

# Estate Control Bond

## Policy Terms and Conditions

The Estate Control Bond consists of a series of identical single premium unit-linked endowment life assurance policies. Based on an application for the Estate Control Bond the terms and conditions of a life assurance contract with Isle of Man Assurance Limited (hereinafter referred to as "IOMA Life") are set out in each policy.

Each policy is made up of and is subject to:

- (i) the application form for the Estate Control Bond;
- (ii) the Policy Provisions;
- (iii) the Policy Schedule; and
- (iv) any endorsement(s) on the Policy Schedule.

Signed on behalf of Isle of Man Assurance Limited

A handwritten signature in black ink, appearing to be a stylized 'W' or similar character, with a horizontal line underneath it.

Authorised Signatory

Dated the same date as the Policy Schedule



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# Glossary of Terms

**Adviser** - A financial adviser authorised under section 31 of the Financial Services and Markets Act 2000 in the United Kingdom to act as an intermediary and adviser to the Policyholder(s) in connection with the Bond and the Portfolio or authorised or permitted to act under any similar legislation in force in the jurisdiction in which that person carries on such activities.

**Appointed Adviser** - The Adviser who is for the time being appointed by the Policyholder(s) in connection with the Bond.

**Bond or “the Estate Control Bond”** – the Estate Control Bond underwritten by IOMA Life and consisting of the Policies.

**Bond Currency** - The currency in which the Bond is denominated as specified in the Policy Schedule.

**Cash** - Cash held in the Portfolio.

**Cash Account** -The current account maintained by IOMA Life in accordance with paragraph 1.5 of the Policy Provisions.

**Commencement Date** – The date on which the Policy commenced as specified in the Policy Schedule.

**Custodian** – The custodian appointed by IOMA Life to accept and act on investment instructions given by IOMA Life, the Policyholder(s) or the Appointed Adviser, and to hold the Portfolio for IOMA Life’s benefit.

**Head Office** – The principal place of business of IOMA Life in the Isle of Man.

**Investment Manager** – Any investment manager authorised under section 31 of the Financial Services and Markets Act 2000 (or authorised or permitted to act under any similar legislation in force in the jurisdiction in which that person carries on investment management activities), and appointed by the Policyholder in accordance with paragraph 1.2 of the Policy Provisions to manage the Portfolio and to hold the investments for IOMA Life’s benefit.

**Life Assured** – The life or lives assured as specified in the Policy Schedule.

**Payment Date** – The date in each calendar quarter when the annual management charge and monthly policy charge are payable in connection with the Bond in accordance with paragraphs 2.2 and 2.3 of the Policy Provisions is deducted from the Portfolio.

**Policyholder(s)** – The grantee or grantees or the surviving grantee or their successors in title as legal owners of the Bond.

**Policies** – All of the single premium unit-linked endowment policies issued by IOMA Life, comprising the Bond and in force at any time, the numbers of which appear in the Policy Schedule(s) and Policy shall mean one of the Policies.

**Policy Provisions** – These standard policy terms and conditions and any special policy terms and conditions included in the Policy Schedule, and any endorsement(s) on any of them.

**Policy Schedule** – The policy schedule issued by IOMA Life which includes details of the grantee or grantees of each Policy issued following acceptance by IOMA Life of an application for the Estate Control Bond and the number identifying such Policy.

**Portfolio** – A separately identifiable portfolio of investments (including uninvested cash), together with any liabilities, which are allocated for the purpose of determining the benefits payable under the Bond.

**Premium** – The amount paid to IOMA Life in connection with an application for the Estate Control Bond for allocation to the Policies following acceptance by IOMA Life of that application.

**Valuation Date** –The date on which the Bond is valued, normally being quarterly. Should it be appropriate, in IOMA Life’s opinion, to value the Portfolio more frequently, IOMA Life reserves the right at its discretion to do so.



# Standard Policy Terms & Conditions

## 1. Details of the Bond

### 1.1 The Bond

- (1) On the Commencement Date IOMA Life shall:-
  - (i) establish the Bond;
  - (ii) credit the Premium to the Cash Account; and
  - (iii) deduct any initial charges before transferring the balance of the Premium to the Custodian or Investment Manager.
- (2) The benefits payable under each Policy on maturity or death are based on the value of the Portfolio. The assets allocated to the Portfolio shall be legally and beneficially owned by IOMA. Such assets shall be held in the name of IOMA Life, the Custodian or the Investment Manager.
- (3) All income and capital gains arising from the assets allocated to the Portfolio shall be credited to the Portfolio.

