



Veritas**life**



VERITAS LIFE GUERNSEY

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VERITAS LIFE INVESTMENT BOND - LIFE POLICY

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TERMS AND CONDITIONS

INTRODUCTION

The Veritas Life Investment Bond, which comes in various forms, including as a Life Policy and a Capital Redemption Bond is an Investment Bond designed by Veritas Life to give you real freedom over how you invest and manage your money.

The product is available to any investor, however, as a responsible provider, we reserve the right at any time to decline any application without the requirement to give reasons. This product is provided entirely under the laws of the Bailiwick of Guernsey.

This document is the Terms and Conditions of the Veritas Life Investment Bond. This forms one part of the contractual documents required to be read and digested as part of the application and membership of the Veritas Life Investment Bond. In addition to this, the following documents make up the remainder of the documents which govern the contractual arrangement between us, which must all be read in full:

- The Application Form
- The Investment Bond Illustration
- The Investment Policy Statement
- Any other documents as may be requested or required during application or subsequently during membership

These documents can be updated at any time and the latest versions are available on our website, on request through your financial adviser or by contacting us directly. Where the documents are changed for any reason, we will notify you in line with the relevant sections of these Terms and Conditions.

Please take your time to read these documents very carefully as they are legally binding in their entirety. We do not and will not offer any advice in relation to the product, its suitability or its appropriateness to you at any time. It is entirely your responsibility to have ensured you have taken whatever steps are necessary to provide contentedness in this matter.

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IMPORTANT NOTICES

The Policy is subject to these Terms and Conditions as set out in this document and is governed by and shall be construed in accordance with the laws of the Island of Guernsey and all disputes regarding the Policy shall be subject to the jurisdiction of the courts of the Bailiwick of Guernsey.

These Terms and Conditions, together with the following **“Accompanying Documents”** shall constitute the entire contract:

- Application Form
- Investment Bond Illustration
- Investment Plan Confirmation.

These Terms and Conditions should be read in conjunction with the Accompanying Documents. All information applicable to a specific Policy is set out in the Investment Policy Confirmation (as defined below) for that Policy.

For the avoidance of doubt, these Terms and Conditions will take precedence if, for any reason, there is any inconsistency or conflict between the terms contained in it and any term of any Accompanying Document with the exception of the Investment Policy Confirmation. In the case of conflict between these Terms and Conditions and the Investment Policy Confirmation, the provisions of the Investment Policy Confirmation will prevail.

PROVIDER(S) DETAILS

Veritas Cell is established in Guernsey as a “Cell” in Artex Insurance (Guernsey) PCC Limited (“Core”) a company incorporated under the Companies (Guernsey) Law 2008 (the “Companies Law”). A PCC captive structure is an entity consisting of a core and an indefinite number of cell entities which are kept legally separate from each other. Each cell has dedicated Assets and liabilities ascribed to it, and the Assets of an individual cell cannot be used to meet the liabilities of any other cell. The Board of Directors approved the operation and business written through each cell.

Artex Insurance (Guernsey) PLL Limited - Veritas Cell (“Veritas Cell”) is authorised as a long-term Life Insurer/Re-insurer under the Insurance Business (Bailiwick of Guernsey) Law, 2002, as amended, by the Guernsey Financial Services Commission. The Policyholder’s contract is therefore with Veritas Cell as provider of the Policy.

Please refer to the risks regarding the cell company structure explained in the Risks and Warnings section of these Terms and Conditions.

All communications from the Policyholder must be made to Veritas Cell. Veritas Cell 's contact details are:

Veritas Cell,

c/o Artex Insurance (Guernsey) PCC Limited
Heritage Hall, Le Marchant Street
St Peter Port
Guernsey, GY1 4JH

Telephone Number: +44 (0) 1481 737100 or +44 (0) 2080 445705

Email Address: support@veritasguernsey.com

COSTS AND CHARGES

You agree to pay the fees and charges that arise in respect of the Policy as described below. You hereby authorise us to deduct from the Transaction Account all such fees and charges (as soon as reasonably practicable after they fall due).

Our charges as set out in these terms and conditions, the Application Form, the Fee Schedule and other documents pertaining to the application and ongoing management of your Policy may be subject to change due to a number of reasons. Therefore, we reserve the right to vary our charges where we believe it is necessary, fair and reasonable to do so. This may include, for example:

- Changes to the way or manner in which we provide our services (including changes in technology) or to reflect any changes in the cost of providing our services;
- To reflect market conditions and general good industry practice;
- To take account of changes to the law and/or regulation and/or codes of practice and/or the way in which we are regulated; or
- To take account of a decision by any court, ombudsman, regulator or similar.

Our charges are reviewed in their entirety on an annual basis to ensure they are still relevant, commensurate, competitive and enable us to provide you with the best product from a sustainable company. Our updated fees will be reviewed and published each 1st July. If we change our fees at any other point, we will provide you with at least 30 days' notice where practicable.

Where a charge is applied by Veritas Cell and we decide to vary our charges for the reasons stated above, we will only do so where we have provided you with a reasonable period of advance notice. We would anticipate that in most cases we would communicate any changes to our charges in writing to you no less than one calendar month before those changes take effect. However, such advance notice may not be possible where a charge or levy is imposed as a consequence of legal or regulatory changes.

You should note that we will not give advance notice of any increase in charges where such increase is, in our reasonable opinion, likely to result in an increase of a de minimis amount. For these purposes we consider a de minimis amount to be GBP 10 (ten pounds) or equivalent in other currency.

The current Policy Fees are explained below. This list includes explanation of all of our fees and charges, and also includes details of some of the additional charges you may be liable for. To that end, whilst our charges are complete, the list of external charges is not exhaustive.

For the avoidance of doubt, fees and charges illustrated and displayed in documentation are the rates at the point of the publication of that document. Any contractual relationship will be put under the charging structure prevailing at the point of formally making the account go live, which is on the issuance of the Investment Policy Confirmation. Charges levied for events and ongoing management after that point will be at the prevailing rates on the date of the event. Any third party charges will be the responsibility of your Policy or you, as the Policyholder, and we take no liability for any expenses raised, whether in direct relation to, or aligned with, the Policy, unless it is explicitly confirmed that we will be including the costs of such items within our documentation, or otherwise in writing by a Director of Veritas Cell.

You will not be entitled to any special offers or alternative charging structures unless this has been agreed, formally, in writing, by a Director of Veritas Cell, and the provision of a special charging structure for one party does not, in any way, provide an obligation to provide the same offer in perpetuity or to any other party. Any charging structure which is not standard may, at any time, without notice, be withdrawn, at the discretion of Veritas Cell.

VERITAS CHARGES - EXPLAINED

Establishment Fee

The Establishment fee can be paid either as an upfront charge, deducted directly out the Premium, or can be indemnified and repaid over a period of time, removing the requirement to pay these fees up front, and allowing more to be invested at the outset of the policy. The Establishment Fee is the charge to set up your policy, pay any initial adviser fees and pay the initial administration costs of the product.

Paying using the upfront charge option allows you to pay the Establishment Fee at the start of your Policy. If you select this option, we will deduct the total Establishment Fee from your initial Premium, which will mean that the amount available to you for investment will be less than the Premium you have paid. If you choose this option, we will apply 100% of your Premium, minus the Establishment Fee, to your Policy. In this instance, an early exit charge would not apply.

Alternatively, you can choose to amortise the payment of the Establishment Fee over a period of time. Such charging structures are arranged in such a way that the fees are still paid up front, but are settled over a period of time. The recovery of the Establishment Fee is based on the Premium and paid monthly in arrears for a period of up to 10 years. The period over which the recovery of the Establishment Fee takes place will be selected by you when you complete your Policy Application Form. The period selected by you is the Establishment Fee Term. Where this is the case, you need to be absolutely aware of the impact of this, and plan against it. If you choose to withdraw from the investment prior to the end of the Establishment Fee term, you will be responsible for settling the remaining Establishment Fee at that point. These amounts can sometimes be significant and require careful planning. Ensure you have discussed all such penalty and repayment terms in full with your financial adviser before proceeding.

If you cancel your Policy prior to the end of the Establishment Fee Term, we will take the outstanding Establishment Fee as an early exit charge before paying the remaining Policy value to you.

