

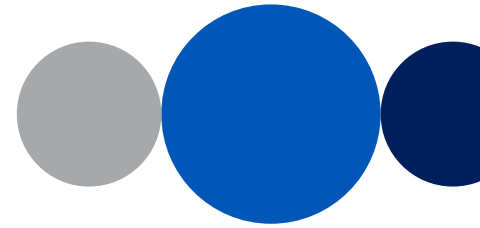
abrdn Life and Pensions Limited

Pension Investment Policy for Occupational Schemes

abrdn.com

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A. Definitions

A.1

In the Policy the following words and expressions shall have the meanings listed below

Word or expression	Meaning
'abrdrn Life'	The insurer, abrdrn Life and Pensions Limited.
'Application form'	The application form signed by or on behalf of the Policyholder.
'Chief Actuary'	A fellow of the Faculty/Institute of Actuaries appointed by abrdrn Life in accordance with Prudential Regulation Authority's Conditions Governing Business Rulebook and FCA Supervision rules.
'Dilution'	The adverse effect on a Fund caused by the actual cost of purchasing or selling the Fund's assets and investments deviating from the mid-market values used in calculating the Fund price.
'Dilution Adjustment'	A price movement from the basic mid-market unit price to counteract the effect of Dilution on a Fund.
'Eligible Insurer'	An insurance company as defined in section 275 of the Finance Act 2004.
'FCA'	The Financial Conduct Authority or its successor.
'Funds'	The investment portfolios as defined in Clause D.1
'Gross Units'	Units where management charges are not deducted from the Fund as defined in Clause E.2.
'Group Company'	A member of the group of companies controlled by abrdrn PLC.
'Independent Financial Adviser'	A financial adviser who is authorised to carry on designated investment business under the Financial Conduct and Markets Act 2000 and who is not a representative or associate of any one or more particular product providers.
'Initial Premium'	The first or only premium contributed by the Policyholder to obtain an allocation of units to the Policy.
'Late Payment Premium'	The premium defined in Clause C.7 that becomes due where an Initial Premium or Subsequent Premium is not received on the Settlement Date.
'Minimum Value'	Where applicable, a minimum value of units allocated after surrender below which abrdrn Life may surrender the remaining units.
'Net Units'	Units where management charges are deducted from the Fund as defined in Clause E.2.
'Pension Business'	Long-term insurance business relating to pension arrangements falling within the descriptions in Section 431B of the Income and Corporation Taxes Act 1988.
'Policy'	The entire agreement as defined in Clause B.1.
'Policyholder'	The person to whom the Policy is issued as set out in the Policy Schedule (or the Board of the Pension Protection Fund, where responsibility for administering the Scheme has transferred to the Pension Protection Fund). Where the Policyholder comprises a trustee or trustees, the Policyholder means the trustee or trustees for the time being; provided that former trustees may remain bound by the Policy in accordance with Clause R.2.
'Policy Schedule'	The schedule enclosed with this document.
'Premium Credit'	A refund of management charges.
'Principal Bankers'	HSBC Bank plc or any other bank selected by abrdrn Life.
'Registered Pension scheme'	A pension scheme registered under Chapter 2 of the Finance Act 2004.
'Reports'	Any information provided by abrdrn Life under the Policy.
'Scheme'	The Registered Pension Scheme named in the Policy Schedule (including where the Board of the Pension Protection Fund has assumed responsibility for such scheme, or part of such scheme, in accordance with Chapter 3 of Part 2 of the Pensions Act 2004), or for a common investment fund, each of the Registered Pension Schemes participating in the common investment fund from time to time.



Word or expression	Meaning
'Settlement Date'	The date on which (i) an Initial Premium or Subsequent Premium must be received by abrdrn Life; or (ii) Switch Proceeds must be transferred to the new Fund or Funds.
'Shortfall'	The amount defined in Clause C.6 that becomes due where the Policyholder fails to pay an Initial Premium or Subsequent Premium.
'Specified E-mail Address'	The e-mail address specified by the Policyholder in the Application Form, or such other address as the Policyholder may from time to time specify by notice given to abrdrn Life in accordance with the provisions of Clause T.
'Subsequent Premium'	Any premium contributed by the Policyholder after the Initial Premium to obtain an allocation of units to the Policy.
'Supplementary Premium'	A premium payable to meet charges and other costs, and that is not applied to obtain an allocation of units to the Policy.
'Surrender Proceeds'	The value of units that are being surrendered.
'Swinging Single Price'	A single price to which a Dilution Adjustment has been applied.
'Switch Proceeds'	The value of units in a Fund that are being switched.
'Terms and Conditions of Use'	The Terms and Conditions of Use displayed on the Website, as amended from time to time in accordance with the provisions of the Terms and Conditions of Use.
'Transfer Date'	The date for (i) transfer of Surrender Proceeds; or (ii) transfer of Switch Proceeds.
'Unit Price'	A price used for the allocation, cancellation or surrender of units.
'Valuation time'	In relation to a Fund, a time on a Working Day when that Fund is valued by abrdrn Life.
'Website'	The abrdrn Life section of the website provided by abrdrn plc .
'Working Day'	A day on which unit and other transactions may be carried out as defined in Clause C.1.

A.2

References to abrdrn Life surrendering units allocated to the Policy are to abrdrn Life cancelling units allocated to the Policy and transferring Surrender Proceeds to the Policyholder. The reference in the definition of 'Surrender Proceeds' to 'surrendered' is to be construed as including such a cancellation.

A.3

References to any statute (or to a particular chapter, part or section, or schedule to, a statute) include any subsequent statutory modification or re-enactment of it.

