**
- 8.1. Units in the Personal Fund are notional units used solely for the purpose of calculating the benefits under the Contract. The amount to be applied to the acquisition of Units in the Personal Fund is the Contribution. The first Contribution will be applied at the Bid Price of the Units on the next Valuation Day following receipt of the Contribution which is clearly attributable to the Contract. Each subsequent Contribution will be applied on the next Valuation Day following its receipt by us.
- 8.2. The number of Units allocated in respect of a Unit Fund will be calculated by multiplying the Contribution by the allocation rate and dividing by the Bid Price of the Units.
- 8.3. The allocation rate applicable to the Contribution will be shown on the Contract Certificate.
- 8.4. For the avoidance of doubt, if the Personal Fund invests in a Hansard Unit Fund, accumulator units in that Hansard Unit Fund will be allocated in accordance with these Contract Terms and Conditions and will constitute an investment within the Personal Fund.
- 8.5. If Hansard Unit Funds are to be acquired as an asset within the Personal Fund, the amount stipulated by you will be applied for their acquisition at the Bid Price of the Units on the next Valuation Day following receipt of your instructions.
- 8.6. Units in Hansard Unit Funds are notional units used solely for the purpose of calculating the value of your participation in that Unit Fund. the Company will only allocate Units in Hansard Unit Funds in respect of and subject to the Contract Terms and Conditions. Consequently, they cannot be held outside such a Contract.
- 9. Price of a Unit**
- 9.1. The Company will calculate the Bid Price of Units in a Unit Fund on each Valuation Day.
- 9.2. The minimum Bid Price of a Unit shall be determined by the value of the underlying assets of the Unit Fund at the market dealing price, less any costs of realising the assets of the Unit Fund that 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 of the Unit Fund at the market dealing price, increased by any cost of acquiring the assets of the Unit Fund that the Company deems appropriate, divided by the number of Units in the Unit Fund, the result being increased by not more than 0.5%.

