



ISLE OF MAN ASSURANCE LIMITED

THE MMB LIFE ASSURANCE POLICY

Registered Office: IOMA House Hope Street Douglas Isle of Man IM99 1PU British Isles

THIS POLICY OF ASSURANCE WITNESSETH that whereas the Policyholder has effected an assurance in the class specified in the Policy Schedule on the life of the Life Assured with Isle of Man Assurance Limited (hereinafter called "IOMA") whose Registered Office is as stated above and Whereas the Policyholder has delivered to IOMA as the basis of the contract of assurance herein contained a Proposal and Declaration and Whereas IOMA has received the first Premium mentioned in the Policy Schedule

NOW IOMA HEREBY COVENANTS with the Policyholder that if the subsequent Premiums (if any) to be paid as Provided in the Policy Schedule shall be duly paid to IOMA Then after satisfactory proof shall have been delivered to IOMA of the happening of the Event on which the Sum Assured is to become payable and of the title to receive payment under the Policy and on delivery of the Policy duly discharged IOMA will pay the Sum Assured to the person or persons to whom in the Policy Schedule the Sum Assured is expressed to be payable

PROVIDED ALWAYS and it is hereby declared that:-

- (1) In this Policy "the Policy Schedule" means the Policy Schedule attached ; "the Policyholder" means the Policyholder named in the Policy Schedule; "the Life Assured" means the Life Assured named in the Policy Schedule ; "the Sum Assured" means the Sum Assured specified in the Policy Schedule; "the Commencement Date" means the Commencement Date specified in the Policy Schedule; and any other person event amount date or item specified in the Policy Schedule is similarly referred to by the title given thereto in the Policy Schedule
- (2) This Policy shall be subject to the Provisions and Conditions contained in the Schedules attached and that unless otherwise stated this Policy is absolutely free from all restrictions as to travel residence and occupation
- (3) The Schedules attached (the page reference numbers whereof are specified in the Policy Schedule) and any endorsements signed by an officer of IOMA duly authorised for that purpose shall for all purposes form part of this Policy.

IN WITNESS WHEREOF THIS POLICY IS SIGNED for and on behalf of Isle of Man Assurance Limited at Douglas, Isle of Man, British Isles on the date stated in the Schedule.

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This is a valuable document. Please ensure it is kept in a safe place as IOMA will require it to be produced on the making of any claim or surrender.

POLICY CONDITIONS

1. DEFINITIONS

In this Policy the following words shall have the following meanings, unless the context otherwise requires:

Assured: As stated in the Schedule. Provided that where there is more than one person named in the Schedule as the Assured, any reference within the Policy to the death of the Assured or any power or discretion being exercised during the life of the Assured or prior to the death of the Assured, shall be deemed to be a reference to the life or death of the survivor of all persons named as the Assured.

**Beneficiary/
Beneficiaries:** As stated in the Schedule.

Benefits: All monies payable to the Policyholder, the Policyholder's successors in title or the Beneficiary or the Beneficiaries or their successors in title, as the case may be, in accordance with the provisions hereof.

**Commencement
Date:** As stated in the Schedule.

Policyholder: Means the Policyholder named in the Schedule and (where the context admits) his/her successors in title. Provided that where there is more than one person named in the Schedule as the Policyholder, any reference to the Policyholder within the Policy shall mean the joint Policyholders or the survivor of them and (where the context admits) the successors in title to that survivor.

Premium: The Premium shown in the Schedule. The Policyholder may pay Additional Premiums subject to IOMA's terms and conditions for the time being in force.

The Policy: These Conditions, including the Schedule and any endorsement, setting out the terms of this assurance.

Encumbrance: Means any mortgage charge (whether fixed or floating) pledge lien hypothecation assignment security interest title retention or other encumbrance or security agreement or arrangement of any kind.

Surrender Value: Means the cash surrender value of the Policy referred to and determined in accordance with the provisions of Condition 11 hereof.

2. BASIS OF CONTRACT

- (a) The Proposal and Declaration made by the Policyholder shall form the basis of the contract between the Policyholder and IOMA.
- (b) The Policy cannot be amended or modified, or any conditions waived or extended in any respect except with the written consent of IOMA, endorsed on the Policy, and signed by a Director or the Life Manager for the time being of IOMA.

3. COMMENCEMENT DATE

This policy shall commence on the Commencement Date stated in the Schedule.

4. PREMIUM

The Premium paid is as stated in the Schedule.