B. The policy

B.1

The Policy comprises this document, the Policy Schedule, the Application Form, and any endorsement or amendment or variation to any of those documents made in writing and signed by duly authorised signatories of abrdrn Life. It constitutes the entire agreement between abrdrn Life and the Policyholder, superseding all applications or prior agreements relating to the subject matter of the Policy.

B.2

In consideration of the contribution of the Initial Premium and any Subsequent Premium, and subject to the provisions of the Policy, abrdrn Life shall provide to the Policyholder the appropriate benefits specified in the Policy as they become due.

B.3

Unless otherwise provided in the Policy or agreed in writing by abrdrn Life, all moneys payable under the Policy by or to abrdrn Life are payable in sterling.

B.4

The Policy must be produced, if requested by abrdrn Life, upon the exercise by the Policyholder of any of its rights or when all or part of the Policy benefits are to be provided by abrdrn Life.

B.5

abrdrn Life reserves the right to provide any benefit under the Policy at its Registered Office.

B.6

The Policy shall be governed by and construed in accordance with the laws of England.



C. Premiums

C.1

Premiums under the Policy shall be contributed in cash or, subject to abrdrn Life's prior agreement, in whole or in part in securities. Premiums may be paid on any day that abrdrn Life is open for business (a 'Working Day').

C.2

abrdrn Life may impose requirements regarding the form and timing of notification of premiums, the method of payment or contribution of premiums, and the minimum level applicable to the Initial Premium or any Subsequent Premium. Details of any such requirements are available on request.

C.3

Premiums must be received by abrdrn Life on the Settlement Date notified to the Policyholder either generally or in a particular case. Any premiums paid before the Settlement Date shall be held in a temporary internal linked fund in accordance with clause C.10.

C.4

Where all or part of the Initial Premium or any Subsequent Premium is not received on the Settlement Date, abrdrn Life may at any time:

- i. cancel the units allocated to the Policy in respect of that outstanding premium, or part of it; or
- ii. require the Policyholder to pay a Late Payment Premium in addition to the outstanding premium, or part of it.

C.5

Where abrdrn Life cancels units under Clause C.4 (i), no payment shall be made to the Policyholder in respect of the cancelled units and the Policyholder will become liable for any Shortfall.

C.6

A Shortfall, where applicable, will be any excess of the outstanding amount of the premium (together with interest from and including the Settlement Date to and excluding the Working Day when the units are cancelled) over the proceeds of the cancelled units. abrdrn Life may, at the same time as those units are cancelled, cancel any other units allocated to the Policy to meet the Shortfall in whole or in part. Any balance will become payable immediately and shall be subject to interest until payment is made.

C.7

A Late Payment Premium, where payable, will be interest on the amount of the outstanding premium from and including the Settlement Date to and excluding the date the outstanding premium is actually paid. The Late Payment Premium will be subject to interest until payment is made.

C.8

abrdrn Life will advise if, and the extent of, any Shortfall or Late Payment Premium. In calculating a Shortfall or Late Payment Premium or any interest in Clause C.6 or C.7, the rate of interest used shall be determined by abrdrn Life and shall not exceed 3% per annum above the base lending rate from time to time of a United Kingdom clearing bank selected by abrdrn Life for this purpose and, if abrdrn Life so determines, that rate may be compounded daily or less frequently.

C.9

abrdrn Life may at any time cancel any units allocated to the Policy to meet the amount of any outstanding interest on a Shortfall or Late Payment Premium.

C.10

Any premiums received but not yet allocated to units, money awaiting reinvestment in units as a result of unit switching activity and money awaiting payment as a claim following a redemption of units will, as far as is practicable, be held in a temporary internal linked fund established to hold such moneys and to which the relevant policy benefits are linked until such time as the premiums are allocated to units, the money is reinvested in units or the money is paid as a claim, as appropriate. The holding of such moneys in a temporary internal linked fund does not transfer any risk in respect of such moneys from the Policyholder to abrdrn Life.

The Policyholder shall remain liable in the event of any loss in respect of the assets (including premiums) paid to or held by abrdrn Life, howsoever that loss arises (including but not limited to bank default) until the Settlement Date. This internal linked fund will be invested in cash or near cash investments such as settlement debtors from settling the underlying trades in securities and deposits with approved credit institutions or collective investment schemes that are in turn invested in cash or near cash investments. The charges on such an internal linked fund will be no higher than the interest earned (if any) on such assets.



D. Funds

D.1

The Funds are the investment portfolios established by abrdrn Life for the purpose of determining policy benefits.

D.2

The benefits under the Policy are wholly determined by reference to the value of the units in the Funds which are allocated to the Policy.

D.3

abrdrn Life will credit the relevant Premium as instructed by the Policyholder.

D.4

In respect of switches in accordance with Clause K, abrdrn Life will debit the Switch Proceeds to the original Fund and credit the Switch Proceeds to the new Fund or Funds.

D.5

Surrender Proceeds and the proceeds of units cancelled in any other circumstances shall be debited to the Funds.

D.6

abrdrn Life may advance cash to a Fund, up to the amount of the Initial or any Subsequent Premium, until the Settlement Date for that premium. abrdrn Life may charge interest to that Fund on any such advance, provided the rate of interest charged shall not exceed the cost to that Fund if it were to borrow the same amount from the Principal Bankers.

D.7

The assets of each Fund are owned by abrdrn Life, and the Policyholder has no legal or beneficial interest in any Fund. abrdrn Life has such powers in relation to those assets as may be conferred upon it by law or by its Memorandum and Articles of Association for the time being. Without prejudice to the generality of the previous sentence, abrdrn Life may:

- i. delegate the investment management of any Fund to another Group Company on terms which permit that other Group Company to sub-delegate all or any part of such investment management to one or more Group Companies; and
- ii. reinsure all or any of its obligations under the Policy.