Contract Terms and Conditions

- 9.4. The Bid Price of a Unit applying on a given Valuation Day will be between the minimum and maximum allowed by these Contract Terms and Conditions, 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. In cases where a Bid Price cannot be determined to meet these criteria, the Company has the right to defer the calculation until an appropriate Bid Price can be so determined.
- 10. Switching**
- 10.1. Switching from a Hansard Unit Fund
- 10.1.1. You may choose, at any time whilst this Contract is in force, to change the selected Hansard Unit Fund(s) by written notice to us, or by any other method of notice previously agreed by you with us. The relevant date of the change will be the next Valuation Day following the date on which we receive clear and precise written instructions from you and consent to your choice. We will only withhold our consent to your choice if the provisions of Clause 13 apply. On the relevant date, we will cancel the Units to be changed and the net value of these Units will be applied to the acquisition of Units in the Hansard Unit Fund(s) you have specified. Should you so instruct us, some or all of the proceeds of the cancellation of Units to be changed may be subsequently applied to the purchase of an asset in accordance with the provisions of Clause 10.2.2.
- 10.1.2. The number of Units to be allocated will be calculated by dividing the net value of the cancelled Units by the Bid Price of the replacement Units. The amount of the dealing charge, which applies in respect of each Hansard Unit Fund switched out of and switched into, is given in the Schedule One and will be deducted at the next quarterly charging date.
- 10.1.3. All cancellations of Units and acquisitions of replacement Units made under this Clause will be calculated at the Bid Price of Units at the next Valuation Day following the date on which your choice is accepted.
- 10.2. Switching other assets linked to the Personal Fund
- 10.2.1. You may choose, at any time whilst this Contract is in force, to change the assets (other than assets in Hansard Unit Funds) by written notice to us, or by any other method of notice previously agreed by you with us. We will add the amount realised by the sale of an existing investment to the Personal Fund. A dealing charge, which applies in respect of each transaction, will be incurred. The amount of the dealing charge is given in the Schedule One and will be deducted at the next quarterly charging date.
- 10.2.2. If money in the Personal Fund is applied to the purchase of an asset, a dealing charge is incurred. The amount of dealing charge which applies in respect of each transaction, is given in the Schedule One and will be deducted at the next quarterly charging date. Any asset to be held in the Personal Fund must fall within the limitations imposed under Clause 6.4.2 and we reserve the right not to accept or act upon any instructions which do not comply with this requirement.
- 11. Contract charges**
- 11.1. At quarterly intervals, or such other periods as we shall specify, and immediately before the termination of this Contract, we shall deduct and retain directly from the Personal Fund, amounts in respect of the following charges, which are described in Schedule One:
- Annual management charge
 - Service Charge
- 11.2. In some instances, the initial Service Charge and the annual management charge deduction will be of a pro-rata amount relating to the interval between the date of allocation of a Contribution and the next quarterly collection date. We have adopted this procedure to simplify the administration of the collection of the charge and it serves, therefore, to minimise the level of the charge to you and other Contract Holders. We reserve the right to change our procedure, should an alternative procedure be found to be more cost-effective for our Contract Holders.
- 11.3. As outlined in Clauses 6.3.3 and 10, each sale and each purchase of an asset, and each switch of a Hansard Unit Fund, will incur a dealing charge. Each transfer of an asset into or out of the Personal Fund will incur an asset transfer charge.
- 11.4. Our current practice is to deduct and retain charges at calendar quarterly intervals (31 March, 30 June, 30 September and 31 December) each year. The amount to be deducted will be equal in value, on the date of such deduction, to the total amount of the charges. That value will be calculated at the Bid Price of Units on the last Valuation Day preceding the date of such calculation.
- 11.5. If, at any time when deduction and retention of an amount is due, there is insufficient cash in the Personal Fund to meet the amount required, we shall act in accordance with the instruction relating to negative cash balances, contained in the application form.
- 11.6. If at any time the total value of the Personal Fund is insufficient to provide for the charges, the Contract will terminate without value.
- 11.7. All the monetary amounts referred to in Schedule One are normally reviewed yearly on 1 July and may be increased by the Company from time to time without notice. To ascertain at any time the then current charges and minimum and maximum values, enquiries should be directed to the Company.
- 11.8. Annual management charge on the Personal Fund
- 11.8.1. For the eight years following receipt and allocation of a Contribution, the amount of the relevant annual management charge applied on the Personal Fund will be as given in Schedule One; thereafter the charge will be reduced to zero. At the end of each quarterly period, beginning at the end of the first quarter following receipt and application of that Contribution, we will calculate the annual management charge by applying the appropriate percentage rate(s) given in Schedule One to those proportions of the total Contract Value which relate to each of the Contributions received.
- 11.8.2. For the first eight years following the allocation of a Contribution, where the Contract Value related to a Contribution is less than the relevant part of the Contribution Remaining Allocated in respect of that Contribution, we will calculate a further charge based on the difference between them by applying the appropriate percentage rate given in Schedule One.
- 11.8.3. Where Hansard Unit Funds are allocated to the Personal Fund, for the purposes of the further charge calculated in Clause 11.8.2, we will increase the Contract Value to reflect the Hansard Unit Fund annual management charge that has already been applied within the unit price.

Contract Terms and Conditions

This increase will be determined by applying one quarter of the Hansard Unit Fund annual management charge applied within the unit price to the average value of the Hansard Unit Funds during the quarter concerned. This average value is determined by taking the value of the Units at the beginning and at the end of the quarter concerned.

- 11.9. In addition to the charges described in Clause 11, an annual management charge, set out in Schedule One, will be deducted from the Hansard Unit Funds, which is reflected in the quoted Unit Bid Prices.

12. Surrender and withdrawal charges

- 12.1. At any time you may surrender, without incurring the discontinuance charge, all of the proportion of the total value which relates to Contributions paid more than eight years before the date of surrender. The remainder of the total value may be fully surrendered at any time, subject to deduction of the discontinuance charge.
- 12.2. Where the related Contribution has been invested for less than one year, the discontinuance charge is 9.6% of the greater of:
- (i) the relevant part of the Contribution Remaining Allocated in respect of that Contribution; or
 - (ii) the value of the Units related to the Contribution, immediately prior to the proposed surrender. The rate of discontinuance charge reduces by 1.2% for each year of investment of the related Contribution. The discontinuance charge will be reduced proportionately for withdrawals.
- 12.3. On full surrender, the Surrender Charge will be the sum of the discontinuance charge (if applicable), together with the annual management charge on the Personal Fund and the Service Charge accrued in the quarter to date.
- 12.4. On withdrawal, the Surrender Charge will be the sum of the discontinuance charge (if applicable) and the annual management charge on the Personal Fund on the amount withdrawn accrued in the quarter to date. If, immediately after a proposed withdrawal is effected, the value of the Units remaining allocated to the Contract will be less than the Service Charge for the quarter in which the withdrawal takes place, we may deduct the Service Charge from the amount to be paid in settlement of the withdrawal.
- 12.5. For all calculations required in connection with a surrender or withdrawal, we use the Bid Price(s) on the next Valuation Day following our receipt of a valid written request to surrender.

