



Investment & Protection Plan Policy Provisions

1. Definitions

Benefit Amount means the amount of each given benefit type shown on the schedule.

Company Actuary means the Actuary appointed by the Company in accordance with the Insurance Companies Act (1993).

Company means Windsor Life Assurance Company Limited.

Head Office means Windsor House, Telford Centre TF3 4NB or such other address as shall be notified to the Policyholder.

Life Assured means the person or persons indicated in the schedule upon whose life or lives the benefits are payable.

Payable Event means the event on which the Benefit Amount is payable as shown on the schedule. For joint life cases, this refers to the first Payable Event occurring to either of the Lives Assured.

Period of Assurance means the period over which benefits are payable as shown in the schedule.

Policyholder means the Policyholder stated in the schedule or assignees entitled to receive the benefits payable under the policy.

2. Payment of Benefits

The benefits are payable to the Policyholder, his/her executors, administrators or assignees unless otherwise stated in the special provisions.

3. Premium Payments

(a) The premium stated in the schedule shall be payable through the direct debit system or such other method as may be acceptable to the Company.

(b) 30 days of grace are allowed for the payment of premiums. In the event of the benefit becoming payable under the policy, any unpaid due premium(s) will be deducted from the amount payable.

(c) If a premium due under the policy is not paid either when due or within the permitted days of grace, then the policy will be made paid up and such charges as are made by the Company will continue to be made on the policy in accordance with Provision 13. In this event:-

- i) the policy will remain in force for as long as the surrender value (see provision 12) exceeds any charges due;
- ii) where the surrender value does not exceed the amount of due charges, the policy will lapse immediately without value;
- iii) no benefit will become payable under the waiver of premium benefit.

(d) If the policy has been paid up, the policy may be reinstated at any time, by recommencing payment of premiums. Reinstatement of waiver of premium benefit is subject to the provision of evidence of health satisfactory to the Company.

4. Fund and Units

(a) The Company shall maintain a number of investment funds, which are divided into units. The Company retains legal and beneficial ownership of the underlying assets and shall have discretion on the investment content of the funds. The Company may at its discretion add to or reduce the number and type of funds which are available for investment.

(b) The Company may at its discretion introduce money into or withdraw money from each fund at any time subject to the respective creation or cancellation of the appropriate number of units.

(c) The Company may at any time borrow money from any source in connection with the operation of any funds and shall have power to charge the assets of the funds as security. The liability of the Company for repayment of such borrowing and any interest due and any expenses incurred shall be deemed to be a liability of the funds.

(d) Income from the assets of a fund shall accrue to and form part of the fund.

(e) The Company shall be entitled to deduct from each fund:

- (i) the costs of acquiring, disposing of and valuing the assets of the fund; and
- (ii) appropriate amounts for any expenses, duties, levies and other charges. Details on charge deductions are set out in Key Features or can be obtained from us in writing.

(f) The prices of a unit in each fund are calculated at such time intervals as the Company shall decide at its discretion. The Company's decision on the value of each fund shall be final.

(g) The price of a unit shall be calculated by reference to the value of the fund reduced by all mortgages, charges, liabilities and provisions in respect of the assets. The results are divided by the number of units in issue at that time and rounded by not more than 1%.



5. Allocation of Units

- (a) On the due date of each premium, the premium shall be deemed to secure an allocation of units. In the event of a Premium not being received by its due date, the Company reserves the right to substitute the price of a unit ruling on the actual date of receipt by the Company for the purpose of allocating units.
- (b) At each allocation of units, the number of units allocated will be rounded to the nearer one-hundredth part of a unit.
- (c) The allocation of units is notional and is relevant only to the calculation of benefits under the policy and shall not confer any legal or beneficial interest in the units or the investments of the underlying fund.

6. Maturity Benefit

The amount payable on maturity is the value of units then attaching to the Policy.

7. Death Benefit

- (a) If a Payable Event occurs causing the death benefit amount to become payable before expiry of the Period of Assurance, the amount payable will be the Benefit Amount or, if greater, the value at the price of the units attaching to the policy at the date of notification.
- (b) On payment of the benefit in these circumstances, the policy expires without further value.