### 1.2 Adviser or Investment Manager

- (1) The Policyholder(s) may appoint an Adviser to advise the Policyholder(s) on the composition of the Portfolio. The Policyholder(s) may at any time rescind the appointment of the Appointed Adviser and appoint a new Adviser, by notice in writing to IOMA Life in such form as IOMA Life may determine from time to time. The terms and conditions of the appointment of any Adviser shall be subject to the detailed provisions of an agreement entered into by the Policyholder(s), IOMA Life and the Adviser and subject to the Policy Provisions.
- (2) Alternatively, the Policyholder(s) may at any time request, in writing, that IOMA Life consent to the appointment of an Investment Manager to manage the Portfolio on a discretionary basis. The Policyholder(s) may at any time notify IOMA Life that it has rescinded such appointment and may request in writing that IOMA Life consent to the replacement of any Investment Manager in such form as IOMA Life may determine from time to time. The terms and conditions of the appointment of any Investment Manager shall be subject to the detailed provisions of an agreement entered into by the Policyholder(s), IOMA Life and the Investment Manager and subject to the Policy Provisions.

### 1.3 Transaction Instructions

- (1) All transaction instructions from the Policyholder(s) relating to the composition of the Portfolio shall be sent directly to the Investment Manager, the Custodian or IOMA Life.
- (2) Transaction instructions shall be deemed valid if received by fax, email or post or, where available, by the website of the Custodian or the Investment Manager.
- (3) Transaction instructions emanating from the Appointed Adviser will be deemed to have been given by the Policyholder(s) directly. For the avoidance of doubt, any other instruction relating to changes of name, address, bank account or withdrawals and surrenders shall be sent only to Isle of Man Assurance.

#### 1.4 Asset Allocation

- (1) The composition of the Portfolio will be determined by the Policyholder(s), the Investment Manager or the Appointed Adviser. The Policyholder(s) or the Appointed Adviser may determine the composition of the Portfolio by giving valid instructions to IOMA Life or the Custodian in accordance with paragraph 3.1(3) below subject to:
  - (i) paragraph 1.4(6) below; and
  - (ii) any limits or restrictions imposed by IOMA regarding:
    - (a) the minimum size of any holding of assets allocated to the Portfolio;
    - (b) the balance in the Cash Account; and
    - (c) the minimum value of the Bond.

The Policyholder(s) or the Appointed Adviser may only instruct IOMA Life or the Custodian to purchase assets for allocation to the Portfolio from the range of cash deposits and pooled assets specified by IOMA Life or otherwise specifically agreed by IOMA Life from time to time as being eligible to be purchased for allocation to the Portfolio, and subject to any maximum or minimum limits specified by IOMA Life.

Where the Policyholder(s) has appointed an Investment Manager, the composition of the Portfolio will be determined by the Investment Manager (subject to the purchase of assets for allocation to the Portfolio being restricted to the range of cash deposits and pooled funds specified by IOMA Life or otherwise specifically agreed by IOMA Life from time to time as being eligible to be purchased for allocation to the Portfolio) in accordance with its agreement with the Policyholder(s) and IOMA and, subject thereto, on a basis as agreed between the Policyholder(s) and Investment Manager.

- (2) In the remaining sub-paragraphs of paragraph 1.4, where there are references to IOMA Life these shall, where relevant, be read as references to IOMA Life or the Custodian and references to the Cash Account shall, where relevant, be read as references to the cash settlement account maintained by the Custodian in respect of the Portfolio. Any instruction given to IOMA Life, rather than directly to the Custodian, will be forwarded by IOMA Life to the Custodian for processing.
- (3) On receiving a valid instruction made in accordance with paragraph 3.1(3) below to change the composition of the Portfolio, IOMA Life will normally process the instruction:-
  - (i) on the first day on which IOMA Life is open for business after IOMA Life has received the request;
  - (ii) if the instruction is to purchase an asset, on the date on which a sufficient amount of cash has been cleared in IOMA Life's bank account and credited to the Cash Account (or, if that is not practicable, on the first day on which IOMA Life is open for business after such date); or
  - (iii) on an alternative date acceptable to IOMA Life;

Notwithstanding the above, IOMA Life reserves the right to delay the processing of an instruction to change the Portfolio's composition if:-

- (a) IOMA Life cannot readily deal in the appropriate assets to the value of the instruction on the processing date as previously described; or
- (b) it is not reasonably practicable for IOMA Life to process the instruction on that date due to circumstances beyond IOMA Life's control;



In such circumstances IOMA Life will normally process the instruction on the first day on which it becomes reasonably practicable for the transaction to be executed after the end of the period of delay.