D.8

abrdrn Life has complete discretion over the investment of the assets of each Fund, subject to the assets being consistent with the investment policy of each Fund as laid down from time to time by abrdrn Life. The achievement of any investment objective specified by abrdrn Life for a Fund is not guaranteed. Any borrowing may be secured on the assets of the Fund to which it is attributable but money borrowed and secured upon one Fund may not be applied in another Fund.

D.9

Where abrdrn Life reinsures all or any of its obligations under the Policy with a third party reinsurer (the "reinsurer") then the credit risk of insolvency or default by the reinsurer shall be borne by the Policyholder. In the event of such insolvency or default any premiums, benefits and proceeds of the Policyholder may be at risk and may be lost.

D.10

abrdrn Life may change the investment policy of a Fund, and shall send the Policyholder written notice at least two months prior to any significant changes to that investment policy.

D.11

Any income recovery under any reinsurance contract or other receipts arising from the assets of a Fund will be allocated to and form part of the assets of that Fund.

D.12

abrdrn Life may withdraw assets from a Fund to meet all charges, expenses, taxes, levies, regulatory fees, reinsurance premiums and other outgoings which abrdrn Life, in its reasonable discretion, considers appropriate to charge to that Fund.

D.13

Unless abrdrn Life notifies the Policyholder otherwise, each Fund will be denominated and accounted for in sterling.



D.14

abrdrn Life may discontinue any Fund on sending the Policyholder at least two months' notice in writing. In exercising this power abrdrn Life will act fairly and reasonably, having regard to its duty to protect the interests of all Policyholders. If units in that Fund are allocated to the Policy after the expiry of the notice period, abrdrn Life, without prior notice to the Policyholder, may:

- i. switch those units to another Fund or Funds; or
- ii. surrender those units and transfer the Surrender Proceeds to the Policyholder to enable the Policyholder to vary the investments of the Scheme.

D.15

abrdrn Life may prevent investment in any of its Funds by a prospective policyholder or an existing Policyholder if, in its reasonable opinion, it considers that the Fund is unsuitable for the purposes of the policyholder or the investment would for any reason be prejudicial to the interests of existing Policyholders.

E. Units

E.1

abrdrn Life shall divide each Fund into units. There may be more than one class of unit for each Fund. Different classes of unit may have different management charges.

E.2

Units may be either Net Units or Gross Units. A Net Unit is a class of unit where management charges are deducted from the part of the Fund attributable to the Net Units.

A Gross Unit is a class of unit where the management charges are not deducted from the part of the Fund attributable to Gross Units and a Supplementary Premium is payable.

E.3

The Funds and classes of unit to which benefits under the Policy may be linked are as shown in the Policy Schedule or as subsequently notified in writing to the Policyholder by abrdrn Life.

E.4

abrdrn Life may discontinue any class of unit on sending the Policyholder at least two months' notice in writing.

In exercising this power abrdrn Life will act fairly and reasonably, having regard to its duty to protect the interests of all Policyholders. If the Policyholder has units in that class allocated to the Policy after the expiry of the notice period, abrdrn Life may, without prior notice to the Policyholder, switch the units in that class to another class of units in the same Fund.

F. Valuation of funds

F.1

The value of a Fund at a Valuation Time on a Working Day shall be the market value of the assets of that Fund at that Valuation Time less the value of the liabilities attributable to that Fund at that Valuation Time as determined by abrdrn Life in accordance with this Clause.

F.2

abrdrn Life shall normally use recognised market quotations to value securities.

F.3

Where recognised market quotations are not readily available, abrdrn Life may value securities based on:

- i. recently traded prices;
- ii. prices obtained from a stockbroker or market maker; or
- iii. prices determined by an independent valuer.

F.4

The value of any real property shall be based on the latest valuation obtained by abrdrn Life from an independent valuer.

F.5

abrdrn Life may adjust the value placed on any asset where it reasonably considers that the value does not reflect the fair market value.

F.6

Where the assets of a Fund include units in other Funds, then the value of those units shall be based on the unit prices of the units held.



F.7

The value of liabilities and other assets, including any accrued income and expenditure (including management charges), shall be based on abrdrn Life's reasonable estimates.

F.8

The prices used in valuing assets shall normally be those available to abrdrn Life and ruling at the Valuation Time. If any price is not available to abrdrn Life, then the latest available prices shall be used.

F.9

A Valuation Time may be defined by abrdrn Life by reference to the closing market times in each territory.

F.10

The assets and liabilities of a Fund included in a valuation shall be those in the records of abrdrn Life at the Valuation Time. The valuation may exclude recent transactions where in abrdrn Life's reasonable opinion these transactions:

- i. relate to the allocation, surrender or cancellation of units at the Valuation Time; or
- ii. would have an effect considered by abrdrn Life to be immaterial on the valuation of a Fund, assuming normal market conditions.

F.11

Where a premium is contributed or surrender is provided in whole or in part by the transfer of securities, the value of these securities shall be calculated by abrdrn Life on the same basis as used by abrdrn Life to value securities within the relevant Funds at the Valuation Time in question.

G. Unit pricing and dilution adjustment

G.1

abrdrn Life shall calculate the Unit Price for each class of unit in each Fund at each Valuation Time.

G.2

The Unit Price at a Valuation Time shall, subject to Clause G.4, be calculated by dividing that part of the value of the Fund attributable to the class of unit by the number of units of that class in issue at that Valuation Time.