An amortised Establishment Fee repayment requires funding. Recovery of the Establishment Fee will therefore be the made up of the repayment of the Establishment Fee plus the cost any funding required to facilitate the solution. The monthly Establishment Fee recovery is therefore subject to a funding rate, available on request, which is linked to the prevailing 1 Month LIBOR rate (the "LIBOR Rate").

Annual Management Fee

An annual management fee equal to a percentage of the policy, is accrued at the end of each calendar month. This fee will be applied for the life of the policy. This fee is calculated based on the daily value of the policy.

Policy Top-up Fee

The Policy Top-up Fee is a one off fixed fee that pays for the regulatory checks that Veritas Life is required to undertake prior to accepting the top-up payment and adding it to your Policy. The Policy Top-up Fee is deducted at from the value of your Policy.

Policy Setup Fee

The Policy Setup Fee is a one off fixed fee that pays for the regulatory checks that Veritas Life is required to undertake prior to accepting and issuing your Policy. The Setup Fee is deducted at inception from the value of your Policy.

Transaction Fees

These are the charges for any transactions carried out on your Policy which are chargeable. We will recover all transaction fees from your portfolio as they arise. Our aim here is to simply pass on costs incurred and aggregate costs to reduce your fees.

Custody charges

We may charge a safe custody charge for each Asset you hold in the policy and exists for the life of your policy.

Investment adviser fee

This is an optional fee. If you choose to appoint a Financial Adviser or other professional as an investment adviser, they may agree an ongoing fee with you for their services. You may pay the fee directly or alternatively, we can facilitate the payment from your policy. This fee is calculated based on the daily value of the policy and accrued at the end of each calendar month.

Financial adviser fee

This is an optional fee. The amount of fee should be agreed between you and your financial adviser. The amount we deduct from your policy, if any, will be paid directly to your adviser. This fee is calculated based on the daily value of the policy and accrued at the end of each calendar month.

SOME OF THE EXTERNAL CHARGES - EXPLAINED

Stockbroker fees

Where a chosen Asset requires, it may be necessary to buy or sell the Asset through a stockbroker, and any fees will be deducted from the Veritas Life Investment Bond cash account. The current stockbroker fees are available from us on request. You should ask any appointed Discretionary Investment Manager or investment platform about their stockbroker's fees.

Your Financial Adviser will provide you with an Illustration and Key Information Document detailing the features specific to your Policy including the payment allocation rate, the Policy charges and any investment and/or financial adviser fees that may apply.

Other fees may also be applicable to your Policy, although these are not necessarily charged by Veritas Life. You may incur fees for the payments made to your Policy or for withdrawals taken by telegraphic transfer. Your bank will be able to explain these to you.

Discretionary Investment Manager charges

All costs with regard to the holding, buying, selling and transfer of Assets in a Discretionary Portfolio, as well as any statutory charges, will be recovered from the market value of the Assets by the DIM responsible for managing the Discretionary Portfolio. The Policyholder will be responsible for the fees of the DIM which are normally described in the agreement between the Policyholder and the DIM.

Asset charges

The pricing structure and the terms pertaining to the underlying Assets are available within each of the investments prospectus which can be requested from Veritas Cell, or through your Financial Adviser. Costs relating to the operation of a fund, as well as any statutory charges, will be recovered by the fund manager from the fund's unit price.

The following charges are also taken into account in the calculation of a fund's unit price:

- An annual management charge;
- Any other charges as disclosed in the prospectus;
- A performance charge for the asset manager, if applicable

Fixed Term Deposit fees

Any costs associated with a Fixed Term Deposit will be recovered by the Fixed Term Deposit Provider from the value of the Assets of the Fixed Term Deposit. The Policyholder will be responsible for such costs, which are normally described in the terms and conditions of the selected Fixed Term Deposit.

Bank and currency charges

Any bank and currency charges that may arise from trading or when making a withdrawal or benefit payment under the Policy, will be deducted from the payment.

FUNDING THE PLAN

Funding the Plan is performed by the crediting of a Premium or the crediting of multiple Premiums. This can be facilitated by the depositing of cash, by the transfer of assets, or a combination of both.

Commencement of membership requires the entire Premium to have been received, and a Policy will be considered as commencing once the declared Premium is fully paid up.

It is possible to deposit subsequent Premiums, but each Premium will be considered a separate inflow and may hold its own costs, charges, terms and treatments, and each Premium will require a separate declaration.

Should a Policy's Premium be significantly different to the amount declared on Application, or subsequent forms as applicable, Veritas Cell reserve the right to request additional information, declarations or any other information as they may deem appropriate in order to ensure that the Policy is fully paid up.

Veritas Cell reserve the right to reject a Policy if the Premium is markedly different to any amounts declared.

Veritas Cell may, at their absolute discretion, accept or decline additional Premiums to a Policy, and reserve the right to treat any such additional Premiums as part of an original charging arrangement, or create a new charging structure delineated away from other Premiums.

Veritas Cell reserve the right, in the event of any withdrawals from the Policy, to treat the withdrawal as coming from any single, multiple or combination of inflows as they deem appropriate, and are fully indemnified in making this decision.

It needs to be recognised that depositing subsequent Premiums to a Policy may change, alter, extend or increase charges and terms for charging, relative to the solutions available at that time and the instructions of Policyholders.

ESTABLISHING A PLAN

The Veritas Life Investment Bond (the **“Policy”**) is a contract issued by Veritas Cell in Guernsey.

Policy Inception Date

The Policy inception date is stated in the Investment Policy Confirmation.

Investment Amount

The Investment Amount will be allocated to the Assets in accordance with the Policyholder's instructions in the dealing instruction attached with the Application Form. Investment Amounts are payable in GBP/USD/EUR.

Currency

If you pay a Premium which is denominated in another currency, we will use the Transaction Account for the purpose of receiving that Premium.

Policy Value

The Policy value is determined by the collective value of its segments. Each segment's value will be determined by reference to the market value indicated by the last available price of each underlying Asset in which the Policy is invested. The market value of the Assets can be determined on a daily, weekly or monthly basis or any other valuation point, which is no less than quarterly (calendar quarter). The last available price and exchange rates (if applicable) will be used for all valuation purposes.

Policy benefits are determined by the market value of the underlying Assets on realisation of such Assets.

Lives Assured

The Policyholder will designate all lives assured up to a maximum of ten (10) lives insured. The maximum age at inception for the youngest life assured may not exceed age 89 on his/her next birthday. Existing lives assured cannot be removed from the Policy or new lives assured added to the Policy after the Policy's inception date. If there are two or more lives assured, payment of the death benefit would be made following the death of the last life assured only.

Joint Policyholder

Where the Policy is jointly held, any request will require the joint instruction/authorisation of all Policyholders at all times.

RIGHT TO CANCELLATION

If the Veritas Life Investment Bond does not meet your requirements, except for where any applicable cancellation entitlement has been waived, you may cancel it by notifying Veritas Cell in writing within fourteen (14) days from the day you signed the Application Form, and we will give you your money back. Your Premium will be returned to the account they were received from. Should your Premium be received prior to the 14 day period from signing the Application Form, the Premium will only be invested on the 15th day following the Application Form being signed. If the fourteen (14) days ends on a non-Business day, the next Business day will be used.

The amount refunded to the Policyholder will be paid as soon as the funds have been liquidated. Payments may be delayed due to liquidation restrictions that may be applicable to underlying funds. These restrictions, if any, are set out in the fund's then current prospectus.

INVESTMENTS AND DEPOSITS

Range of Investment Options

Upon application you will be asked to select which type of Policy you wish to use which will determine the range of investments your Policy will be able to access:

- Veritas Life Investment Bond - Personalised Life Policy; or
- Veritas Life Investment Bond - Collective Life Policy

Depending on the policy type selected, you may divide your investment in one Policy between the Investment Options available.

