



Invested Lifetime Annuity - Policy Provision

1. Definitions

In these Policy Provisions, unless the context indicates otherwise, the following words or expressions shall have the meanings shown:

Annuity means the benefit payable under this Policy as stated in the Schedule.

Annuitant means the person named as the Policy Holder in the Schedule.

Commencement Date means the start date of the Annuity stated in the Schedule.

Guarantee Period means a period of 5 years from the start of the policy, during which the Annuity will be paid even if the Annuitant does not survive.

Joint Life Annuity means an Annuity that will be paid to a Surviving Partner after the death of the Annuitant.

Principles and Practices of Financial Management means the document that sets out how we manage the With-Profits Fund.

Protected Rights means benefits provided in place of the State Earnings-Related Pension Scheme (SERPS) or the State Second Pension (S2P) during periods of contracted out employment.

Rules mean the rules of the registered pension scheme from which the purchase price of this Annuity came (if applicable).

Schedule means the Schedule attached to and forming part of this Policy.

Surviving Partner means a spouse, partner or civil partner nominated by the Annuitant who survives the member, provided at the date of the member's death:

- the spouse was still married to the member (in the case of a spouse),
- the civil partnership had not been dissolved or annulled before the member's death (in the case of a civil partner), or
- the partner was wholly or partly dependent on the member financially immediately before the member's death (in the case of a partner other than a civil partner).

We, us or our means Windsor Life Assurance Company Limited

2. Payment of Benefits

The Annuity shall be payable by instalments. The due date of the first Annuity payment is stated in the Schedule. It shall be payable until the later of the date of death of the Annuitant

and the end of the Guarantee Period stated in the Schedule.

For benefits other than Protected Rights, if the Annuitant has chosen a Joint Life Annuity then the chosen level of benefit will be paid to the Surviving Partner named by the Annuitant on the original application form.

For Protected Rights, if the Annuitant is married, or in a civil partnership, at the Commencement Date and has a Surviving Partner, then we will pay a pension after the Annuitant's death to:

- the spouse who was still married to the member at their date of death, or
- the civil partner provided the partnership had not been dissolved or annulled before the Annuitant's death.

If the Annuitant is not married, or in a civil partnership, at the Commencement Date the Annuitant may choose whether or not to include such a pension.

We will not make any part payment of the Annuity if the Annuitant dies before their next payment falls due.

3. Regular Bonuses

Every year a bonus will be declared in accordance with the Principles and Practices of Financial Management. This bonus will be added to your Annuity from the anniversary of the Commencement Date. The bonus will never be negative but may be zero. Once added, regular bonuses are payable until the end of the Annuity in accordance with Provision 2. We will continue to declare bonuses until the end of the Annuity.

4. General

- (a) Benefits will be payable in accordance with the Finance Act 2004 and the Rules (where applicable).
- (b) No payment may be made by us which would be classed as an unauthorised payment under the Finance Act 2004 or any subsequent amending act or statutory instrument.
- (c) Payment of benefits under this policy will be subject to us receiving proof as required that the benefits are still payable.
- (d) If during the life of the policy there should be a change in taxation affecting the policy or as a result of a change in the law



investment in shares or property is disallowed or restricted or in consequence of such changes it becomes impracticable or inequitable as between policyholders to carry out the procedures laid down in this policy, we reserve the right to make any related and reasonable changes to the terms of the policy to reflect the changes in law or taxation. We will tell you about any alterations.

- (f) This policy shall be governed by the Law of England.
- (g) Reference in this policy to any Act of Parliament or any part or section of an Act includes any statutory modification or re-enactment of it and any regulations made under it.

This version 0.7 of AP150 policy provisions is correct as at July 2009.