13. Events outside our control

- 13.1. We reserve the right if, in our reasonable opinion, exceptional circumstances arise and we consider it to be in the general interests of the majority of our Contract Holders to do so, to defer payment of benefits under the Contract and/or a withdrawal request, including a regular payment facility payment, and/or a switch request and/or defer pricing of a Unit in the Unit Fund.
- 13.2. Where it becomes necessary to defer:
- 13.2.1. the benefits payable under the Contract will be calculated at the Bid Price on the next Valuation Day after the end of the period of deferment;
 - 13.2.2. the withdrawal will be calculated at the Bid Price on the next Valuation Day after the end of the period of deferment;

- 13.2.3. the switch or sale will be calculated at the Bid Price on the next Valuation Day after the end of the period of deferment;
- 13.2.4. during such period of deferment, any Contributions which would otherwise have been allocated to a particular asset in the Fund will be redirected to one or more other assets in accordance with your written instructions; and
- 13.2.5. the pricing of a Unit will be calculated at the Bid Price on the next Valuation Day after the end of the period of deferment.

- 13.3. As the deferment could arise for a variety of reasons, the Company has the right to value the asset at nil or on any other reasonable basis during the time of deferment. This will impact on our ability to act on your instructions including the making of any payment under the Contract to you, be it an income payment or full surrender or withdrawal. Our obligation is to account to you for the sums actually received from the manager of any underlying investment fund chosen by you less any charges under the Contract.
- 13.4. We shall be entitled to a reasonable extension to perform any obligation under this Contract where the delay is due to any cause beyond our reasonable control.
- 13.5. If, after six months, we have been unable to obtain a price for an asset due to these exceptional circumstances, we may arrange for transfer of the title of the asset to you (if practicable and allowed by law), provided always that the asset concerned does not consist of Units in a Hansard Unit Fund.

14. Legislative changes and force majeure

- 14.1. If and whenever circumstances outside our control (force majeure) or legislative changes in any country prevent us from fulfilling precisely our obligations under this Contract, we will amend those obligations in such a way as to enable us to meet our original obligations as nearly as is possible, whilst acting within the confinements imposed upon us by such circumstances or legislative changes. Where we have delegated any function under this Contract to a third party, we will seek to amend the relevant contractual documentation to take account of the circumstance or legislative changes.

15. Issue of Contracts for additional Contributions

- 15.1. We cannot guarantee that this class of Contract will always be available to new applicants and on precisely the same terms and conditions as shown in this document or that future additional Contributions will be accepted on precisely the same terms and conditions as shown in this document. If you elect at a future date to make an investment under this Contract, this may necessitate the issue of a new Contract and that new Contract will be subject to the terms and conditions then offered to new applicants. If this Contract is no longer available to new applicants, you should ask your Independent Financial Advisor to recommend to you an alternative Contract which appears to be suitable and appropriate.

16. Surrender and Surrender Value

- 16.1. You may surrender the Contract subject to receipt by the Company of the necessary documents referred to in Clause 22.
- 16.2. The Surrender Value will equal the value of Units allocated to the Contract at the Bid Price applying at the next Valuation Day after the Company receives written instructions for the surrender, less any Surrender Charges outlined in Clause 12. On payment of the Surrender Value, the Contract will terminate and no further benefits under the Contract will be payable.

Contract Terms and Conditions

17. Withdrawal

- 17.1. You may withdraw money from the Contract subject to the provisions of Clause 22.
- 17.2. A charge may apply when a withdrawal is taken as defined in Clause 12.

18. Rounding

- 18.1. The number of Units deemed to be allocated to this Contract under Clause 8 and cancelled under this Contract under Clauses 10, 16 and 17 will include fractions of a Unit rounded to the nearest second decimal place (or as many places as we decide appropriate). The Bid Price of Units will be calculated under Clause 9 to at least three significant figures.