The Acceptable Asset Types for a Personalised Life Policy are:

- Equities and fixed-interest securities (including Corporate/Government/Sukuks) quoted on most recognised stock exchanges
- Authorised unit trusts
- Open-ended investment companies
- Authorised investments trusts
- Real estate investment trusts (REITs)
- Hedge funds, funds of hedge funds and exchange-traded funds (including exchange-traded commodities)
- Structured notes and deposits
- Cash, including bank and building society deposits

The Acceptable Asset Types for a Collective Life Policy are:

- Authorised investments trusts (excluding warrants), within the meaning of section 842 ICTA 1988, and any subsequent amendments, of the United Kingdom
- UK investment trusts, excluding warrants, within the meaning of section 842 ICTA 1988, and any subsequent amendments, of the United Kingdom
- Real estate investment trusts (REITs)
- Open-ended investment companies within the meaning of section 236 of the UK Financial Services & Markets Act 2000, and any subsequent amendments, of the United Kingdom
- Cash, including bank and building society deposits
- An interest in an overseas collective investment scheme (as defined in section 235 of the Financial Services & Markets Act 2000 and any subsequent amendments, of the United Kingdom) that is structured as one of the following:
 - An open-ended investment company
 - A unit trust
 - Offshore reporting and non-reporting funds
 - Hedge funds and exchange-traded funds (including exchange-traded commodities), providing they comply with one of the structures above

Consideration of Assets

A range of Assets can be included in the Policy. All such Assets must have been accepted by us, which means that we have decided that we are prepared to acquire and hold them. We have absolute discretion whether or not to accept an Asset. Any acceptance of an Asset is not an endorsement of that Asset, nor should it be construed as an endorsement in any way.

INVESTMENTS AND DEPOSITS

Acceptable Assets

We maintain a list of Asset types which can be considered for the Personalised Life Policy and the Collective Life Policy. This is known as the list of Acceptable Asset Types. Once we have considered that an Asset of a type listed on the list of Acceptable Asset Types is acceptable, the Asset is known as an Acceptable Asset. If an Asset is not an Acceptable Asset, it may still be agreeable for inclusion in the Policy as a Bespoke Asset. The list of Acceptable Asset Types is updated by us from time to time.

The fact that we have accepted an Asset as an Acceptable Asset or that an Asset type appears on the list of Acceptable Asset Types does not mean we have endorsed that Asset or Asset type as being suitable or appropriate for any purpose. You, your Financial Adviser or a Discretionary Investment Manager will have sole responsibility for deciding the suitability of an Asset or Asset type based on your needs and circumstances.

We have the right to dispose of any Asset if we have reasonable belief that it is no longer a suitable Asset for Personalised or Collect Life Policy or if it ceases to be on an Acceptable Asset or Acceptable Asset Type. In the circumstances where such an Asset is a Bespoke Asset, we may exercise, at our absolute discretion, the relevant rights and powers vested in us as owner of the Asset, to liquidate, wind up or otherwise dissolve the Asset on whatever terms we decide in order to remove the Asset from the Policy and all associated costs of such action be will be debited from the Transaction Account.

We will inform you by electronic communication or in writing when we dispose of an Asset. We will hold the proceeds of the disposal in the Transaction Account held with us until we receive further instructions from you.

If an Asset was an Acceptable Asset when it was acquired but is then removed by us from the Policy or any reason, that acquired Asset will cease to be an Acceptable Asset from the moment it is removed.

You, your Financial Adviser or a Discretionary Investment Manager may request that we include an Asset of a type listed on the Acceptable Asset Type list within the Policy. As to the Asset acceptance process:

- The carrying out of an Asset acceptance process (whether in request or otherwise) is solely for us to satisfy ourselves that the proposed Asset is acceptable for the Guernsey regulatory purposes and for our administrative requirements. The Asset acceptance process has no other purpose and does not amount to an endorsement of an Asset.
- Where a request is made for an Asset to become an Acceptable Asset, we will try and complete the Asset acceptance process within five Business Days of that request, although the process can sometimes take much longer. We will not be liable in any way, at any time, for any missed opportunity, pricing or otherwise should we not complete a review in time for an opportunity to be achieved, nor will we be liable for any change in price, as a result of the length of time it takes us to review an Asset.
- If the Asset you have requested to become an Acceptable Asset is your first Asset choice, then an amount equal to the relevant proportion of the allocation percentage will be retained in the Transaction Account held with us until completion of the Asset acceptance process.
- If you, your Financial Adviser or a Discretionary Investment Manager, request a sale of an Asset to purchase another Asset which requires the Asset acceptance process, then we will carry out the sale at the next dealing time available to us follow receipt of your dealing instruction unless you advise us to the contrary. We will then hold the proceeds of the sale in the Transaction Account until the completion of the Asset acceptance process.
- If the Asset acceptance process identifies that the Asset is not acceptable to us then we will inform you, your Financial Adviser or your Discretionary Investment Manager of that and you, your Financial Adviser or your Discretionary Manager should provide us with alternative instructions.
- Whether an Asset is or is not accepted as a result of the acceptance process then we will inform you, your Financial Adviser or your Discretionary Investment Manager.
- We do not accept any liability (except that arising from our fraud) for any economic or other loss occasioned or caused by exercising our right to only accept Acceptable Assets and/or to undertake the asset acceptance process.

INVESTMENTS AND DEPOSITS

Bespoke Assets

If an Asset is not an Acceptable Asset, it may still be agreeable for inclusion within the Policy as a Bespoke Asset. Bespoke Assets do not appear on the list of Acceptable Asset.

A Bespoke Asset must meet all conditions of applicable Guernsey regulations for linked whole of life Assets and for own administrative requirements. We have absolute discretion whether we accept an Asset as a Bespoke Asset.

The that we have agreed an Asset as a Bespoke Asset does not mean we have endorsed that Asset as being suitable or appropriate for any purpose. You, your Financial Adviser or your Discretionary Investment Manager have sole responsibility for deciding whether a Bespoke Asset is suitable and appropriate for your needs and circumstances.

A request for us to accept a Bespoke Asset can only be made using our Bespoke Acceptance Procedure:

- Our acceptance of a Bespoke Asset will be made on a case by case basis and is subject to our absolute discretion.
- Our acceptance of a specific Asset as a Bespoke Asset will not set a precedent for the subsequent acceptance of similar or identical Assets.
- We do not need to give any reason for our decision to accept or reject an Asset as a Bespoke Asset.
- If you, your Financial Adviser or your Discretionary Investment Manager make a request that we accept as Asset as a Bespoke Asset, the process for us to determine such a request can be lengthy. We will update you as to when we anticipate reaching a decision.
- We accept no liability (except that arising from our fraud) for economic or other loss occasioned or caused by exercising our right to refuse or accept an Asset and/or to undertake the Bespoke Asset acceptance Procedure.
- If we do decide that we are willing to accept an Asset as a Bespoke Asset, such acceptance by us will be subject to whatever terms and conditions we, in our absolute discretion, decide. The terms and conditions we propose will be set out to you in writing.
- Our acceptance of a Bespoke Asset will not be offered on any other basis or understanding than those set in the terms and conditions we decide upon. As such, any terms and conditions not expressly set out in writing by us will have no effect.
- You can decide to accept the proposed terms and conditions, such acceptance will only be effective if it is communicated to us in writing without conditions.
- If you accept the terms and conditions we have offered in respect of a proposed Bespoke Asset, those terms and conditions will take precedence over these terms where any conflicts arise.
- Except where express contrary provisions exist in the individually agreed terms and conditions relating to a specific Bespoke Asset, the following will apply to all bespoke Assets:
 - As owner of the Bespoke Asset, we may exercise any rights and powers, including those relating to liquidation of the Bespoke Asset, where appropriate with or without reference to you or anybody else and at our absolute discretion. For example, where the Bespoke Asset is private company shares, we may exercise shareholder rights and powers as we consider appropriate.
 - We are not liable to you for any loss, damage or expense caused by or arising from or in connection with how we exercise our rights and powers as the owner of a Bespoke Asset.
 - In addition to the circumstances above, we may for whatever reason we deem appropriate dissolve, wind-up or otherwise remove a Bespoke Asset from the Policy. For example, we may choose to do this where we consider it to be uneconomic to hold a Bespoke Asset as part of the Policy or where there is a change in regulation or law which would mean we are no longer able to hold such an asset. These examples are illustrative and not exhaustive.

INVESTMENTS AND DEPOSITS

External Funds which are Acceptable Assets

Your Policy may include units or shares in an External Fund which is on the Acceptable Assets list, provided that the value of the Units or shares in any fund is at least the minimum value we stipulate at the time, and/or that of the external institution, which may be higher.

Normally any dividends will be held in the Transaction Account held with us or to our credit in an account by the nominee holder of the Asset.

Stocks and Shares which are Acceptable Assets

Only available for purchase within Personalised Life Policies.