G.3

The same Unit Price will be used for allocations, cancellations, and surrenders of units at the Valuation Time.

G.4

At any Valuation Time, abrdrn Life may swing the Unit Price higher or lower in order to balance the interests of policyholders effecting transactions in units in a Fund with those of policyholders who hold units in that Fund and who do not effect any transactions. This 'swing' is also called a Dilution Adjustment.

G.5

The Dilution Adjustment shall make such reasonable allowance as abrdrn Life determines is appropriate for the typical market spread of the value of the assets of a Fund, the related costs of acquisition or disposal of these assets, and overdraft interest attributable to the surrender of units in the Fund, or any interest charged by abrdrn Life on an advance under Clause D6.

G.6

Where a Fund invests in another Fund, a unit trust, an open-ended investment company or any other collective investment scheme ('a collective investment vehicle'), or unit linked fund abrdrn Life may base the calculation of that part of the Dilution Adjustment relating to that investment on the calculation of the Dilution Adjustment on a look-through to the underlying assets of that collective vehicle.

G.7

Where a Dilution Adjustment applies to a Fund at a Valuation Time:

- i. if there is a net investment in that Fund at that Valuation Time, the Unit Price will be increased to allow for the rate of Dilution Adjustment;
- ii. if there is a net divestment in that Fund at the Valuation Time, the Unit Price will be decreased to allow for the amount of the Dilution Adjustment; and
- iii. no Dilution Adjustment or related unit price adjustment will apply to any part of a premium or surrender made by way of a transfer of securities.

G.8

abrdrn Life may make a rounding adjustment or allow for a tolerance of not more than 0.5% in calculating Unit Prices.



H. Unit allocation

H.1

Units shall be allocated to the Policy in respect of the Initial Premium and any Subsequent Premium.

H.2

The allocation by abrDn Life of units shall normally take place at the next Valuation Time following notification and acceptance by abrDn Life of the Policyholder's instructions, subject to any applicable requirements imposed under Clause C.2

H.3

The number of units allocated by abrDn Life to the Policy in respect of a Fund and class of unit shall be calculated by dividing that part of the premium to be allocated to that Fund and class of unit by the Unit Price for that class of unit in that Fund at the relevant Valuation Time. The number of units will be rounded to the nearer integral multiple of 1/1000 of a unit.

H.4

Where a premium is contributed in whole or in part in securities:

- i. the value of the premium, or that part of the premium, as the case may be shall be the market value of these securities at that Valuation Time, calculated in accordance with Clause F.11;
- ii. this value may be reduced to make reasonable allowance for any dealing and other costs that will be incurred by a Fund which relate to the acceptance of these securities (including any costs which will arise where abrDn Life proposes to sell some of the securities and purchase alternative assets); and
- iii. abrDn Life may charge an administrative fee for the acceptance of that premium.

H.5

abrDn Life shall also allocate units to the Policy in respect of the application of Switch Proceeds and any reinvestment of Premium Credits. The number of units allocated to a Fund and class of unit shall be calculated in the same way as for a premium of the same amount or value.

I. Surrenders

I.1

The Policyholder may surrender units for any of the following purposes:

- i. to provide a cash sum corresponding in whole or in part to a cash benefit payable under the Scheme which is:
 - a. the commutation of all or part of a pension under the Scheme,
 - b. a lump sum payable on retirement or otherwise (but excluding one payable on death),
 - c. a refund of contributions, or
 - d. a lump sum payable in respect of the death of an individual;
- ii. to obtain an annuity where abrDn Life is to provide an annuity;
- iii. to enable the Policyholder to pay a premium to an Eligible Insurer with which the Policyholder has made arrangements for the provision of an annuity which corresponds to a pension or part of a pension to be provided under the Scheme;
- iv. to enable the Policyholder to vary the investment of all or part of the Scheme's assets, save that any units which remain allocated to the Policy must correspond with benefits which the Policyholder is or may be or become liable to provide in respect of any individual under the Scheme;
- v. to provide a cash sum payable to a participating employer in the Scheme in accordance with the documents governing the Scheme;
- vi. to make a transfer to another scheme or arrangement in accordance with the provisions of the Scheme or legislation overriding the provisions of the Scheme;
- vii. to enable the Policyholder to pay any expenses of the Scheme (including any payable by the Policyholder under the Policy);
- viii. to enable the Policyholder to pay all or any part of any instalment of a pension payable under the Scheme;
- ix. where permitted by the provisions of the Scheme, to allow a periodic payment to be made by way of income drawdown to an individual as permitted by the provisions of the Scheme; or
- x. to meet any other liabilities of the Scheme as permitted by the provisions of the Scheme.



I.2

The surrender of units shall normally take place at the next Valuation Time following notification to, and acceptance by, abrDn Life of the Policyholder's instructions, subject to any applicable requirements imposed under Clause I.4.

I.3

The Surrender Proceeds shall be the value of the units surrendered at the Unit Price at the relevant Valuation Time.

I.4

abrDn Life may impose requirements regarding the form and timing of notification of surrenders, the method of transfer of Surrender Proceeds, and the Minimum Value of units. Details of any such requirements are available on request. In the event that the value of units remaining after surrender falls below the Minimum Value, abrDn Life may surrender the remaining units and transfer the Surrender Proceeds to the Policyholder to enable the Policyholder to vary the investment of all or part of the Scheme's assets

I.5

- i. When the Policyholder elects to surrender Policy units in relation to a Fund for the purpose in Clause I.1 (iv) or (vi), the Policyholder must also indicate whether it wishes to receive cash, or a transfer of securities by abrDn Life, in settlement of its rights under the Policy in respect of that surrender.
- ii. If:
 - a. abrDn Life is not willing, in relation to the election under (i) above, to provide the whole of the Surrender Proceeds of those units by transfer of securities, or
 - b. the Policyholder does not elect under (i) above, in relation to any Policy units being surrendered, to receive a transfer of securities, or
 - c. the Policyholder is surrendering units under Clause I.1 for a purpose other than in Clause I.1(iv) or (vi), abrDn Life will provide the whole, or as the case may be, the remainder of the Surrender Proceeds in cash.