8. Terminal Illness Benefit

Where this benefit applies to the Policy, as indicated in the Schedule, the following terms and conditions apply:-

- (a) **Diagnosis of terminal illness** is that the Life Assured is suffering from a disease, the prognosis of which is that the Life Assured will not survive 12 months from the date of first notification to the Company, as made by a consultant physician holding an appointment in a UK hospital; and accepted as such by a registered medical practitioner nominated by the Company.
- (b) If a Payable Event occurs causing the terminal illness benefit amount to become payable before expiry of the Period of Assurance, the amount payable will be the Benefit Amount or, if greater, the value of the price of the units attaching to the policy at the date of notification. On payment of the benefit in these circumstances, the policy will expire without further value.
- (c) In any event this benefit will not become payable under any circumstances in the final twelve months of the Period of Assurance.

9. Waiver of Premium

Where this benefit applies to the policy, as indicated in the schedule, the following terms and conditions apply:-

- (a) The benefit is payable if the Life Assured should suffer an incapacity. This is defined as ceasing to be employed in or receiving income from his or her normal occupation or any other occupation as a result of illness or injury.
- (b) The incapacity has to continue for a continuous waiting period of 6 calendar months before a claim is payable.
- (c) The Life Assured must be able to provide evidence that he or she has been working with remuneration for an average of at least 30 hours per week during the 12 months immediately prior to incapacity.
- (d) The Company will waive the payment of premiums falling due after the waiting period and while the incapacity continues until the Life Assured attains the age of 60 or until the policy ceases through maturity, death or disability, whichever is the earliest.
- (e) If premiums are paid other than monthly, an appropriate adjustment will be made to the first premium due after recovery.
- (f) Benefits will become payable only in accordance with Provision 11.

10. Disability Benefit

Where this benefit applies to the policy, as indicated in the schedule, the following terms and conditions apply:-

- (a) **Disabled** means permanent, total and irreversible disability, being unable to work in his or her normal occupation or any other occupation as a result of illness or injury and never being able to return to any occupation and proved to the satisfaction of the Company and occurring before the Life Assured attains the age of 60.
- (b) If the Life Assured should become disabled and thereby cease to be employed in, or receive income from any occupation, a payment will become due under this policy. The amount will be the disability benefit amount, or if greater, the value at the current price of the units attaching to the policy.
- (c) Benefits will become payable only in accordance with Provision 11.
- (d) On payment of the benefit in these circumstances, the policy will expire without further value

11. General Conditions of Waiver and Disability Benefits

- (a) Written notice of the event giving rise to the incapacity or disability together with a description of the occupation at the time of onset of incapacity or disability must be sent to



and received by the Company at its Head Office. For Waiver claims, this must not later than 4 weeks before the expiry of the 6 month waiting period. If this notice is not given by such time, the onset of incapacity shall be deemed to have commenced 4 weeks prior to the actual receipt of the notice by the Company at its Head Office. On receipt of the notice, the Company will issue a claim form which must be returned, duly completed, and received by the Company at its Head Office.

- (b) The Life Assured must be under the care of a registered medical practitioner. Certificates issued by the Company, completed and signed by the Life Assured and a registered medical practitioner, at the expense of the Life Assured, must be sent to the Company as required. The Company may at any time require, at its expense, the Life assured to be examined by a registered medical practitioner nominated by the Company.
- (c) No benefit under this Provision will be allowed where the incapacity or disability results from:-
- (i) failure to seek or follow medical advice;
 - (ii) self-inflicted injury;
 - (iii) the taking of alcohol or drugs otherwise than under the directions of a registered medical practitioner;
 - (iv) any past, present or future period of incapacity where the Life Assured has been or is at any time found by medical examination, testing or otherwise to be infected by (which includes sero-positive to) any Human Immuno-deficiency Virus (HIV) or Acquired Immune Deficiency Syndrome (AIDS) or other similar or related condition or syndrome;
 - (v) aviation except as a farepaying passenger on a scheduled air route;
 - (vi) war (whether declared or not);
 - (vii) riot; or
 - (viii) participation in any form of race; or
 - (ix) living outside of the European Union, Channel Islands, Isle of Man or Gibraltar for more than 13 consecutive weeks in any 12 months.
- (d) The occupation of the Life Assured will be deemed to be that notified to the Company at the commencement of the policy. Any change of occupation must be notified without delay to the Company at its Head Office. If, in the Company's opinion, the new occupation is of a more hazardous nature, the Company may amend the benefit under this provision or increase the premium stated in the schedule as necessary.