Your Policy may include stocks and shares quoted on a principal stock market which is recognised by us and which are on the list of Acceptable Assets, provided any holding of a stock or share is at least of the minimum value we stipulate at the time, being:

- Government debt instruments
- Corporate debt instruments
- Equity and preference shares in a company (but excluding any Veritas company)

Normally any dividends will be held in the Transaction Account held with us or to our credit in an account by the nominee holder of the Asset.

Bank Deposits

Your Policy may include a Bank Deposit provided the value is at least the minimum we stipulate at the time. Normally any such deposit will be in the Policy Currency.

At your request, we may grant you access to deposits from several banks or other deposits-taking institutions. If your request is for a deposit with a particular rate with an institution, you should be aware that, as interest rates are subject to frequent variation, we will place the deposit at the prevailing rate with that chosen institution. This may be lower or higher than the rate requested. We will not consider rates that may be available with other institutions. We offer any such accounts on the express understanding that we do not give investment advice and it is for you, your Financial Adviser or Discretionary Manager to decide what is suitable for your circumstances.

Institutions may refuse a request or impose early withdrawal charges if money is withdrawn from an account before the expiry of a fixed term or without providing the required advance notice. If you request us to invest into the deposits, then we will deduct any such charge imposed by the institution on withdrawal from your Policy.

Transaction Account

The Transaction Account held with us that applies to your Policy will be denominated in the Policy Currency. If you pay a Premium, or the Policy includes Assets that are denominated in other currencies, this may be held in the Transaction Account.

Any credit or debit balance of the Transaction Account that applies to your Policy is an Asset within your Policy. The Transaction Account is legally and beneficially owned by us at all times. You accept this investment risk where there is a credit balance in the Transaction Account. We review our Treasury Policy on a yearly basis and will amend it from time to time at our discretion. We reserve the right to change any of the financial institutions we use and will do so without notice. When any changes are made to our Treasury Policy we will seek to update you as soon as reasonably practicable after any material change.

Where an Authorised Custodian facility has been requested, we will credit an amount equal to the allocation percentage of all Premiums to the Transaction Account held with us before we transfer your chosen payments to the relevant Authorised Custodian(s). In all other circumstances, we credit the Allocation Percentage of all Premiums and proceeds of sale of Assets to the Transaction Account held with us together with any dividend or interest income received or any residual cash as a result of buying and selling Assets or as a result of a corporate action.

We take from the Transaction Account held with us all the amount of payments of:

- Benefits
- Buying and selling of Assets
- Policy Charges
- Third Party agent charges

Interest may be credited for any cash balance in the Transaction Account. Any overdrawn debit balance in the Transaction Account will be charged interest at a rate determined by us based on the amount of the overdrawn debit balance and our banker's base rate from time to time. Interest will be charged from the date the overdrawn balance is created until it is repaid. The rates differ for credit and debit balances and are available on request.

INVESTMENTS AND DEPOSITS

Where one or more Assets held become illiquid

Where one or more Assets held become illiquid, it may result in unpaid Policy charges. If these unpaid Charges erode the value of the Policy so that it falls below our published minimum Policy value, then we may terminate your Policy or you can request to pay an additional premium. To be clear, Veritas Cell will not be providing you with any discretionary management service, any investment advice or any personal recommendation in respect of any Assets or otherwise and we do not provide any general financial planning services. It is the responsibility of your Financial Adviser to discuss and agree with you which investment options are suitable for you and as appropriate, transmit all relevant instructions regarding your investment options to us.

Discretionary Investment Manager

You may choose a Discretionary Investment Manager provided that they are approved by Veritas Cell. The terms and conditions of the availability of a Discretionary Portfolio are explained below.

Instead of selecting funds yourself, you may wish to use the service of a Discretionary Investment Manager to invest your Policy on your behalf on a more individual or bespoke basis. Under the Policy, we will allow your investments to be managed by a Discretionary Investment Manager (DIM) upon terms agreed between the DIM and you as their client, and any terms and conditions which we may require for the Discretionary Investment Manager relative to the services provided and rendered, and subject to the conditions set out as follows:

- You may nominate a DIM to manage a portfolio of funds on your behalf upon the condition that it shall be the responsibility of the DIM to provide us with the portfolio value for your Policy at such frequency as we require.
- It shall be the Policyholder's responsibility (or that of their Adviser) to execute written terms of engagement with the DIM and it shall be the responsibility of the Policyholder to agree a suitable investment objective and risk profile with the DIM.
- The DIM must enter into an agreement with Veritas Cell upon such terms and conditions as we may provide to administer the investment portfolio.

Depending on the service requirements of such a facility, there will be costs and time implications for the establishment and formation of such relationships and there may be ongoing charges applicable to the DIM or other third parties. We will not be liable for the impact of any delays in establishing such relationships or in the performance of any such relationships. Any costs, including but not limited to, associated in establishing, operating, providing, facility and ceasing such services or accounts will be the burden of the Policy, Policyholder and/or DIM and will not be borne by Veritas Cell unless agreed otherwise in writing.

INVESTMENTS AND DEPOSITS

Making Investment Instructions and Changing Asset Allocation

You, your Financial Adviser or your Discretionary Investment Manager may change your choice of Assets by using the Online Service or sending a dealing instruction to our Dealing Desk by electronic communication acceptable to us, or by post for Assets held with our Default Custodian.

If you choose an Asset which requires a number of units or shares to be purchased or sold rather than a cash value, where we are instructed to buy or sell such an Asset using a cash value, we will use the previous day's closing price to convert the cash value into the number of units or shares to buy or sell the Asset. Market movements may result in a different cash value being applied to purchase or sell the Asset than the cash value we were instructed to use. We can accept no responsibility for any difference in the cash value in such circumstances. By requesting the number of units or shares to be purchased or sold for these Assets, the difference in cash value can be avoided.

- All costs involved, including third-party and professional costs incurred relating to the reviewing, buying, administration, custody, selling, closure and winding up of Assets will be applied to the Transaction Account.
- There may be a delay acquiring and disposing of Bespoke Assets, due to the nature of the Assets. For example, they may not be liquidated immediately, and in some cases, it may not be possible to execute the instruction. We, including the Dealing Desk, can accept no responsibility for the effects of any delay or failure to carry out all or part of the transaction in such circumstances.
- Where you are using the Authorised Custodian account facility, you must send a dealing instruction form by post to the relevant Authorised Custodian's Dealing Desk (or other communication method acceptable to the Dealing Desk). Any instruction sent to us that relates to Assets held by an Authorised Custodian will not be actioned or sent on to the Dealing Desk of the relevant Authorised Custodian.

The time of receipt or delivery of any electronic communication sent to our dealing desk will be determined by the time of sending recorded on our system. You will need to ask us to acknowledge receipt of e-mails otherwise there can be no guarantee that these have been received and actioned by us.

Where you are using the Authorised Custodian account facility, time of delivery or delivery of any communication to the Dealing Desk will be defined by that particular Dealing Desk.

We will normally give instructions to buy or sell Assets within two Business Days of receipt of a valid instruction. The dealing date will be the next dealing point administratively available to us by the provider of the Assets or next available market price for other tradeable securities, after we have actioned your request. Where you are using the Authorised Custodian account facility, the dealing date will be defined by their dealing desk. It will normally be the next dealing point administratively available to that Dealing Desk.

Your instruction must meet our reasonable requirements at the time. These requirements may include a valid identifier such as an ISIN number and a minimum value of Assets to bought or sold. This minimum will be the higher of our published minimum dealing amount, and the minimum dealing amount of the Asset as determined by the Asset's manager.

The Dealing Desk will normally only buy an Asset if there is enough cash balance to fund the transaction and to pay any related direct and indirect expenses, taxes and any associated currency transactions, or if there is a simultaneous sale of an Asset which provides enough cash in the Transaction Account. The Dealing Desk will hold the proceeds of sale after all direct and indirect expenses and taxes of the sale and any associated currency transaction have been deducted.

If instructions to sell Assets have a higher value than instructions to buy, any balance of proceeds of transactions will be held as cash in the Transaction Account.

It is your, your Financial Adviser's or your Discretionary Investment Manager's responsibility to ensure that prompt Asset dealing instructions which account for the full value of the Assets in the relevant Transaction Account are provided, unless this is being used to meet other obligations.