- (4) Subject to paragraph 1.4(3) above, IOMA Life will process a valid instruction given in accordance with paragraph 3.1(3) below to purchase to a total value specified by the Policyholder(s) or the Appointed Adviser an asset for allocation to the Portfolio by:-
- (i) purchasing the appropriate assets to the total value specified by the Policyholder(s) or the Appointed Adviser at the prices readily available to IOMA Life at the time of the purchase; and then
  - (ii) debiting the Cash Account on the due date for settlement of the transaction with the purchase price, together with all expenses, taxes, duties and charges in connection with the purchase.

For the avoidance of doubt, any assets purchased following a valid instruction pursuant to this paragraph 1.4(4) will be purchased at not more than the open market buying price.

- (5) Subject to paragraph 1.4(1) above, IOMA Life will process a valid instruction made in accordance with paragraph 3.1(3) below to sell to a total value specified by the Policyholder(s) or the Appointed Adviser an asset allocated to the Portfolio by:-
- (i) selling the appropriate assets to the total value specified by the Policyholder(s), or Appointed Adviser, at the prices readily available to IOMA Life at the time of the sale; and then
  - (ii) crediting the Cash Account on the due date for settlement of the transaction with the sale proceeds, net of all expenses, taxes, duties and charges in connection with the sale.
- (6) Notwithstanding any other term or condition in the Policy Provisions, IOMA has the right, at all times:-
- (i) to determine the range of cash deposits and pooled funds which can be allocated to the Portfolio and the maximum and minimum investment values that can be held in each cash deposits pooled fund;
  - (ii) to refuse an instruction to sell or realise in any other manner any asset allocated to the Portfolio which IOMA Life considers is not readily realisable;
  - (iii) to refuse an instruction to buy any asset which is not in the range of cash deposits and pooled funds which IOMA Life allows for allocation to the Portfolio; and
  - (iv) to sell or realise in any other manner (including liquidation) any asset allocated to the Portfolio which IOMA Life considers is, or has become, unsuitable for allocation to the Portfolio.

This right also applies where the composition of the Portfolio is determined by the Investment Manager. IOMA Life may instruct the Investment Manager at any time to refuse any instruction or to sell or realise any asset in accordance with this paragraph 1.4(6)(i) to (iv). In exercising its rights under this paragraph 1.4(6), IOMA Life will take into account, inter alia:-

- (a) any current or proposed legal, regulatory or other official requirements applicable to IOMA Life, the Bond, the Policies or to Policyholder(s);
- (b) whether the relevant asset has become valueless or has been removed from the range IOMA Life allows for allocation to the Portfolio; and
- (c) the need to make the administration of the Bond and Policies reasonably practicable.



IOMA Life will not incur any liability as a result of exercising its rights under this paragraph 1.4(6), nor will IOMA Life be required to explain the basis on which it has exercised such rights. If IOMA Life refuses to comply with an instruction in accordance with this paragraph or wishes to exercise its rights in accordance with sub-paragraph (iv) of this paragraph in relation to any asset allocated to the Portfolio which IOMA Life considers is not readily realisable, IOMA Life may, in its sole discretion, transfer all holdings of the Portfolio into the Cash Account.

- (7) All transactions relating to assets allocated, or to be allocated, to the Portfolio will be effected by IOMA Life or any agent IOMA Life may appoint from time to time to perform such a function.