I.6

Where the Surrender Proceeds (or any part of them) are provided by a transfer of securities, abrDn Life will transfer securities from the Fund or Funds to which those Surrender Proceeds relate. The securities to be transferred shall be chosen by abrDn Life, acting fairly and reasonably having regard to the interests of the Policyholder provided those interests are not in any way prejudicial to the interests of existing Policyholders.

I.7

Where the Surrender Proceeds are provided in whole or in part by the transfer of securities:

- i. the value of the securities, calculated in accordance with Clause F.11, equal to the whole or that part of (after any reduction under (ii) below) the Surrender Proceeds, as the case may be, shall be the market value of these securities at the Valuation Time which applies to the calculation of the Surrender Proceeds;
- ii. the Surrender Proceeds may be reduced to make reasonable allowance for any dealing and other costs incurred by abrDn Life which relate to the transfer of these securities; and
- iii. abrDn Life may make an administration charge for the transfer of these securities.

I.8

Where the Surrender Proceeds (or any part of them) are payable in cash to the Policyholder, those Surrender Proceeds will be paid by abrDn Life on the Transfer Date notified to the Policyholder either generally or in any particular case. The Transfer Date shall not normally be more than five Working Days after the date of surrender but may be more in some circumstances, for example in the event of market disruption or the need to realise illiquid assets.



J. Annuity option

J.1

If the Policyholder is or is about to become liable to pay a pension under the Scheme, the Policyholder may require abrdrn Life to provide an annuity which corresponds to that pension or a part of that pension.

J.2

abrdrn Life shall, on request, provide a quotation for an annuity to the Policyholder calculated by reference to its annuity premium rates prevailing at the date of the quotation, and may provide a guarantee period on the quotation.

J.3

Before providing an annuity under Clause J.1, abrdrn Life may require the Policyholder to provide a letter of confirmation from an Independent Financial Adviser showing:

- i. that the Policyholder has taken independent financial advice, and
- ii. whether or not the proposed purchase by the Policyholder of the annuity from abrdrn Life has been recommended to the Policyholder by that Independent Financial Adviser.

J.4

Any annuity provided by abrdrn Life shall correspond with, and not be greater than, the pension (or part of the pension) payable under the Scheme to be secured by the annuity. Where requested to do so by abrdrn Life, the Policyholder shall confirm in writing that this is so. Unless abrdrn Life agrees to provide such an annuity on different terms, the annuity provided by abrdrn Life shall be:

- i. upon such terms in relation to amount, commencement and, subject to it being a fixed percentage rate, rate of annual increase as specified by Policyholder and shall be payable, subject to Clause J.8 below, for the life of the annuitant;
- ii. upon terms as to the guarantee period, level of survivor's annuity and rate of annual increase of survivor's annuity, if applicable, as specified by the Policyholder and agreed to by abrdrn Life (such agreement not to be unreasonably withheld by abrdrn Life but taking account of abrdrn Life's arrangements for administering annuities); and
- iii. otherwise on abrdrn Life's standard terms for providing an annuity which are in force at the time of purchase of the annuity.

J.5

The cost of the abrdrn Life annuity shall be determined by abrdrn Life by reference to its annuity premium rates prevailing on the date of purchase of the annuity for the type of annuity in question, subject to any guarantee period for holding any quotation provided by abrdrn Life.

J.6

The Policyholder shall provide to abrdrn Life:

- i. such evidence as abrdrn Life may reasonably require as to the date of birth and identity of:
 - a. the individual in respect of whom the annuity is to be payable; and
 - b. if an annuity or annuities is payable on the death of that individual in respect of a surviving spouse, dependant or child, each such spouse, dependant and child; and
- ii. such other information about the individual and, if applicable, surviving spouse, dependants and children as abrdrn Life may reasonably require to apply its annuity premium rates.

J.7

The premium for the annuity is to be satisfied by the surrender of Policy units in accordance with Clause I.

J.8

Where abrdrn Life is paying any annuity, it is a condition of the continued payment for such annuity that evidence is provided by the Policyholder to abrdrn Life, on request from time to time by abrdrn Life, of the existence, age and identity of the individual in respect of whom the annuity is being paid.

K. Unit switching

K.1

The Policyholder may switch some or all of the units allocated to the Policy in a particular Fund, or in a particular class of units, and apply the Switch Proceeds to obtain an allocation of units to the Policy in another Fund or Funds, or, if applicable, in a different class of units.

K.2

The switch of units shall normally be carried out by abrdrn Life at the next Valuation Time following notification and acceptance of the Policyholder's instructions, but may take longer in some circumstances, for example in the event of market disruption or the need to realise illiquid assets, and is subject to any applicable requirements imposed under Clause K.4.



K.3

The units that are switched will be cancelled at the Unit Price ruling at the relevant Valuation Time and the value will be applied to allocate units to the Policy in the new Fund or Funds, or, if applicable, the new class of units. The Unit Price used for the new Fund or Funds shall be the price ruling:

- i. at that Valuation Time; or
- ii. where there is a disparity between the Transfer Date for the outgoing Fund and the Settlement Date for the new Fund, on a Working Day not later than the Transfer Date.