If we agree to accept an additional Premium then you may give us an Asset dealing instruction through the Online Service, or sending a dealing instruction to our Dealing Desk by electronic communication acceptable to us, or by post. We may buy an Asset before your additional Premium payment has cleared. If your additional Premium payment does not clear, the bank does not honour your additional Premium payment or your additional Premium payment is cancelled for any reason, we will sell any Assets we have bought and you will be liable to us for our losses if the value of the Assets have fallen. We can recover the value of our loss from your Veritas Life Investment Bond. We will keep any increase in the value of the Assets from the sale of the Assets.

We will normally only buy an Asset if:

- There is enough cash balance in the Transaction Account held with us to fund the transaction and to pay any related direct and indirect expenses and taxes and any costs associated with currency transactions for example, converting the amount to a different currency.
- We sell other Assets at the same time to provide enough cash for the transaction.
- The deal meets the minimum dealing amount

We will take all direct and indirect expenses and taxes due as a result of selling the Asset and any costs associated with a currency transaction from the proceeds of the sale of the asset and will pay the rest into the Transaction Account held with us.

If you choose an Asset which requires a number of units or shares to be purchased rather than a cash value, where we are instructed to buy such an Asset using a cash value, we will use the previous day's closing price to convert the cash value into the number of units or shares to buy the Asset. Market movements may result in a different cash value being applied to purchase the Asset than the cash value we were instructed to use. We can accept no responsibility for any difference in the cash value in such circumstances. By requesting the number of units or shares to be purchased for these Assets, the difference in cash value can be avoided.

INVESTMENTS AND DEPOSITS

Instructions to us

An Asset dealing instruction form (or other communication acceptable to us) should be completed by you, your Financial Adviser or your Discretionary Investment Manager and provided to us.

If all or any part of the instruction to us from you, your Financial Adviser or the Discretionary Investment Manager, to buy or sell an Asset is illegible, ambiguous, conflicting or unclear in any way to us or the Asset name selected does not exist then we will not act on the instruction and will use our best efforts to inform you of that. We can accept no responsibility for the effects of any delay or failure to carry out all or part of a transaction in such circumstances.

Investment Disclosure

All Policyholders should ensure a full understanding of the risks associated with investing in the Assets available under the Policy. Veritas Cell cannot guarantee performance or take responsibility for the financial stability of the fund providers, Financial Advisers, investment advisers or any Discretionary Investment Manager.

Your attention is drawn to all documentation, including the prospectus, Key Investor Information Document (KIID) and fund fact sheets, and it is your responsibility to ensure that you understand the objectives and responsibilities of the Asset providers. There is no assurance or guarantee of capital invested in the Policy.

Investors may lose money, including loss of amounts originally invested.

WITHDRAWALS, TERMINATION, CLAIMS, ALLOCATIONS AND DEATH

All withdrawals

The Policyholder may request to withdraw partially or fully from the at any time. When the Policyholder requests a withdrawal, they can choose either to surrender individual segments or request to have the withdrawal applied proportionally across all segments. The default action is to have the withdrawal applied proportionately across all segments. Veritas Cell will only execute a withdrawal request on receipt of a duly completed form, signed by the Policyholder. In addition, for a full withdrawal request, we must have prior receipt of the original Policy documentation at our offices in Guernsey.

Withdrawals may be taken on a one-off basis or in the form of regular (systematic) withdrawals, subject to minimum and maximum requirements of Veritas Cell.

Regular withdrawals

The Policyholder can choose to take regular withdrawals from their Policy (which they can request to start or stop at any time), subject to the minimum amount being held in the policy. Regular withdrawals can be taken on a monthly, quarterly, half-yearly or yearly basis, subject to Veritas Cell's minimum permitted amount. Regular withdrawals may only be applied if the Policy is invested in daily traded funds or holds sufficient balances in Transaction Accounts.

Veritas Cell stipulates a minimum amount for partial withdrawals as well as a minimum value to remain within a Policy after a partial withdrawal.

The Policyholder must specify the funds under the Policy that they would like to sell when submitting a withdrawal request for the Policy should there be insufficient Transaction Account balances. If the Policyholder does not specify the funds from which the withdrawals should be taken, the withdrawal will be deducted proportionally from all underlying daily traded funds.

Surrender of a Policy

The total surrender value of a Policy will be equal to the Policy value at the time of surrender minus any accrued fees or charges not yet deducted. After a Policy has been surrendered, no further benefits will be payable in respect of such Policy and upon payment of the surrender value, Veritas Cell will be released from all obligations under the Policy.

If a Policy with a Fixed Term Deposit is surrendered prior to the end of the Fixed Term, the Fixed Term Deposit Provider may apply an interest rate adjustment upon surrender, which may be positive or negative.

Veritas Cell is entitled to defer payment of the surrender value where investment in a fund cannot be realised for any reason or where liquidation restrictions apply in respect of a fund in which the Policy is invested. Such restrictions, if any, are set out in the fund's then current prospectus. Any balance of proceeds that might not be payable due to liquidity constraints pertaining to the dealing in the fund will only be paid after Veritas Cell have received the liquidated Assets from the fund.

Where it is not possible to fully surrender a Policy, Veritas Cell may need to continue the operation of a Policy until such time as it is able to be released from its obligations. Accordingly, charges and costs will continue to be applicable until such time as the Policy has been formally closed and the above conditions applied.

Payment of Proceeds

Veritas Cell will pay all benefits in the Policy Currency. However, the Policyholder may request payment in another currency, into a bank account in the currency of the Policyholder's choice, providing the bank account is held in the Policyholder's name. Should the account differ from that listed on the Application Form, the client will need to provide confirmation of this change in account prior to withdrawal and a certified proof of the account. Any bank and currency charges will be deducted from the benefit amount.

WITHDRAWALS, TERMINATION, CLAIMS, ALLOCATIONS AND DEATH

Assignment of a Policy

The Policyholder may assign the Policy to a third party in full or in part by the assignment of whole segments on written notice to Veritas Cell. The assignee will become the new Policyholder of the Policy and individual segments may be assigned for encashment by a third party. The Policyholder may cede the Policy as collateral security. All switch, transfer, withdrawal or surrender instructions must be approved by the third party whose financial interest is registered under the collateral cession. Veritas Cell should be notified of any such cessions of the Policy. A cession will only be registered upon receipt by Veritas Cell of the required notice and a duly completed cession form signed by the Policyholder; as well as receiving client due diligence which is then verified.

Claims

In the event of a claim please inform Veritas Cell as soon as possible. To obtain the necessary claim forms and to ensure that all the required information is supplied, please contact us using our Contact Details in these Terms and Conditions or by using our contact information available on our website from www.veritaslifeguernsey.com. The Forms for the process are normally available on this website as well.

Death of Life Assured

The benefit will be processed following the acceptance of written notification of the death of the last Life Assured, a suitably certified copy of the death certificate, the original Investment Policy Confirmation and written confirmation of the right of a claimant to receive payment. The value of the benefit payable will equal 100.1% of the Policy value less any accrued Policy Fees and outstanding charges.

The benefit will be calculated based on the next available prices for all underlying Assets. The proceeds of the death benefit will be paid once all Assets have been sold.

Policy benefits are payable within thirty (30) days after receipt of the evidence and proof as referred to above. We are entitled to defer payment where liquidity restrictions are applied in respect of the underlying Assets.

No interest will be payable because of a delay in the payment of the Policy benefit (or part thereof) as a result of the reasons stated above. The death benefit is only payable on the death of the last life assured.

After the benefit has been paid, no further benefits are payable under the Policy.

Termination of Policy

Termination

To protect against risks involving market changes or the overall cost of providing services, Veritas Cell reserves the right to terminate the Policy as and when it deems necessary.

We will give you thirty (30) days' notice before terminating the Policy. If we terminate the Policy under this provision, any funds in the Policy at that time will be returned to the account from which the original investment was wired.

After termination, no further benefits are payable under the Policy.

RISKS AND WARNINGS

Please find below some of the risks which must be considered when investing into the Veritas Life Investment Bond.

The following is **not** an exhaustive list of the risks associated with investing in the Veritas Life Investment Bond and the Assets available under the Veritas Life Investment Bond. All Policyholders must ensure that they are fully aware and understand the risks associated with investing in the Policy and must seek advice from their Financial Adviser.