### 1.5 The Cash Account

- (1) Unless specifically agreed to the contrary, the Cash Account shall be established in the currency in which the Bond is denominated.
- (2) After the Commencement Date, the Cash Account, which will be maintained by IOMA Life as an asset or liability (as appropriate) of the Portfolio, will normally only be used:-
  - (i) to hold Cash;
  - (ii) to debit the costs of purchasing assets for allocation to the Portfolio, including all expenses, taxes, duties and charges in connection with such purchase unless those costs have been levied within the purchase transaction;
  - (iii) to credit the proceeds of sales of assets allocated to the Portfolio, net of all expenses, taxes, duties and charges in connection with such sales unless those costs have been levied within the sale transaction;
  - (iv) to credit the income received from assets allocated to the Portfolio (unless the income is automatically re-invested in the relevant assets);
  - (iv) to pay all amounts due to the Policyholder(s) in terms of paragraph 2.7 (Partial Encashment), 2.8 (Total Encashment), 2.9 (Maturity Benefit) and 2.10 (Death Benefit) below;
  - (vi) to deduct all fees, charges and other expenses payable in connection with the Portfolio and the Bond in accordance with the paragraphs 1.5 (Cash Account), 1.6 (Valuations), 2.2 (the Annual Management Charge), 2.3 (the Monthly Policy Charge), 2.4 (reimbursement of the Custodian's Charge), 2.7 (Partial Encashment), 2.8 (Total Encashment), 2.9 (Maturity Benefit), 2.10 (Death Benefit), 3.1 (Administration of the Bond ) and 3.3 (Permitted Deductions) below; and
  - (vii) to credit any interest added to the Cash Account in accordance with paragraph 1.5 (4) below.
- (3) Unless IOMA Life otherwise, in its absolute discretion, permits, the Cash Account must be kept in credit with a minimum of 2.00% of the value of the Portfolio or with any other minimum value as IOMA Life may specify from time to time. IOMA Life may, at its discretion, sell assets allocated to the Portfolio for the purpose of placing the Cash Account in credit to the relevant minimum amount and, in doing so, IOMA Life may take into account any accrued or prospective fees and charges payable in connection with the Portfolio and the Policies in accordance with paragraphs 1.5 (Cash Account), 1.6 (Valuations), 2.2 (the Annual Management Charge), 2.3 (the Monthly Policy Charge), 2.4 (reimbursement of the Custodian's charge) 2.7 (Partial Encashment / Adviser Charge), 2.8 (Total Encashment), 2.9 (Maturity Benefit), 2.10 (Death Benefit), 3.1 (Administration of the Bond) and 3.3 (Permitted Deductions) below. IOMA will sell assets from the Portfolio in the following order to realise sufficient assets to place the Cash Account in credit: firstly, cash or deposits and, secondly, the largest holding of those pooled funds which are realisable on seven or fewer days' notice.
- (4) IOMA Life will add interest on a daily basis to the Cash Account when it is in credit at such rates as IOMA Life may fix from time to time, details of which are available by writing to IOMA Life at its Head Office.



## 1.6 Valuations

- (1) On each Valuation Date IOMA Life will calculate the value of the Bond in the currency in which the Bond is denominated, unless otherwise agreed. In calculating the value of the Bond, the following will be taken into account:-
  - (i) the value of the assets allocated to the Portfolio (including the balance in the Cash Account); and
  - (ii) any income which has accrued on the assets allocated to the Portfolio.
- (2) For the purpose of calculating the value of the assets within the Portfolio, units or shares in pooled funds will be valued at the most recent price available to IOMA Life on the relevant Valuation Date (as quoted by any relevant medium, including by the manager of the relevant fund).
- (3) If any of the assets or liabilities within the Portfolio are valued in a currency other than that in which the Bond is denominated, their values will be converted into the denominated currency at appropriate exchange rate(s) selected by IOMA Life.
- (4) IOMA Life will undertake an ad hoc valuation of the Portfolio on a date which is not a Valuation Date on receiving a valid request for such a valuation from the Policyholder(s) in accordance with paragraph 3.1(3) below. IOMA Life reserves the right to deduct from the Cash Account a charge for providing an ad hoc valuation.

## 2. Charges and Benefits

### 2.1 The Initial Charge

The initial charge shall be payable at the rate specified in the Policy Schedule and shall be deducted from the Premium.

### 2.2 The Annual Management Charge

The annual management charge shall be payable at the rate specified in the Policy Schedule and shall be deducted from the Cash Account on each Payment Date on a pro rata basis.

### 2.3 The Monthly Policy Charge

The monthly policy charge shall be payable at the rate specified in the Policy Schedule. The Monthly Policy Charge shall accrue monthly and shall be deducted from the Cash Account on each Payment Date.