19. Currency

- 19.1. The currency of the Contract is shown in the Contract Certificate and all Contributions not received in that currency will be converted to that currency at the rate, and subject to any applicable charges for such conversion, offered by the Company's bankers on the business day after the Company receives payment.
- 19.2. Benefits payable under the Contract will be paid in the currency referred to in the Contract Certificate unless the Contract Holder requests, in writing, payment in another currency. If the Contract Holder requests payment in another currency, payment will be subject to the conversion rate offered by the Company's bankers and any applicable charges for such conversion.

20. Contract Ownership Rights

- 20.1. Where the Contract is taken out by two Contract Holders, in the absence of written instructions to the contrary, should one of the Contract Holders die ownership will pass to the surviving Contract Holder, subject to Clause 21 and where applicable any life assurance provisions specified in the Contract Certificate.
- 20.2. Where the Contract is taken out or held by one Contract Holder the Company will accept instructions from the deceased Contract Holder's legally appointed "executor", "personal representative" or "administrator" (as applicable) of their estate.
- 20.3. 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 in force. The deed of assignment must be fully completed and signed by the current Contract Holder(s) and the new Contract Holder(s). 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.
- 20.4. The Contract Holder(s) may nominate a beneficiary or beneficiaries by completing the "Beneficiary Nomination Form" or "Transfer of Ownership Form" prescribed by the Company to specify to whom applicable benefits under the Contract should be paid.
- 20.5. The nomination of a beneficiary shall not:
 - 20.5.1. affect the ownership of the Contract which will remain with the Contract Holder(s); and
 - 20.5.2. confer any right or rights in the Contract on a beneficiary until a benefit under the Contract becomes payable by the Company.
- 20.6. 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 Holder. 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.

- 20.7. Where a Contract Holder 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 Holder's estate.

21. Death Benefit

- 21.1. On the notification of the death of the relevant Life Assured, the Contract will end and we will pay the sum assured, which will be determined as follows:
 - 21.1.1. In the case of a single life Contract, the sum assured will be 101% of the Contract Value, unless the Life Assured is over age 75 on the Commencement Date of the Contract, in which case the sum assured will be 101% of the Surrender Value of the Contract.
 - 21.1.2. In the case of a joint lives first death Contract, the sum assured will be 101% of the Contract Value, unless any of the Lives Assured is over age 75 on the Commencement Date of the Contract, in which case the sum assured will be 101% of the Surrender Value of the Contract.
 - 21.1.3. In the case of a joint lives last death Contract, the sum assured will be 101% of the Contract Value, unless all of the Lives Assured are over age 75 on the Commencement Date of the Contract, in which case the sum assured will be 101% of the Surrender Value of the Contract.
- 21.2. If the death giving rise to the claim was suicide, irrespective of whether the Life Assured was sane or insane at the time, and if the death occurred within one year of the Commencement Date of this Contract, the sum assured will become payable in accordance with the instructions of the trustees (if the Contract has been placed in trust), or of the assignees (if the Contract has been assigned). If the Contract has not been placed in trust or assigned, we shall have complete discretion as to the amount of the Death Benefit payable. However, the amount payable shall never be less than the Surrender Value of the Contract upon our receipt of notification of death.
- 21.3. The value of the Units will be their value at the Bid Price applying on the next Valuation Day following receipt by us of notification of the death of the Life Assured.
- 21.4. In the case of a joint lives first death Contract, the Death Benefit will become payable upon our receipt of notification of the death of whichever of the Lives Assured dies first. In the case of a joint lives last death Contract, the notification of the death of the last of the Lives Assured to die will give rise to the death claim.
- 21.5. The sum assured is payable only after deduction of any amount due to us in connection with this Contract. Once payment has been made, the Contract will terminate and no further benefits under the Contract will be payable.
- 21.6. Before we will pay a Death Benefit, we will require evidence of the date and cause of death and other documents or information that the Company may reasonably request.

Contract Terms and Conditions

22. Surrender and withdrawal benefit

- 22.1. The surrender benefits described below will become payable only after deduction of any amounts due to us under this Contract, including any dealing charge due from the sale of an asset.
- 22.2. You can surrender this Contract, wholly or in part, at any time by giving us written notice in the form required under our procedures at the time.
- 22.3. In the case of a withdrawal, you can only surrender Units with a value equal to or greater than the minimum withdrawal amount set out in Schedule One. After a withdrawal, the number of Units remaining allocated to the Contract will be reduced accordingly. If more than one Contribution has been applied under the Contract, Units relating to the earliest Contribution(s) will be cancelled first. When no Units remain allocated to the Contract, it will terminate and have no further value.
- 22.4. The amount payable on any withdrawal or full surrender will be the value of the surrendered Units less the relevant charges as described under 'Surrender and withdrawal charges' in Clause 12.
- 22.5. The value of surrendered Units is calculated by reference to the Bid Price applying on the next Valuation Day following receipt by us of the required written notice.