5. INVESTMENT ACCOUNT

- (a) The Premium (less initial fees deducted in accordance with the provisions of Condition 6) shall be transferred to a segregated account (hereinafter referred to as the 'Investment Account') which is identified by the Policy Number stated in the Schedule.
- (b) The monies held in the Investment Account shall be invested at the sole discretion of IOMA in bank deposits (in whatever currency), shares, stocks, bonds, debentures, debenture stock, units, sub-units, securities or other investments of whatsoever nature and wheresoever situate (the Investments).
- (c) All dividends and other income payable from time to time in respect of the Investments shall be added to the capital of the Investment Account.
- (d) There shall be deducted from the Investment Account, the Expenses detailed in Condition 7 hereof.
- (e) **Value of the Investment Account:**
 - (i) The Value of the Investment Account shall be calculated by IOMA from time to time in accordance with the Conditions of this Policy. In calculating such Value, IOMA shall have regard to uninvested cash, accrued income and the market value of the remainder of the Investments (after deduction of any Expenses due in accordance with Condition 7 hereof) and shall make due allowance for all fees, commissions, expenses, taxes or charges and other financial liabilities for which IOMA is or may become liable under the Investment Account.

- (ii) The Investment Account shall be valued in the currency stated in the Schedule. In determining the value of investments in other currencies, the value shall be converted at the rate of exchange prevailing on the date of valuation.
- (iii) The market value of the Investments shall be determined by IOMA by reference to any relevant criteria as IOMA may, in its sole discretion, determine.
- (iv) IOMA shall be entitled to rely upon a statement as to the value of any investment or the rate of exchange prevailing at any time if they believe it to be genuine and to be given by a person who in their opinion is competent to make such statement.

6. INITIAL FEES

IOMA may deduct from the Premium (and any Additional Premiums), the Initial Fee stated in the Schedule, by deduction to be made on receipt of the Premium and any Additional Premiums.

7. EXPENSES

There shall be deducted from the Investment Account from time to time, and at any time (whether from the capital or income thereof) such amounts as IOMA in its sole discretion considers appropriate in respect of the following:

- (a) The Annual Charge, such amount being calculated at the rate stated in the Schedule on the Value of the Investment Account at 30th June each year, such charge to be payable by deduction within seven (7) days from the date of calculation.
- (b) All fees, commissions, disbursements, expenses, taxes, duties, interest and other charges incurred in the purchase, sale, valuation, safe custody or maintenance of the Investments, including but without prejudice to the generality of the foregoing, stamp and other duties, governmental charges, brokerage, commission, valuation fees and administration costs charged by IOMA in connection with the trading and switching of Investments.
- (c) All other professional fees, payable by IOMA in respect of any advice obtained concerning the Investments and /or the interpretation, construction, obligations of or arising under this Policy, or any part thereof, or any audit or inspection of the Investment Account.

- (d) All taxes, including but not limited to withholding tax, payable in respect of or deducted from any income derived from the Investments and any Capital Gains accruing to the Investments, including, but without prejudice to the generality of the foregoing, any taxes payable by IOMA or to which IOMA may become liable, attributable to the Investment Account or the Investments on the basis that such Account or such Investments constitute the whole of IOMA's Life Assurance Fund without any allowances.
- (e) Any indirect tax (including but not limited to Value Added Tax) for the time being payable to any person, persons, firm, body corporate, local, municipal or central government or authority.
- (f) All other liabilities, expenses, taxes, duties, levies or charges whatsoever in connection with the Investments and /or the Investment Account and/or made on IOMA and referable to the Investments and /or the Investment Account.
- (g) The cost of providing the Sum Assured hereunder.

8. EVENTS ON WHICH THE BENEFITS BECOME PAYABLE

- (a) Subject to the terms and conditions of this Policy the Benefits will become payable in accordance with Condition 9 hereof in the event of the death of the Assured.
- (b) Before settlement of any claim hereunder, IOMA shall be entitled to receive due proof of the death of the Assured and the title of the claimant and such other information as IOMA may reasonably require.
- (c) Upon termination of this Policy by death, or otherwise, any settlement shall be conditional upon the surrender to IOMA of this Policy and IOMA shall deduct from the amount payable any indebtedness hereunder.
- (d) For the purposes of this Condition, in the event that there is more than one person named as the Assured, the references to the death of the Assured herein shall be deemed to mean the death of the last to die of such Assureds.
- (e) On the death of any person named as the Assured (such person not being the last Assured to die) the Death Certificate of such deceased person together with this Policy shall be produced to IOMA and this Policy shall be duly endorsed by Memorandum by IOMA recording the death of the person to whom the Death Certificate relates and after such endorsement this Policy shall be returned to the Policyholder.