Cell Risk

Artex Insurance (Guernsey) PCC Limited is registered as a protected cell company. Under Part XXVII of the Companies Law the Assets of a cell will not be available to meet the liabilities of another cell. Under Guernsey law, although a protected cell company is treated as a single legal entity, the Assets of one cell in Artex Insurance (Guernsey) PCC Limited are protected from the liabilities of other cells in Artex Insurance (Guernsey) PCC Limited. However, the treatment of protected cell companies may change under Guernsey law.

Market risk

The value of an Asset could decrease due to deteriorating economic or market conditions as well as international, political and economic developments or changes in government policies. There is no guarantee against loss, and past performance should not be seen as a guide to future results.

Liquidity risk

There is a possibility that we may not be able to redeem or convert the Policyholder's investment in an Asset into cash when monies are needed, nor can we ensure that such liquidation is realised at an advantageous price. Liquidation of an Asset may be delayed or postponed if there is a delay in receiving liquidated Assets from a company. In certain situations, it may not be possible to initiate a transaction or liquidate a position at an advantageous price.

For most futures contracts, the exchange where it is traded establishes a daily price limit that prevents the price of any particular futures contract from rising or declining beyond a pre-set limit. The risk to Policyholder of daily price limits is that they cannot always liquidate their position and when the market re-opens the stabilised price may be well above or below what the investor needs to profit – or avoid loss – with an offsetting contract.

Model risk

Model Risk is the probability of loss resulting from the weaknesses in a financial model used in assessing and managing a risk. Asset managers may employ a number of different models and valuation techniques to drive their investment decisions. There is no assurance that any of the models or valuation techniques will be effective in all market scenarios. Furthermore, there is no assurance that any of the models or valuation techniques will produce a profit or eliminate a loss.

Management risk

Funds that are actively managed investment portfolios and are therefore subject to various management decisions driving the investment management process. There is a risk that the management decisions employed for the fund may fail to produce the intended results. As with all management frameworks, there is a risk that a given framework is not effective in all possible market scenarios.

Regulatory risk

This is the likelihood that a change in laws and regulations will materially impact a security, business, sector or market. The value of an Asset may be affected by such factors as international, political and economic developments or changes in government policies. Investments in various foreign markets could be affected by lack of uniform accounting, auditing and financial reporting standards and practices.

Hedge fund risk

Your investments in hedge funds may include leverage, short-term investments. In addition, hedge funds, often invest in unlisted instruments, low grade debt, foreign currency and other exotic instruments. All of these expose the Policy holder to additional risk. However, not all hedge funds employ any or all of these strategies and it is recommended that Policyholders consult their Financial Adviser in order to determine which strategies are being employed by the relevant fund and which consequent risks arise.

RISKS AND WARNINGS

Leverage usually means higher volatility

Hedge funds may use leverage. That is, the hedge fund manager may borrow additional funds, or trades on margins, in order to amplify his/her investment decisions. This means that the volatility of the hedge fund can be many times that of the underlying investments. The degree to which leverage may be employed in any given hedge fund will be limited by the mandate of that fund. The limits laid down by the fund mandate should be carefully reviewed in making an investment decision.

Short- selling can lead to significant losses

Hedge funds may borrow securities in order to sell them short, in the hope that the price of the underlying instrument will fall. Where the price of the underlying instrument rises, the fund can be exposed to significant losses, given that the manager is forced to buy securities (to deliver to the purchaser under the short sale) at high prices.

Unlisted instruments might be valued incorrectly

Hedge funds may invest in unlisted instruments where a market value is not determined by willing buyers and sellers. The hedge fund manager may have to estimate the value of such instruments, and these estimates may be inaccurate, leading to an incorrect impression of the fund's value. Policyholders who may select these funds should seek advice from their Financial Adviser about what valuation methodologies will be used as well as how the investment will be administered.

Fixed income instruments may be low-grade

Hedge funds may invest in low-interest investments. These investments are more likely to suffer from defaults on interest or capital. They are also more likely to have volatile valuations when the market changes its view on credit risk. The fund mandate should also limit the extent (i.e., lowest acceptable rating and maximum percentage exposure) to which low grade bonds can be acquired by the fund. Policyholders should review the mandate to gain an appreciation of the maximum possible exposure applicable to the relevant fund.

Other complex investments might be misunderstood

In addition to the above, hedge funds might invest in complex instruments such as, but not limited to, futures, forwards, swaps, options and contracts for difference. Many of these will be derivatives, which could increase volatility. Many will be "over the counter", which could increase counterparty risk. Many exotic instruments may also be challenging for the manager to administer and account for properly. Policyholders should enquire how these instruments are objectively and independently valued.

The fund may be caught in a liquidity squeeze

Given their often short-term nature, hedge funds need to be able to disinvest from or close out certain positions quickly and efficiently.

But market liquidity is not always stable, and if liquidity were to decrease suddenly, the hedge fund might be unable to disinvest from or close such positions rapidly, or at a good price, which may lead to losses.

The prime broker may default

Hedge funds often have special relationships with so-called "prime" brokers. These are stockbrokers that provide the required leveraging and shorting facilities. Prime brokers usually require collateral for these facilities, which collateral is typically provided using Assets of the hedge fund, and consequently such collateral might be at risk if the prime broker were to default in some way.

Fees might be high

Hedge fund fees may be significantly higher than the fees charged on traditional investment funds. Investments should be made only where the potential returns justify the higher fees.

Fees might be performance- based

Hedge fund fees are usually performance-based. This means that the managers typically get a higher fee when their funds outperform specified performance targets, which might lead to riskier positions being taken. Policyholders need to ensure that performance fees allow for a fair sharing of both the good and the bad.

Transaction costs might be high

Given the often short- term nature of investment positions, hedge funds are often traded more aggressively. This implies more stock broking commission and charges being paid from the fund, which is ultimately for the Policyholder's account. Investments should be made only where the potential returns make up for the costs.

RISKS AND WARNINGS

Transparency might be low

Hedge fund performance is often the result of unique proprietary strategies or contrary investment positions. For obvious reasons, managers will want to keep these confidential. Managers are therefore less likely to disclose trades, and holdings might be disclosed only in part or with a significant delay.

Dealing and reporting might be infrequent

Hedge fund performance can often be interrupted by irregular cash flows into or out of the fund. For this reason, hedge fund managers often limit the frequency of investments and withdrawals. Similarly, the manager may choose to report infrequently on performance and other fund statistics. Policyholders should ascertain, prior to investing, the nature and frequency of reporting.

Withdrawals might not be easy

As mentioned above, the frequency of withdrawals might be limited to monthly or quarterly dates. In addition, the manager may impose notice periods or “lock- ins” in order to ensure that he/she has the necessary time for his/her investment positions to deliver their desired results.

Fund of Funds

When investing in a fund, which in turn invests directly or indirectly in underlying funds, a Policyholder, in effect, incurs the costs of two forms of investment advisory services: the management fee and incentive fee (if applicable) paid to the investment manager and the incentive and other fees paid to portfolio managers. In addition, the Policyholder bears a proportionate share of the fees and expenses of the fund (including operating costs, distribution expenses and administrative fees) and, indirectly, similar expenses of the funds managed by the portfolio managers. A Policyholder who meets the conditions imposed by underlying funds could invest directly in such funds, although in many cases access to these underlying funds may be limited or unavailable.

Property Funds

Funds may also invest all or partly in property. There are many types of property investments, but some of these may have specific risks such as low levels of liquidity and difficulty in valuing the underlying property investment. This could result in significant delays in processing switches, surrenders or benefit claims.