K.4

abr dn Life may impose requirements regarding the form and timing of notification of switches and the minimum level applicable to switches. Details of any such requirements are available on request and on the Website.

L. abr dn Life's charges

L.1

abr dn Life may calculate charges either on a daily, monthly or calendar quarterly basis. The charges will comprise:

- i. a management charge based on the value of units allocated to the Policy in respect of each Fund and class of unit; and
- ii. additionally abr dn Life may charge a fixed amount. abr dn Life may also apply a minimum charge for each calendar year.

L.2

The level of charges, their basis of calculation and any minimum charge are as stated in the Policy Schedule or as subsequently varied by abr dn Life. abr dn Life shall inform the Policyholder in writing of any changes and shall send notice to the Policyholder at least two months' prior to any increase in those charges.

L.3

Where abr dn Life calculates management charges for a Fund and class of unit on a daily basis, the charge for a day shall be based on the value of units allocated to the Policy in respect of that Fund and class of unit at a Valuation Time on that day (or on the preceding Working Day where that day is not a Working Day).

L.4

Where abr dn Life calculates the management charge for a class of unit on a calendar quarterly basis, the charge for the calendar quarter shall be the sum of the charges calculated for each month or part of month in the quarter when the Policy was invested in those units.

L.5

For Net Units management charges shall be accrued daily and deducted by abr dn Life from Funds monthly in arrears.

L.6

The Policyholder shall pay abr dn Life a Supplementary Premium on a calendar quarterly basis of an amount equal to:

- i. the management charges for that quarter on any Gross Units allocated to the Policy; and
- ii. any fixed charge due.

The Policyholder shall pay the Supplementary Premium within 30 days of being notified by abr dn Life of the amount due.

L.7

Where the charges in any calendar year are less than the minimum charge (or a pro rata amount where the Policy is not in force for the whole calendar year), then a Supplementary Premium shall be payable based on the deficit. The Policyholder shall pay the Supplementary Premium within 30 days of being notified by abr dn Life of the amount due.

L.8

The Policyholder shall pay promptly on demand to abr dn Life interest on any Supplementary Premium not paid within 30 days. The rate of interest used shall be determined by abr dn Life and shall not exceed 3% per annum above the base lending rate from time to time of a United Kingdom clearing bank selected by abr dn Life for this purpose and, if abr dn Life so determines, that rate may be compounded daily or less frequently.

L.9

abr dn Life may at any time cancel any units allocated to the Policy to meet the amount of any unpaid Supplementary Premium and any outstanding interest on a Supplementary Premium.

L.10

Where individual Funds include units of another Fund, abr dn Life shall ensure that management charges are not incurred twice in respect of the same units.



M. Premium credits

M.1

Where the Policy Schedule shows that Premium Credits apply, the Policyholder will be eligible for a partial refund of management charges.

M.2

Refunds shall be payable as a Premium Credit. abrdrn Life will notify the Policyholder when a Premium Credit is payable.

The Premium Credit will be applied to obtain an allocation of additional units to the Policy or, if the Policyholder so requests, paid in cash, except that where a Supplementary Premium is due abrdrn Life may offset the Premium Credit against that Supplementary Premium before reinvesting or making any payment.

M.3

Where a Premium Credit is reinvested, the amount invested in each Fund shall be that proportion of the Premium Credit which relates to the refund of management charges for that Fund.

N. Services

N.1

abrdrn Life shall provide various services to the Policyholder. Details of services provided to the Policyholder shall be made available on request. abrdrn Life may, upon notification to the Policyholder, charge a Supplementary Premium for any additional services which abrdrn Life may agree to provide to the Policyholder.

N.2

abrdrn Life may change the services provided under the Policy. abrdrn Life shall notify the Policyholder in writing of any significant changes to the nature of the services provided.

N.3

abrdrn Life may delegate to any Group Company the performance of any or all of the services provided to the Policyholder under the Policy.

O. Suspension

O.1

abrdrn Life may suspend any unit transaction or the provision of any benefit for a period not exceeding 28 days or, in the case of a transaction in units of a Fund whose value, directly or indirectly, depends wholly or partly on the value of real property, twelve months, where, on the grounds of the size of the transaction or the illiquidity of the Fund or Funds concerned, abrdrn Life considers that it is fair and reasonable to do so having regard to the interests of Policyholders. The period of suspension may be extended beyond 28 days or, if applicable, twelve months where the Chief Actuary having sole regard to the interests of Policyholders considers that the suspension should continue.

O.2

abrdrn Life may suspend all or any of its obligations under the Policy (and shall be relieved from such obligations (and any liability) to the Policyholder to the extent that performance of its obligations is prevented or impeded as a consequence of any circumstances beyond its reasonable control) where abrdrn Life considers it is fair and reasonable to do so having regard to the interests of Policyholders. Any suspension shall only continue for so long as it is fair and reasonable to do so and abrdrn Life is affected by the relevant event.

O.3

abrdrn Life shall notify the Policyholder of any suspended obligations as soon as reasonably practicable.

P. Amendments

P.1

abrdrn Life may amend the Policy at any time: (i) where required by any tax or regulatory authority; (ii) by reason of any change to applicable law or practice; or (iii) as abrdrn Life reasonably considers appropriate where external circumstances arise that make it impracticable or inequitable for abrdrn Life to give effect to any one or more of the provisions of the Policy. These external circumstances include matters (whether by reason of any change in law or practice or otherwise) that affect the taxation, regulation or operation of abrdrn Life, the Policy or the Scheme. abrdrn Life shall endeavour to send the Policyholder reasonable notice of any such amendment.