9. BENEFITS

On the death of the Assured and following receipt of proof of the Assured's death and such other information as IOMA may reasonably require in accordance with Condition 8 (b) hereof, IOMA shall, within 28 days pay;-

- (a) The Value of the Investment Account at such time after deduction of any charges or indebtedness hereunder; and
- (b) The Sum Assured stated in Schedule.

PROVIDED THAT IOMA may, at its sole discretion, satisfy any sums payable under the terms of this Condition by the transfer to the Policyholder or the Beneficiary or the Beneficiaries, or their respective successors in title, as the case may be, of all or part of the Investments held in the Investment Account.

AND PROVIDED FURTHER THAT if IOMA considers it necessary to realise all or part of the Investments held in the Investment Account in order to pay the Benefits hereunder, IOMA may, at its sole discretion, defer the payment of the Benefits until such time as all or part of such Investments have been realised and the cash proceeds have been received by IOMA, and IOMA shall not be liable to the Policyholder, or the Beneficiary or the Beneficiaries, or their respective successors in title, as the case may be, for any cancellation charges, penalties or loss of interest arising as a result of such a sale.

10. OWNERSHIP AND BENEFICIARIES

- (a) Subject to the provisions of paragraph (b) hereof, prior to the death of the Assured, the Policyholder alone (and where the context so admits his/her successors in title) shall be entitled to all rights and Benefits under this Policy.
- (b) Subject to the Laws of the Isle of Man and the written consent of IOMA, the Policyholder may, at any time prior to the death of the Assured, by notice in writing delivered or sent to the Registered Office of IOMA together with this Policy, appoint a Beneficiary or Beneficiaries to whom the Benefits under this Policy (other than on Surrender) shall be payable. The appointment of any Beneficiary or Beneficiaries under this Policy shall not be effective until written notice in such form as IOMA shall from time to time determine of his, her or their appointment as aforesaid and this Policy shall be received and endorsed by IOMA at its Registered Office for the time being. Unless otherwise stated, where there is more than one person named as the Beneficiary the Benefits shall be payable in equal amounts.
- (c) If the Beneficiary or all the Beneficiaries shall predecease the Assured, the Benefits under this Policy shall be payable to the successors in title to such Beneficiary/Beneficiaries (and if more than one, in equal shares).

11. SURRENDER

This policy may be surrendered in full or in part unless expressly restricted by amendment to the Policy. The Cash Surrender Value of the Policy shall be based upon and determined by the value of the assets in which the premiums under this Policy are invested less any early surrender penalty. Conditions governing any Cash Surrender Value are as follows:-

- a) Any surrender requested under this Policy within the first three policy years shall be subject to a surrender penalty which shall be applied to the total value of the units to be surrendered. The Early Surrender Penalty shall be in accordance with the following table:-

<u>Policy Year</u>	<u>Surrender Penalty</u>
1	0.5 %
2	0.35%
3	0.3 %
4+	0.0 %

- b) IOMA must receive written notice of any Cash Surrender together with a completed Cash Surrender Form at least 30 days in advance of the date on which the Policyholder requires such Cash Surrender. The original Policy must accompany any such notice and shall be endorsed or cancelled whichever is appropriate.
- c) IOMA will pay the amount of Cash Surrender applied for in fourteen (14) business days subsequent to receipt of related disbursements following the liquidation of assets required to meet the requested Cash Surrender.
- d) The Sum Assured under this Policy shall be reduced in direct relation to any Surrender effected hereunder.

PROVIDED THAT IOMA may, at its sole discretion, satisfy any sums payable under the terms of this Condition by the transfer to the Policyholder or the Policyholder's successors in title, as the case may be, of all or part of the Investments held in the Investment Account.

AND PROVIDED FURTHER THAT if IOMA considers it necessary to realise all or part of the Investments held in the Investment Account in order to pay the Surrender value hereunder, IOMA may at its sole discretion, defer the payment hereunder until such time as all or part of such investments have been realised and the cash proceeds have been received by IOMA, and IOMA shall not be liable to the Policyholder, or the Policyholder's successors in title, as the case may be, for any cancellation charges, penalties or loss of interest arising as a result of such sale.

12. PAYMENT

Any sums payable by IOMA in accordance with the provisions of this Policy shall be satisfied by payment by IOMA at its Registered Office in the currency stated in the Schedule or such other currency as IOMA shall from time to time determine PROVIDED THAT IOMA may in its sole discretion satisfy any sums payable under this Policy by transfer to the Policyholder, the Policyholder's successors in title, the Beneficiary or the Beneficiaries or their successors in title, as the case may be, any Investments held in the Investment Account and such transfer shall be accepted by the Policyholder, the Policyholder's successors in title, the Beneficiary or the Beneficiaries or their successors in title in full and final satisfaction of all claims on IOMA arising under this Policy.