COMPLAINTS PROCESSING

Veritas Cell follows a complaints process. If you have any questions about the advice that you have received please contact your Financial Adviser first. If you have a complaint about the product, service or any aspect of your Policy, of, if you complaint to your Financial Adviser and they say they cannot assist you, please contact Veritas Cell at:

Postal Address:

Veritas Cell,
c/o Artex Insurance (Guernsey PCC Limited
Heritage Hall, Le Marchant Street
St Peter Port
Guernsey, GY1 4JH

Physical Address:

Veritas Cell,
c/o Artex Insurance (Guernsey PCC Limited
Heritage Hall, Le Marchant Street
St Peter Port
Guernsey, GY1 4JH

Telephone Number:

Email Address: support@veritasguernsey.com

Website: www.veritaslifeguernsey.com

If a complaint cannot be resolved, the Policyholder can contact the Channel Island Financial Ombudsman. www.ci-fo.org

CONTACT DETAILS

For all purposes of this Policy, all communication with and notices to Veritas Cell shall be sent to the following address, and, where appropriate, in line with the *Notice Receipt* clauses within the *Legalese* section of these Terms and Conditions:

Postal Address:

Veritas Cell,
c/o Artex Insurance (Guernsey PCC Limited
Heritage Hall, Le Marchant Street
St Peter Port
Guernsey, GY1 4JH

Physical Address:

Veritas Cell,
c/o Artex Insurance (Guernsey PCC Limited
Heritage Hall, Le Marchant Street
St Peter Port
Guernsey, GY1 4JH

Telephone Number:

Email Address: *support@veritasguernsey.com*

Website: www.veritaslifeguernsey.com

GLOSSARY OF TERMS

“Acceptable Asset”	Assets which falls into the list of Acceptable Asset Types which have been considered and authorised to be held as an Asset.
“Acceptable Asset Type”	The types of Assets that can be considered for becoming an Acceptable Asset.
“Adviser”	An appropriately authorised and regulated person or entity which provides you with financial advice.
“Adviser Fees”	Remuneration paid to your appointed Financial Adviser from your policy.
“Application Form”	The application form for the Policy, and any accompanying documents and additional forms and documents required or requested from time to time in order to establish and maintain the Policy for the Policyholder.
“Assets”	Investments, cash and any investment holding.
“Authorised Custodian”	An organisation which is authorised, where appropriate, by its regulator to provide custodian and depository services.
“Bank Deposit”	A bank or similar cash holding whether instant access, on notice, or for a fixed term.
“Bespoke Asset”	An Asset which is not an Acceptable Asset but which has been agreed for inclusion in the Policy.
“Business Day”	Any day except Saturday, Sunday, public holidays in the Bailiwick of Guernsey and public holidays in the Republic of Mauritius, on which the Veritas Cell is open for business, or where in relation to any third party, any days on which that third party is considered to be operating.
“Companies Law”	The Companies (Guernsey) Law, 2008, as amended.
“Dealing Desk”	The dedicated service provided by the Veritas Cell which provides dealing and trading services, or an equivalent service provided by a third party.
“Default Custodian”	The custodian service provider(s) chosen by Veritas Cell for the provision of standard custodial services in its day to day business.
“Discretionary Investment Manager”	An appropriately authorised and regulated party to whom the authority of investment choices has been formally delegated by you and who takes on responsibility for the management of some or all of the Policy’s investments.
“Discretionary Portfolio”	A portfolio managed by a Discretionary Investment Manager.
“External Fund”	Close-ended Collective Investment Schemes such as investment trusts; open-ended Collective Investment Schemes registered or authorised under the laws of their country of domicile; any other open-ended Collective Investment Scheme acceptable to us wherever domiciled;
“Fixed Term Deposit”	An account held at a financial institution for a fixed term;
“Insurance Law”	The Insurance Business (Bailiwick of Guernsey) Law, 2002, as amended.
“Investment Amount”	The total Premiums paid to the Policy.
“Investment Confirmation”	The confirmation provided to the Policyholder after the processing of an investment instruction.
“Investment Options”	The range of investments available under the Policy.
“Investment Policy Confirmation”	The confirmation provided to the Policyholder after the initial premium is completed.
“Online Service”	The platform or electronic communication and messaging system as provided by Veritas Group for the Policies of the Veritas Cell.
“Policy”	The total, in respect of the Investment Amount, of all Assets, cash, Bank Deposits and liabilities held for an arrangement set up for a Policyholder and segregated from other such arrangements.
“Policy Benefits”	One or more sums of money payable in accordance with this Policy.

GLOSSARY OF TERMS

“Policy Currency”	The currency denomination chosen during the application process as the main currency of the Policy.
“Policy Fees”	Fees and charges that arise or may arise in respect of the Policy.
“Policyholder”	The person who is recorded as the legal owner of the Policy by Veritas Cell.
“Premium”	The premium, contribution or subscription paid to us by or on behalf of your Client.
“Transaction Account”	An account held for each Policy, kept by us to simplify buying and selling of Assets for your Portfolio Fund. They are also used for purposes which include but are not limited to the payment of benefits, Portfolio Fund Charges and Third-Party Agent Charges.
“you/yours”	The Policyholder or Policyholders as the context requires.
“we/us/our”	Veritas Cell as the context requires.

LEGALESE AND IMPORTANT STATEMENTS

Interpretation

- Reference to a written document or agreement is to such written document or agreement as amended from time to time;
- A defined term shall bear the meaning assigned thereto throughout the Policy, unless specifically otherwise defined for context where the term is used, and in such circumstances, that shall be the definition only for the part or parts as referenced and confirmed;
- A derivative of a defined term shall bear a corresponding meaning;
- The singular includes the plural and vice versa;
- Any one sex or gender includes the other sexes or genders, as the case may be;
- When any particular number of days or weeks or months or other intervals are prescribed in this Policy for the doing of any act, or for any other purpose, the same shall be reckoned exclusively of the first and inclusively of the last day, week, month or other interval, as the case may be, unless the last day falls on a day which is not a Business Day in which case the last day shall be the next succeeding Business day; and
- If the due date for performance of any obligation in terms of this Policy is a day that is not a Business Day, then (unless otherwise stipulated) the due date for performance of the relevant obligation shall be the next succeeding Business Day.

No provision of this Policy shall (unless otherwise stipulated) constitute a stipulation for the benefit of any person who is not a party to this Policy.

References in these Terms and Conditions to sections and paragraphs are to sections and paragraphs in this document. Whilst certain headings are used in this document, these are used for ease of reference and to help you navigate this document and are not to be used for the purposes of interpreting these Terms and Conditions.

References in these Terms and Conditions to any statute or statutory provision shall include that statute or statutory provision as from time to time amended, modified, replaced or re-enacted (whether before or after the date of your agreement with us) in any order, regulation, instrument, by law or other subordinate legislation made under it.

Data Protection

Pursuant to The Data Protection (Bailiwick of Guernsey) Law, 2017 (the "DP Law") Veritas Cell may hold personal data (as defined in the DP Law) relating to past and present Policyholders, in particular:

- Information provided to Veritas Cell will be stored electronically and manually;
- For the purposes of the dp law, Veritas Cell is required to specify the purposes for which it will hold personal data (including sensitive personal data). Veritas Cell will only use such information for the purposes set out below (collectively, the "purposes"):
- To process the policy holder's personal data (including sensitive personal data) as required by or in connection with their investment in the policy including processing personal data in connection with anti-money laundering checks on the policyholders; and
- Communicating with the policyholder as necessary in connection with their affairs and generally in connection with their investment in the policy;
 - Providing personal data to such third parties as Veritas Cell may consider necessary in connection with the policyholder's affairs and generally in connection with their investment in the policy or as the dp law may require, (including to third parties outside the bailiwick of guernsey or the european economic area);
 - Transferring personal data to other companies within the same group as Veritas Cell (including to any such companies which are outside the bailiwick of guernsey or the european economic area); and processing personal data for Veritas Cell's internal administration.

By becoming a Policyholder, a person becomes a data subject (as defined in the DP Law) and is deemed to have consented to the processing by Veritas Cell, or its affiliates of any personal data relating to them in the manner described above. Under section 7(1) of the DP Law, Policyholders have the right to access information held about them. A Policyholder's right of access can be exercised in accordance with the DP Law access request and may be subject to a fee of up to GBP 10.00 to meet the costs in providing details of the information Veritas Cell holds.

LEGALESE AND IMPORTANT STATEMENTS

Anti-Money Laundering

Veritas Cell is required to comply with Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law, 1999 and its amendments, documentation for this purpose will be required from the Policyholder for investments into the Policy. This will be used for compliance with these regulations and to verify the identity of the Policyholder or any persons holding an interest in the Policy. Veritas Cell reserves the right to request any further documentation or information. Investment Amounts will only purchase Assets after receipt of all verification information and completion of the verification process. Veritas Cell accepts no responsibility for any delays or failure to implement any instruction or request in such an event. Failure to provide such documentation may also result in the withholding of withdrawal or surrender proceeds or Policy benefits.