P.2

Without prejudice to Clause P.1, abrdrn Life may amend all or any of the provisions of the Policy from time to time on sending the Policyholder at least two months' notice in writing provided that abrdrn Life shall not make any amendment which, to its knowledge, would prejudice the Scheme's status as a Registered Pension Scheme. No notice period shall be required where in abrdrn Life's reasonable opinion the variation does not adversely affect the rights of the Policyholder.

Q. Tax status

Q.1

abrdrn Life is granting the Policy on the express condition that the H.M. Revenue and Customs treat abrdrn Life's business relating to the Policy as Pension Business for all relevant tax purposes.

Q.2

The Policyholder undertakes to use all reasonable endeavours to ensure that the Scheme is and remains a Registered Pension Scheme or, as the case may be, becomes and remains such a scheme.

Q.3

The benefits payable under the Policy including, where relevant, the provision of an annuity, are intended to correspond with the liabilities of the Policyholder under the Scheme, in so far as such liabilities are intended to be secured under the Policy. The Policyholder may only exercise any options or provisions in the Policy in such manner and to the extent permitted by the provisions of the Scheme and in the form and at the time permitted by the provisions of the Scheme.

Q.4

At any time, abrdrn Life may require the Policyholder to provide such information relating to the tax status of the Scheme as abrdrn Life shall reasonably specify.

The Policyholder shall provide all such information in such form and within such time as abrdrn Life reasonably requires.

Q.5

The Policyholder shall give written notice to abrdrn Life of any amendment to the provisions of the Scheme by reason of which abrdrn Life's liabilities under the Policy are likely to cease to correspond to the liabilities of the Policyholder under the Scheme that are intended to be secured under the Policy.

Q.6

If H.M. Revenue and Customs cease to treat the Scheme as a Registered Pension Scheme then abrdrn Life may surrender all units allocated to the Policy and the Policyholder shall:

- i. take such actions as abrdrn Life may reasonably require; and
- ii. indemnify abrdrn Life against any costs incurred, including but not limited to any tax or loss of tax relief which abrdrn Life may incur as a result of the Scheme ceasing to be a Registered Pension Scheme.

abrdrn Life may deduct from the Surrender Proceeds its reasonable estimate of the amount which will be required to indemnify abrdrn Life in respect of such costs.

R. Assignment and successors in title

R.1

The Policy is not assignable without abrdrn Life's prior written consent.

R.2

Where the Policyholder comprises trustees, each person who acts as a trustee shall continue to be bound by the Policy unless and until his or its obligations under the Policy have been assumed by a successor trustee or an assignee under an assignment satisfying Clause R.1.

R.3

Without prejudice to any other provision of this Policy, abrdrn Life may assign or subcontract any or all of its rights to any Group Company (having the necessary legal and regulatory permissions).

S. Liability

S.1

abrdrn Life shall act with all due care in relation to the operation of the Funds and their investment and the services to be provided under the Policy, but shall have no liability to the Policyholder in relation to the operation of any Fund or its investment or the services provided except:

- i. subject to Clause S.3, to the extent of any losses caused by negligence, breach of the terms of the Policy, wilful default or fraud of abrdrn Life or of any agent or delegate of abrdrn Life which is a Group Company; or
- ii. to the extent that acceptance is required by abrdrn Life by applicable law or regulation.



S.2.

Subject to Clause S.1, abrdrn Life's liability under the Policy cannot exceed the value of the units in the Funds which are allocated to the Policy. This Clause S.2 shall not apply to any annuity which has been provided pursuant to Clause J.

S.3

abrdrn Life shall not be liable for any administration or record keeping costs of any kind which the Policyholder may incur, nor for any indirect, consequential or special damages.

S.4

abrdrn Life shall have no responsibility as to the adequacy of the Policy benefits to meet liabilities under the Scheme.

S.5

The benefits to be provided by abrdrn Life under the Policy are not intended to be enforceable by any party other than the Policyholder, and the Policyholder shall indemnify abrdrn Life against any claim brought by or on behalf of any one or more of the following:

- i. a beneficiary of the Scheme;
- ii. the principal employer of the Scheme; or
- iii. any participating employer of the Scheme in connection with the Policy or the services provided under the Policy, and shall meet all reasonable legal and other costs incurred by abrdrn Life in connection with any such claim. No person may enforce any provisions of the Policy by virtue of the Contracts (Rights of Third Parties) Act 1999.

S.6

The indemnity in Clause S.5 does not apply to the extent that:

- i. the claim is due to the negligence, breach of the terms of the Policy, wilful default or fraud of abrdrn Life, or of any agent or delegate of abrdrn Life which is Group Company; or
- ii. acceptance of the claim is required by applicable law or regulation.

S.7

In addition to paying interest to abrdrn Life as provided under the Policy, the Policyholder shall indemnify abrdrn Life against all reasonable legal and other costs incurred by abrdrn Life in connection with the recovery of any Shortfall, Late Payment Premium or Supplementary Premium which is not paid within 90 days of it becoming due or the recovery of any amount under Clause Q.6.

S.8

abrdrn Life shall inform the Policyholder of any claim or costs in respect of which an indemnity is sought.

S.9

The value of the Policyholder's indemnities in this Clause shall be limited, in the absence of fraud, to the assets of the Scheme from time to time.

T. Communications

T.1

abrdrn Life's obligation to make any payments or implement any requests or instructions is subject to the production at its Registered Office (or such other place as abrdrn Life may direct) of such evidence, documentation, instructions and information as it may reasonably require.