23. Notices

- 23.1. All notices which the Contract Holder is required to give must be sent to the Company using the following methods:

- In writing:
Hansard International Limited
Harbour Court
Lord Street
Box 192
Douglas
Isle of Man
IM99 1QL
British Isles
- By telephone: +44 (0)1624 688000
- By email: global.support@hansard.com
- Or by using the Online Account at hansard.com

- 23.2. The address of the Company's Registered Office is Harbour Court, Lord Street, Box 192, Douglas, Isle of Man, IM99 1QL, British Isles.

24. Complaints

- 24.1. 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 23.1, marked for the attention of the Complaints Manager
 - By email: complaints@hansard.com

25. Tax

- 25.1. In the event of any changes in taxation (including change due to an alteration in the residency status of the Contract Holder) affecting our liability, which become effective after the Commencement Date, in relation to either the Company, the Hansard Unit Funds or the benefits under this Contract, we shall make such modifications to the benefits and conditions of this Contract as are necessary

to enable us to meet the benefits and conditions as closely as is reasonably possible whilst acting within the confinements imposed upon us by such changes in taxation. In the event that the 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 Appointed Actuary who will take into account your interests and those of the Company.

- 25.2. The Company maintains the Hansard Unit Funds on behalf of the Contract Holders, and the capital gains and investment income arising on the Hansard Unit Funds are not currently subject to tax.
- 25.3. 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 you become resident in one of these territories, the Company must be notified promptly. We will then let you know if we can continue to accept in respect of this Contract:
 - 25.3.1. payment of any further Contributions; or
 - 25.3.2. any instructions to vary the choice of assets.
- 25.4. In the event of any changes in taxation or other legislation affecting us, the investment funds or the benefits payable under this Contract, we may make such alterations we consider necessary to the terms and conditions of the Contract to take account of such changes and take such other action as we are obliged to do so by law. We will notify the Contract Holder accordingly as soon as reasonably practicable.

26. Unclaimed Contract Benefits

- 26.1. Although the Company will pay the relevant benefits under the Contract as described in Clauses 21 and 22, there may be situations where the Contract Holder or Nominated Beneficiary do not claim the benefits under the Contract.
- 26.2. In such a situation the Company will endeavour to contact the Contract Holder or Nominated Beneficiary by any reasonable means available at the time. If after all reasonable efforts to contact the Contract Holder or Nominated Beneficiary are exhausted or five years elapse from the date the benefit under the Contract was due to be paid, then the benefit will be classified as unclaimed and as such will no longer be deemed a liability of the Company.

27. Variations to the Contract

- 27.1. The Contract may only be varied by a written endorsement duly signed by a person expressly authorised by the Company for that purpose.
- 27.2. The Company may change any of the Contract Terms with or without notice in the following circumstances:
 - 27.2.1. there is a change in legislation or regulation that affects the interpretation of the Contract;
 - 27.2.2. if the effect of continuing to apply a Contract Term is deemed to unfairly impact the Contract Holder; or
 - 27.2.3. the desired outcome is to make the Contract Terms and/or Contract Documents clearer or rectify any errors or omissions.

Contract Terms and Conditions

28. Place at which this Contract was made

- 28.1. The Contract Holder'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.

29. Law

- 29.1. 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.
- 29.2. 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.

30. Levies for Contract Holder protection

- 30.1. 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 Holder protection scheme from time to time in operation in the Isle of Man.



HANSARD
INTERNATIONAL

Hansard International Limited (Far East)

Brighton Place, Ground Floor, No U0215, Jalan Bahasa, P.O. Box 80431, 87014, Labuan FT

Telephone: +44 1624 688000 Website: hansard.com

Company Number: LF06823 Licence Number: IS200996

A Member of the Labuan International Insurance Association

Regulated by the Labuan Financial Services Authority

Hansard International Limited

Harbour Court, Lord Street, Box 192, Douglas, Isle of Man IM99 1QL, British Isles

Telephone: +44 1624 688000 Website: hansard.com

Registered Number: 032648C

Regulated by the Isle of Man Financial Services Authority