### 2.4 The Custodian's Charge

The Custodian shall charge for each sale and purchase transaction it processes and will also levy an annual nominee fee in respect of the Portfolio. The Custodian shall levy these charges directly against the Portfolio but in the event of such charges not being so levied or recovered, they may be charged by the Custodian against IOMA Life in which event IOMA Life shall be entitled to reimburse itself for any payments made from the Cash Account.

The charges will be at the rates as agreed between IOMA Life and the Custodian and as subsequently notified to the Policyholder(s) from time to time.





## 2.5 The Investment Manager's Charge

The Investment Manager's Charge is a fee payable to the Investment Manager which shall be charged at such rate as may be agreed between the Policyholder(s) and the Investment Manager from time to time. The Investment Manager's Charge shall be deducted from any assets in the Portfolio held by the Investment Manager.

## 2.6 Fund Management Charges

There will be charges within the pooled assets, which the Policyholder selects for investment within the Bond, levied by the managers of those pooled assets. Further details may be obtained by IOMA Life, the Custodian, the Appointed Adviser or Investment Manager.

## 2.7 Partial Encashment

The Bond has some partial encashment facility, namely as follows:

- (1) The Policyholder may, after the death of the original Policyholder named in the Policy Schedule, encash an equal proportion of each of the Policies then remaining within the Bond (other than any Policies which have been assigned as described in subparagraph (2) below).
- (2) If a Policy has been assigned to an individual (other than the original policyholder named in the Policy Schedule) who is beneficially entitled to the Policy, the Policyholder may, at any time encash part of the Policy or, if more than one Policy has been so assigned, an equal proportion of each of such Policies.
- (3) The Policyholder (being the Trustees or Trustee of a Settlement which satisfies the Exclusion Requirement) may on each Quarterly Payment Date encash an equal proportion of each of the Policies which have not matured at that date not exceeding 0.375 per cent of the value of the Bond at the Valuation Date occurring on or last before that Quarterly Payment Date. The Policyholder may give IOMA Life directions as to the percentage (not exceeding 0.375 per cent) to be so encashed on each Quarterly Payment Date whether in relation to a specific Quarterly Payment Date or until further notice. Any such directions shall be given not less than one month before the Quarterly Payment Date concerned. For the purposes of this paragraph a Settlement satisfies the "Exclusion Requirement" if the terms of the Settlement are such that no powers conferred by the Settlement or by law on its Trustees or any other person may be exercised directly or indirectly so as to benefit the original Policyholder named in the Policy Schedule or any Spouse or Civil Partner of that Policyholder; and "Quarterly Payment Date" shall be the end of each calendar quarter. During the first and final account quarters this will be calculated on a pro rata basis.

## 2.8 Total Encashment

- (1) On receipt of a valid request by the Policyholder to encash either one Policy or all of the Policies comprising the Bond made in accordance with paragraph 3.1(3) below, IOMA Life will:-
  - (i) terminate the Policy or Policies;
  - (ii) credit the sale proceeds, net of all expenses, taxes, duties and charges in connection with any such sale, to the Cash Account, and
  - (iii) calculate the value of the Portfolio in accordance with paragraph 1.6 above.
- (2) IOMA Life will pay to the Policyholder an amount equal to the value of the Portfolio relating to the number of policies being encashed less any outstanding charges referred to in paragraph 2.2 (the Annual Management Charge) and 2.3 (the Monthly Policy Charge) which will be calculated on a time apportionment basis by IOMA Life in respect of the period from the last Payment Date to the date of termination of the Policies.



- (3) IOMA Life may delay paying the encashment proceeds to the Policy holder until all of the net sale proceeds referred to in paragraph 2.8(1) above have been credited to the Cash Account. Without prejudice to sub-paragraph 2.8(1)(ii) above, IOMA Life reserves the right to delay processing a request to surrender the whole of the Bond in accordance with paragraph 1.4(3) above.
- (4) Upon total encashment, the Policyholder shall deliver all Policy Schedules to IOMA Life for cancellation.