T.2

Any instructions, notices, and acknowledgements shall be in writing or such other form as abrdrn Life may accept. If at any time abrdrn Life agrees to accept such communications by facsimile or e-mail, or through a website, the Policyholder must bear in mind that these may not be secure methods of communication. Without prejudice to Clause S, abrdrn Life shall have no liability for failing to act on any instruction or notice which is not received in a readable form. abrdrn Life will, however, endeavour to notify the Policyholder promptly if it receives an instruction or notice which is not in readable form.

T.3

abrdrn Life shall be entitled to act on instructions given by the Policyholder's authorised signatories as specified in the Application Form, or as subsequently amended in a manner acceptable to abrdrn Life. abrdrn Life shall incur no liability for any action taken on such instructions, in the absence of written notice of any change in the authorised signatories. abrdrn Life may in good faith rely on any instructions which it reasonably believes to have been issued by a person authorised by the Policyholder to give such instructions.



T.4

abrdrn Life may decline to accept or act on any instruction which it reasonably believes not to have been issued in accordance with the provisions of the Policy, or if it reasonably considers that compliance with such instruction would be impracticable or would give rise to a breach of any applicable law or regulation. In such circumstances abrdrn Life shall endeavour to notify the Policyholder promptly.

T.5

All Reports may be given to the Policyholder by abrdrn Life;

(i) in writing; or (ii) electronically either (a) by making them available on the Website and, if required by the FCA, confirming the provision of the Reports by e-mail to the Specified E-Mail Address; or (b) by sending them by e-mail to the Specified E-Mail Address.

T.6

Where Reports are made available on the Website or by e-mail in accordance with clause T.5 the Terms and Conditions of Use apply as amended from time to time in accordance with the provisions of the Terms and Conditions of Use.

T.7

Any Report provided by abrdrn Life electronically in accordance with clause T.5 shall be deemed to have been duly given:

- i. if sent by e-mail, 24 hours after being sent by abrdrn Life to the Specified E-Mail Address;
- ii. if made available on the Website, at the time and date when first displayed on the Website;
- iii. if made available on the Website and confirmed by email, 24 hours after the confirmation e-mail is sent by abrdrn Life to the Specified E-Mail Address.

T.8

The sending of any notice by abrdrn Life to the Policyholder's last notified address (or, in the case of electronic communications, the last Specified E-Mail Address) held in abrdrn Life's records shall be sufficient for its effectiveness.

T.9

Telephone conversations may be recorded and monitored by abrdrn Life.

T.10

The principal literature relating to the abrdrn Life Funds can be found on the Website.

U. Confidentiality

U.1

abrdrn Life shall respect and protect the confidentiality of information concerning the Scheme, its members, the Policyholder and any associated individuals, and shall not disclose any such information without the Policyholder's prior written consent except:

- i. to any person in the proper performance of abrdrn Life's obligations under the Policy (including, for the avoidance of doubt, any of abrdrn Life's advisers, agents and delegates);
- ii. as required by law or competent authority; or
- iii. to any Group Company, subject to compliance with any applicable statutory or regulatory requirements.

U.2

abrdrn Life will collect and process (store, use and disclose) personal data containing the Policyholder and individuals associated with the Policyholder or the Scheme (including the signatories of and as detailed in the Application Form) in accordance with the abrdrn Life Privacy Policy which can be found at abrdrn.com/en/uk/institutional/privacy. abrdrn Life shall process personal data as required to carry out its obligations to the Policyholder and for other legitimate purposes which are set out in the abrdrn Life Privacy Policy, including monitoring and analysis of its business, crime prevention and legal and regulatory compliance. abrdrn Life may use personal data for marketing purposes only to the extent that the persons in respect of which personal data has been collected have consented to the use of that data for marketing purposes. abrdrn Life may also transfer personal data to any country, including countries outside the European Economic Area, for any of the purposes set out above in accordance with the abrdrn Life Privacy Policy.



V. Termination by abrdr Life

V.1

abrdr Life may, by prior notice to the Policyholder, terminate the Policy if there is any change in circumstances which, in abrdr Life's reasonable opinion, would:

- i. result in material prejudice to the Policyholder or abrdr Life; or
- ii. make it, in abrdr Life's reasonable opinion, impracticable or impossible for abrdr Life to operate the Policy in the manner intended by abrdr Life. abrdr Life shall endeavour to send the Policyholder reasonable notice of any such termination.

V.2

If all units allocated to the Policy are surrendered, the Policy shall automatically terminate unless the Policyholder and abrdr Life mutually agree otherwise.

V.3

abrdr Life may terminate the Policy in any other case by sending the Policyholder at least two months' notice in writing.

V.4

On expiry of such notice abrdr Life will, normally, as at a Valuation Time on the first Working Day after expiry of such notice surrender the units allocated to the Policy and transfer the Surrender Proceeds to the Policyholder on the Transfer Date. The Transfer Date shall not normally be more than five Working Days after the date of surrender, but may be more in some circumstances, for example in the event of market disruption or the need to realise illiquid assets, and is subject to any applicable requirements imposed under Clause I.4.

V.5

Termination shall not affect abrdr Life's obligations in respect of any annuities payable under Clause J, nor any accrued rights or obligations of abrdr Life or the Policyholder under the Policy, except that any Premium Credits payable to the Policyholder shall be paid in cash and may not be reinvested to secure additional units.

W. Complaints and compensation

W.1

Details of how to make a complaint or pursue compensation in connection with the Policy are set out in the abrdr Life Key Facts document, which can be found on the Website.



For more information visit abrdn.com

The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested.

The information provided in this document relates to the products and services of abrdn Life and Pensions Limited (abrdn Life).

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