12. Surrender Value and Loans

- (a) The surrender value will be an amount equal to the value of the units attaching to the policy determined at the price of a unit ruling at that time.
- (b) The Company on the sole security of the policy may grant loans provided there is sufficient uncharged surrender value.

13. Cost of Benefits

The cost of providing the benefits is made by monthly charges. If a Life Assured has not been accepted on the Company's standard terms, the charging rates will be adjusted accordingly to reflect the additional costs of providing cover. The charges are made by a reduction to the number of units attached to the policy, equal in value to the charges.

14. Fund Switching

- (a) The Policyholder may elect to have units switched between funds whenever he or she chooses. This means that units allocated to the policy will be cancelled, and the value of the units will be applied to the allocation of units in any other investment fund available for policies of this type. The number of units to be allocated will be calculated using the price on the valuation date on or following receipt of written instruction at Head Office.
- (b) Charges, as set out in Key Features or otherwise notified to you in writing, will be deducted before any such switch takes place. Following a switch, future premiums will be allocated to the policy in the specified fund(s) in such proportion as the policyholder may specify.
- (c) The Company reserves the right to defer switching of units in exceptional circumstances as set out in Provision 16 paragraph (f) below.

15. Policy Review

- (a) Reviews will be conducted at intervals of not greater than once every five years, on a basis determined by the Company Actuary. If at any review, it appears, based on factors set out in (b) below, the policy is unlikely to provide the target benefits at maturity, then the Company may recommend an increase in premiums.
- (b) For the purpose of reviews in (a) above the Company shall have regard to the present values at that time of the value of units attaching, future premiums, future anticipated rates of unit growth, and future mortality and morbidity charges.

An increase in premium recommendation may only arise if:

- i The original assumption for any of these factors has not been borne out in practice (eg unit growth has been lower than expected)



ii The future assumption for one of these factors changes.

- (c) If at any review the premium cannot be increased sufficiently then other options may be offered including reducing certain Benefit Amounts, effecting new policies or extending the term.
- (d) Should a recommended policy review action not be taken up by the policyholder, then the Company reserve the right to reduce any of the Benefit Amounts to a level it deems supportable by the future premiums.

16. General

- (a) The policy is free from all restrictions on occupation, residence or travel other than as described in paragraph (d) of Provision 11.
- (b) All notices of assignment affecting title to this policy must be delivered to the Company at its Head Office. No agent of the Company is authorised to receive, acknowledge or transmit notices of assignment.
- (c) Any request to pay benefits under the policy or any options selected by the Policyholder under these provisions must be notified in writing to the Company at its Head Office.
- (d) All benefits and premiums under the policy are payable in sterling at the Head Office of the Company.
- (e) The Company reserves the right to require that the age of the Life Assured be proved before any benefits are paid under the policy. If the date of birth of the Life Assured has been mis-stated, the terms of the policy shall be adjusted having regard to the actual age of the Life Assured.

- (f) We may give you notice that we will defer cancellation of units from the date we receive your instruction to cancel. We will only do this in exceptional circumstances, where we feel such action is required to protect your interests and those of other policyholder's. Such a deferment would apply where markets for the sale of the Fund's assets are subject to conditions such that the assets can not be readily traded at prices which allow us to ensure that policyholder reasonable interests are protected (as may be the case for example, where the fund holds assets in the form of buildings or land). The period of deferment will not be longer than 6 months. In any event, we will always act in a reasonable manner, with the protection of policyholder interests in mind. This provision does not apply to the payment of Death Benefits.
- (g) If at any time during the currency of the policy there is a change in taxation affecting the policy or, as a result of legislation or otherwise, investment in shares or property is disallowed or restricted or it becomes impracticable or inequitable as between policyholders to carry out the procedures laid down in this policy, the Company reserves the right to make any related and reasonable changes to the terms of the policy as it considers appropriate to the circumstances.
- (i) The Policy shall be governed by the Law of England.

This version 0.2 of TP350 policy provisions is correct as at July 2009