## 2.9 Maturity Benefit

- (1) Unless the maturity date of a Policy has been extended, on the maturity date of each Policy as listed in the Policy Schedule, IOMA Life will pay the maturity benefit to the Policyholder(s).
- (2) The maturity benefit of a Policy will be the value of the Policy at the maturity date.
- (3) Deferral of the maturity date of a Policy may only be effected by the Policyholder(s) by written notice to IOMA Life at its Head Office at least 14 days prior to the maturity date specified in the Policy Schedule.
- (4) In the event of the death of the Life Assured, or the surviving life assured if more than one, prior to the maturity date, each Policy will terminate and the death benefit as described in paragraph 2.10 (Death Benefit) will be payable.

## 2.10 Bond Death Benefit

- (1) On the date on which IOMA Life receives written notification at its Head Office of the death of the Life Assured, or the surviving life assured if more than one, IOMA Life will credit the sale proceeds of all non-cash assets in the Portfolio, net of all expenses, taxes, duties and charges in connection with any such sale, to the Cash Account.
- (2) Any sum payable by IOMA Life on a death will be subject to proof satisfactory to IOMA Life of:
  - (i) the death of the Life Assured, or the surviving life assured if more than one; and
  - (ii) the legal entitlement of the Policyholder(s) or other person claiming the death benefit;and the return of the Policy Schedule to IOMA Life at its Head Office.
- (3) When the requirements set out in paragraph 2.10(2) are satisfied, IOMA Life will pay a Death Benefit equal to the value of the Portfolio determined as at that date in accordance with paragraph 1.5 plus £100;
- (4) IOMA Life may delay paying the Death Benefit payable under paragraph 2.10(3) until all of the sale proceeds of non-cash assets, referred to in paragraph 2.10(1) have been credited to the Cash Account.

## 2.11 Bond Currency

The Premium and any benefits payable under the Bond will be paid in the Bond Currency unless IOMA Life has agreed to a request from the Policyholder(s) to pay the Premium or to receive the benefits in a currency otherwise agreed to the contrary.

If IOMA Life agrees to make any payment in a currency other than the Bond Currency, the amount payable to the Policyholder(s) will take into account the exchange rates available at the time of the currency conversion and any costs that may be incurred by IOMA in carrying out the currency conversion.



### 3. General

#### 3.1 Administration of the Bond and Policyholder's Obligations

- (1) IOMA Life may employ agents to perform any administrative, management or other ancillary services required to enable IOMA Life to perform its obligations under the Bond. IOMA Life will decide the method and the appropriate security procedures it will use when accepting requests and instructions from the Policyholder(s), the Appointed Adviser or the Investment Manager regarding the Bond. In particular, IOMA Life may require that requests or instructions relating to the administration or management of the assets allocated to the Portfolio be made or given to any agent appointed by it pursuant to this paragraph (and any request or instruction given in accordance with IOMA Life's requirements will be deemed to have been given to IOMA Life at its Head Office).
- (2) All requests and instructions received from the Policyholder(s), the Appointed Adviser or the Investment Manager will be applied across all the Policies on a pro-rata basis.
- (3) Requests and instructions will only be valid if made or given (or, in accordance with paragraph 3.1(1) above, deemed to be made or given) in writing to IOMA Life at its Head Office.
- (4) Any notice given, or other communication, by IOMA Life in connection with the Policy or the Policy Provisions shall be given, or made, in writing and sent by post to the most recent address of the Policyholder(s) as notified by the Policyholder(s) to IOMA Life in accordance with paragraph 3.1(3) above.
- (5) IOMA Life may make a charge if the Policyholder(s) instructs or requires IOMA Life to:
  - (i) pay benefits in a way which is different from IOMA Life's normal practice or in a currency other than that in which the Bond is denominated; and
  - (ii) alter the conditions under which the benefits will be payable.
- (6) IOMA Life may increase the level of charges payable in connection with the Bond, to reflect increases in the costs incurred by it in relation to the operation of the Bond, on giving not less than 30 days' prior notice of such increase in accordance with paragraph 3.1(4) above.
- (7) Where there is more than one Policyholder, either Policyholder may give a valid instruction to IOMA Life, the Custodian or the Investment Manager and any such instruction should be capable of acceptance by such persons respectively who shall not be obliged to give notice to the other Policyholder nor to suspend nor reverse any transaction where instructions have been given by only one Policyholder.
- (8) The Policyholder(s) shall not use any data or information obtained from IOMA Life, the Custodian or the Investment Manager, in any form, in relation to the Portfolio for any unlawful purpose nor reproduce, re-transmit, disseminate, sell, distribute, publish, broadcast, circulate or commercially exploit such data or information provided that such data or information may be downloaded or printed for the Policyholder(s)' personal use subject to all intellectual property rights of the owner of such information or data being retained by the owner.
- (9) In the event that the Policyholder(s) shall receive any dividend or other payment in relation to the Portfolio from any person, the Policyholder(s) shall forthwith deliver such payment to the Custodian or the Investment Manager.
- (10) It shall be the responsibility of the Policyholder(s) to satisfy themselves that all transaction instructions as described in paragraph 1.3 have been correctly carried out and IOMA Life accepts no responsibility for the consequences of errors not brought to its attention by the Policyholders or the Appointed Adviser as soon as reasonably practicable and in any event not later than 48 hours after the receipt by the Policyholder(s) or the Appointed Adviser of information from any source enabling the error to be identified.