13. TERMINATION

All cover under this Policy shall terminate when any one or more of the following events occur:

- (a) The death of the Assured, or
- (b) This Policy is surrendered in full in accordance with the provisions stated in Condition 11. hereof.
- (c) There is a lapse of the Policy in accordance with the provisions stated in Condition 14 (d) hereof.

14. LOANS

- (a) IOMA may at its absolute discretion grant a loan if so requested by the Policyholder within the Surrender Value subject to delivery of the policy and satisfactory proof of title. IOMA may at its discretion make a charge in respect of a loan.
- (b) The loan shall be subject to such terms and conditions as IOMA shall require including, but not limited to, term providing that:
 - (i) interest shall be payable upon the such loan at such commercial rate (whether fixed or variable) and with reference to such interest periods as may be required by IOMA;
 - (ii) interest shall be calculated in accordance with the usual practice of IOMA and any unpaid interest shall be compounded;
 - (iii) IOMA may demand immediate repayment upon the occurrence of specific events such as default in payment of interest, an act of bankruptcy by the Policyholder or the surrender of the Policy; and
 - (iv) the loan may be repaid at any time without previous notice being given by the Policyholder.

- (c) In the event that the Policy has been subject to any Encumbrance the Policyholder shall be responsible for the costs of proving title.
- (d) If at any time the Surrender Value is insufficient to cover the loan and any unpaid interest and any other indebtedness of the Policyholder to IOMA the Policy will lapse.

15. ASSIGNMENT

- (a) At any time during the Assured's life the Policyholder may, with the prior written consent of IOMA and subject to any other consent which IOMA deems necessary:
 - (i) assign this Policy, or
 - (ii) assign this Policy by way of security only but such assignment shall not be deemed to constitute the Assignee the Policyholder.
- (b) Any Assignment as aforesaid shall become effective from the date of actual receipt by IOMA of Notice of Assignment in such form as IOMA shall from time to time determine. The Notice of Assignment shall be duly executed by the Policyholder. IOMA is not responsible for the validity of any assignment.

16. REPORTS

IOMA shall provide the Policyholder during the subsistence of this Policy with a report on the Investment Account made up as to 30th June each year.

17. INDEMNITY

IOMA shall not be under any liability to the Policyholder or the Policyholder's successors in title and/or the Beneficiary or the Beneficiaries or their respective successors in title on account of any loss sustained to the value of the assets and/or the Investments for the time being comprising the Investment Account as a result of any Investments made by IOMA or to any loss whatsoever sustained to the value of such assets and/or the Investments, or by virtue of the deferral by IOMA of the payment or satisfaction of any Benefits due under this Policy or in consequence of the deferment of the sale of Investments which are not readily realisable, unless the same is sustained as the result of the wilful default or fraud by IOMA, its successors in title and /or its officers and servants.

18. GENERAL PROVISIONS

- (a) No notice required to be given to IOMA under the terms of this Policy shall be deemed effective unless it is in writing addressed to IOMA at its Registered Office for the time being, is duly executed by the appropriate person, persons, firm or body corporate and there is attached thereto this Policy or any other documents required to be attached to such notice in accordance with the terms of this Policy and such notice is actually received by IOMA at its Registered Office for the time being.
- (b) If the Assured's age or sex is mistaken on the application form, IOMA may make such adjustment as it deems appropriate to the Benefits hereunder. Age means age as at the Commencement date.
- (c) This Policy will not participate in the profits of IOMA.
- (d) Headings are included in this Policy for ease of reference only and shall not affect the interpretation of these Conditions.
- (e) Unless the context otherwise requires, words in this Policy importing the masculine gender shall include the feminine and neuter genders; the singular shall include the plural; and vice versa.
- (f) Where there is more than one person named in the Schedule as the Policyholder, in all matters falling within the scope of this Policy, IOMA shall only be required to act in accordance with the joint instructions of each Policyholder except upon receipt of proof of death of one of the Policyholders when IOMA shall act in accordance with the instructions of the surviving Policyholder.

19. NOTICE

Any notice required to be given or any payment required to be made by IOMA to the Policyholder, or the Policyholder's successors in title or the Beneficiary or the Beneficiaries or their successors in title, in accordance with the terms of this Policy, may be sent by pre-paid Recorded Delivery post to the other party at its Registered Office for the time being or in the case of an individual or individuals at his/her or their last known place of abode. A notice or demand sent by Recorded Delivery post shall be deemed served 7 days after posting.

20. PROPER LAW

This Policy shall be governed by and construed in accordance with the Laws of the Isle of Man.