Nature of the Policy

- The Policy constitutes a contract set up in accordance with the Insurance Law.
- In return for the Investment Amount, Veritas Cell will issue the Policy in Guernsey and undertakes to provide the Policy benefits to the Policyholder, subject to these Terms and Conditions and receiving the Investment Amount and any other information or documentation required by us.
- Veritas Cell shall determine the value of maturity benefits, in accordance with these Terms and Conditions, by reference to the value of the Assets underlying the Investment Options and having deducted all fees and other charges outstanding hereunder or a guaranteed maturity value of twice the premium, minus any withdrawals, whichever is the greater.
- Veritas Cell must actually hold (or have held on its behalf) the Assets specifically for the purposes of this Policy.
- The Policyholder shall not participate in any distribution of surplus or profits that may be declared by Veritas Cell.
- This Policy will also be for the benefit of and be binding upon the successors in title and permitted assigns of the parties or either of them.
- The Policy is issued as a collection of 100 (unless specified otherwise upon application) identical segments with the terms of the Policy applying equally to each segment.
- The Policyholder's entitlement to the benefits provided by the Policy does not create any right of ownership or other legal or beneficial right or interest for the Policyholder, in the funds or Assets in which the Policy may be invested from time to time.

Tax and Citizenship

The tax status of the Policy is dependent on current law and regulation of Guernsey and the law governing the tax status of the Policyholder, both of which are subject to change. Veritas Cell is not liable to tax on the income or gains arising within the funds that are made available under the Policy. However, withholding tax may be deducted at source on income arising from investments held in some jurisdictions. This tax may not be recoverable.

Veritas Cell, in its reasonable discretion, may provide information about the Policy benefits to enable the Policyholder to compile tax assessment information. The tax treatment of any withdrawals or benefits from the Policy will depend on the Policyholder's country of residence and/or domicile and personal circumstances at the time.

Veritas Cell cannot be held responsible for any tax benefit which the Policyholder may or may not obtain under the Policy. Veritas Cell will not be liable for any personal tax that the Policyholder is required to pay in relation to the Policy or the tax treatment of a Policyholder.

If you become a US taxpayer, you must notify us immediately and without fail. Such circumstances may require the amendment of your Policy and its holdings. You will be personally liable to ensure all compliances have been adhered to.

Where obliged, in any way, by any regulatory authority, you herein authorise Veritas Cell to provide the information so required in accordance with its responsibilities, including, but not limited to, any reporting to the US tax authorities.

You should be aware that the Veritas Life Investment Bond does not qualify as a life assurance policy or an annuity contract for US tax purposes. As a result, increases in the Policy's surrender value would be subject to current federal income taxation and death benefit proceeds cannot be excluded from the recipient's income. You must notify Veritas Cell immediately of any change of address, residence, domicile or citizenship.

LEGALESE AND IMPORTANT STATEMENTS

Policyholder Protection

The Policyholder of the Veritas Life Investment Bond will benefit from Guernsey's policy protection regime under the licensing conditions imposed by the Guernsey Financial Services Commission ("GFSC") under the Insurance Law.

The GFSC requires Veritas Cell to procure that 90% of the funds that support its liabilities to Policyholders will be placed in trust with a reputable independent third party Guernsey trustee.

Veritas Cell will comply with the GFSC requirement at all times. It is intended, however, that Veritas Cell will procure that at all times 100% of Assets backing its liabilities to the Policyholder will be held in trust with a Guernsey based trustee. The independent Guernsey trustee for the Policy is Sovereign Trust (Guernsey) Limited which is regulated by the GFSC.

The independent trustee will be responsible for safeguarding the Assets held in trust and may hold securities directly in its name or with an appointed nominee. However, it is not responsible for the investment management of the Policyholder funds.

Veritas Cell must report to the GFSC if 5% or more of the market value of the Assets held are to be paid out within one (1) calendar month and will provide the GFSC with a report of Assets held in the trust on a quarterly basis.

Notices

Any notice required to be given to you shall be valid if posted to your address as stated in the Application Form (unless notification of an alternative address has been received by Veritas Cell and is effective). Veritas Cell must be notified in writing of any changes to your address and/or contact details and certified proofs of new address documents will be required in line with the list of accepted documents. Such change of address will be effective five (5) Business days after receipt of the notice of the change.

Any such notice will be deemed to have been received, unless the contrary is proven, on the fifth Business day after posting.

The responsibility for sending the Application Form, investment instructions or any other communication to Veritas Cell is carried by the Policyholder.

Veritas Cell will not be held responsible for and/or excludes liability for any damages and/or losses (including consequential losses) sustained by the Policyholder arising from or caused by:

- The policyholder's failure to notify Veritas Cell of any change of address; or
- The policyholder's failure to direct all communications or instructions to Veritas Cell.

Severance, Amendments and Whole Agreement

None of the Terms and Conditions shall be amended, varied, or cancelled in any way by the Policyholder unless such an amendment, variation or cancellation is reduced to writing and signed by one of Veritas Cell's authorised officials and the Policyholder.

Veritas Cell may amend any of the Terms and Conditions of the Policy, in order to make them fairer or more easily understandable, or to correct a mistake (provided that this correction would not adversely affect the Policyholder) or for any of the following reasons:

- To reflect a change in the law or any regulation (or the way in which they are applied);
- To reflect a change in technology, to cover an improvement or change in our services or in the facilities that we provide;
- To reflect a change in market conditions or the overall cost of providing our services to our client;
- To ensure the good management or competitiveness of our business.

You will be given at least ten business days' notice (unless the specific circumstances require a shorter or longer period) in respect of any changes to these terms and conditions. This does not affect our right to vary our fees and charges as explained in the 'Policy fees and other charges' section above.

No indulgence in respect of the performance of any obligation hereunder or the enforcement of any rights arising from this Policy shall under any circumstances constitute a waiver or a novation of any such right. The fact that Veritas Cell may have waived specific performance of any obligation or waived the enforcement of any of our rights arising from this Policy in a specific instance, does not affect our right to enforce our rights or claim specific performance of that obligation in the future.

IMPORTANT NOTICES

- The Veritas Life Investment Bond relates to Veritas Cell, which does not, and is not authorised to carry on in any jurisdiction outside of Guernsey, the class of insurance business to which this Policy relates. This means that the management and solvency of Veritas Cell are not supervised by any regulators outside of Guernsey. Policyholders of policies or policies issued by Veritas Cell will not have the right to complain to any Ombudsman Service outside of Guernsey if they have a complaint against Veritas Cell and will not be protected by any Compensation Scheme outside of Guernsey if Veritas Cell should become unable to meet its liabilities. If a complaint cannot be resolved then the Policyholder can contact the Channel Island Financial Ombudsman. www.ci-fo.org
- Any amount payable in terms of the Policy will only be paid after any information required about the right of a person to claim such amount has been received by Veritas Cell.
- The Policyholder's attention is drawn to the explanation of the various risks associated with the Policy in these Terms and Conditions and the Key Features documents. The Policyholder is required to acknowledge their acceptance of these risks in the Application as a condition of entering the Policy. The Policyholder carries the risks associated with investing in the Assets available within the Policy and accepts that such risks may include financial loss. Veritas Cell does not guarantee the performance of any Investment Options, nor the performance of the underlying Assets. The Policyholder may not get back the amount originally invested. The value of Assets may increase or decrease and past performance is no guarantee of future performance. The value of Assets denominated in foreign currencies may increase or decrease materially due to changes in exchange rates
- Veritas Cell will deduct any amount the Policyholder owes Veritas Cell from any amount Veritas Cell is obliged to pay the Policyholder
- Notices which are to be given in terms of this Policy will only be valid if they are in writing and accepted by Veritas Cell prior to the Policyholder's death.
- Veritas Cell shall not be liable for any failure to perform any of our obligations contemplated by the provisions of this Policy in the event and to the extent that such non-performance is the direct result of or has been directly caused by force majeure which shall mean any event beyond our reasonable control, (for example, without limitation, acts of God, war (whether war has been declared or not), national emergency, industrial action, floods, fire) or any failure of information technology systems outside our reasonable control.
- Should any term, or part thereof, be declared invalid and/or unenforceable for any reason whatsoever, then the remaining terms shall continue in full force and effect, unless such invalidity and/or unenforceability affects the root or foundation of the Policy substantially.