- (11) The Policyholder(s) shall indemnify and keep indemnified IOMA Life against all costs, claims, expenses, demands and losses which IOMA Life may incur in the lawful exercise of its duties in relation to the Bond and the Portfolio and agree to any such indemnity being enforceable in accordance with the provisions of paragraph 1.5 (2) (vi) as though the amount or value thereof was a charge payable to IOMA Life arising under the terms of the Bond.

### 3.2 Assignment of the Bond and individual Policies

- (1) The Bond and individual Policies may only be assigned in whole and with the prior approval of IOMA Life. IOMA Life will not be affected by any assignment until it has been approved and notified in writing to IOMA Life at its Head Office.
- (2) Save where the Bond or any Policy is assigned with the prior approval of IOMA Life, all benefits and liabilities under the Bond and the relevant Policy shall remain with the original Policyholder(s) and shall not be capable of transfer.

### 3.3 Permitted Deductions

Should IOMA Life be required by law to pay any amount arising out of, concerning or otherwise in relation to, the Bond to any government, statutory or regulatory agency or authority (including any levy imposed on IOMA Life as a result of the Isle of Man Life Assurance (Compensation of Policyholders) Regulation 1991), IOMA Life may deduct the amount to be paid from the Cash Account or sell part of the Portfolio allocated to the Bond if there are insufficient monies in the Cash Account.

### 3.4 Persons Prohibited from being interested in the Bond

Applications cannot be accepted from US residents or citizens.

### 3.5 Changes in Legislation and Taxation

IOMA Life, acting on professional actuarial advice, may make such alterations to the Policy Provisions, with immediate effect or at such future date as IOMA Life determines, as it considers appropriate, if:-

- (1) it ceases to be reasonably practicable for IOMA Life to comply with the Policy Provisions as a result of:-
  - (i) any change (introduced, enacted or proposed) in any legal, regulatory or other official requirements applicable to IOMA Life, the Bond or the Policyholder(s);
  - (ii) a change in the interpretation or application of any such legal, regulatory or other official requirements; or
  - (iii) compliance with any request from any government, statutory or regulatory agency or authority; or
- (2) there are any changes to the basis of taxation which applies to the Bond.

IOMA Life will give notice to the Policyholder as soon as reasonably practicable after any such alteration shall have been made.

### 3.6 Force Majeure

IOMA Life shall not be liable to the Policyholder(s) or to any other person if it is prevented from fulfilling its obligations under the Bond by reason of any supervening event beyond its control (including, without limit, any act of god, war, national emergency, fire, flood, strike or industrial action).



### 3.7 Entire Contract

The Bond, as constituted by:-

the application form for the Estate Control Bond;

the Policy Schedule;

any endorsement(s) on the Policy Schedule; and

the Policy Provisions;

contains all the terms of the contract between the Policyholder and IOMA Life and IOMA Life accepts liability solely in accordance with its terms.

### 3.8 Exoneration

IOMA Life will not be liable in respect of any alleged representation or statement whatsoever differing from such terms, whether express or implied or whether collateral or otherwise and, without prejudice to the foregoing generality, IOMA Life will not be liable for the acts and omissions of the Appointed Adviser, Custodian or Investment Manager. For the avoidance of doubt, the Bond will not be valid unless signed on behalf of IOMA Life by a duly authorised signatory.

### 3.9 Governing Law

The Bond shall be governed by and construed in accordance with Isle of Man law and the Isle of Man courts will have exclusive jurisdiction in relation to all disputes concerning the Policy.