

Personal Pension Annuity

Policy Conditions

Notices of Assignment may be given in pursuance of the Policies of Assurance Act, 1867 at the Head Office of Friends Provident.

The Policy sets out the contract at its commencement. Alterations to it or the exercise of options may not be shown.

The current position may be ascertained from Friends Provident.

Booklet reference U322



FRIENDS PROVIDENT

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1 Purchase of Annuity

On receipt of the Single Premium by Friends Provident, the Single Premium or the balance of the Single Premium after the exercise of the option in Condition 3 shall be applied to purchase the Annuity as set out in the Policy Schedule. The Annuity shall be subject to the terms of this Policy and the overriding provisions of the Rules of the personal pension scheme. 'The Plan' means the Friends Provident Pensions Limited Personal Pension Scheme, or the Friends Provident Limited Stakeholder Pension Scheme, unless the annuity is payable as the result of the exercise of an open market option under another personal pension scheme, in which case 'the Scheme' means the scheme under which that option has been exercised.

2 Payment of Annuity

The Annuity shall be payable as described in the Policy Schedule during the life of the Annuitant. The date an instalment of the Annuity becomes payable shall in these Conditions be referred to as the Due Date. Where the Annuity is stated to increase at a given percentage per annum the amount of the Annuity shall increase on each annual anniversary of the first instalment. Where payment is expressed to be by monthly, quarterly or half yearly instalments the increase shall be apportioned equally between the instalments. The last instalment of the Annuity shall be paid on the Due Date immediately preceding the death of the Annuitant except where sub-clauses (a), (b) or (c) below apply.

If the Policy Schedule refers to a Proportion Percentage then the amount of any instalments of Annuity paid in accordance with sub-clauses (b) or (c) below shall be determined by applying the Proportion Percentage shown in the Policy Schedule to the amount of the Annuity that would have been paid had the Annuitant been so living.

(a) Guarantee

Where the Policy Schedule refers to a Guarantee Expiry Date then on the death of the Annuitant before the Guarantee Expiry Date the Annuity will continue, from the Due Date immediately after the death of the Annuitant. The last instalment of the Annuity shall then be paid on the Guarantee Expiry Date. Any Annuity payments to be made as a result of the guarantee option shall be paid where either sub-clause (b) or (c) below apply to the person to whom payments would be made under those options and otherwise to the Annuitant's legal personal representatives subject to Condition 4.

(b) Specified Dependant

Where the Policy Schedule refers to a Specified Dependant then on the later of the death of the Annuitant and the Guarantee Expiry Date (if any) the Annuity will continue from the next Due Date provided that the Specified Dependant is so living and that if the Specified Dependant is a child or adopted child of the Annuitant under age 18 at the Effective Date (in this condition referred to as a Dependent Child) the Dependent Child is under age 18 or age 21 if in receipt of full time educational or vocational training. Any payments will be made for the benefit of the Specified Dependant. The last instalment of the Annuity shall be paid on the Due Date immediately preceding the death of the Specified Dependant except that in the case of a Dependent Child the final payment shall be made on the Due Date immediately preceding the attainment of the age 18 or if later the earlier of the attainment of age 21 and cessation of full time educational or vocational training.

(c) Surviving Spouse/Civil Partner Annuity

Where the Policy Schedule refers to the application of a Surviving Spouse or Civil Partner Annuity then on the later of the death of the Annuitant and the Guarantee Expiry Date (if any) the Annuity will continue from the next Due Date if there is a surviving spouse or Civil Partner so living.

Any payments shall be made to the surviving spouse or Civil Partner. The last instalment shall then be made on the Due Date immediately preceding the death of the surviving spouse or Civil Partner.

3 Option to Take Lump Sum

Where the Policy Schedule refers to a cash sum, the Annuitant has exercised the option of receiving a cash sum from the single premium under the Friends Provident Pensions Limited Personal Pension Scheme Rules. No cash sum is payable from the single premium where the annuity is payable as a result of the exercise of an open market option under another personal pension scheme.

4 General

- (a) The annuity secured and these Conditions shall be part of this Policy and of the contract between the Grantee and Friends Provident.
- (b) The Policy shall be subject to and construed in accordance with the laws of England and Wales. All amounts payable under the Policy, either to or by Friends Provident, shall be payable in pounds sterling at the Head Office of Friends Provident.
- (c) If the age of any person entitled to benefit under the Policy is found at any time to have been mis-stated, the benefit payable under the Policy may be adjusted to such amount as Friends Provident considers would have been the correct amount available under the Policy had the correct age been given at the outset.
- (d) Any instructions, notifications or requests to be given to Friends Provident are to be given in writing in a form acceptable to Friends Provident by delivering them or sending them to Friends Provident at its Head Office together with any documents, information or consents which Friends Provident may require.
- (e) Where the context allows it, words in the singular shall include the plural the masculine gender the feminine and vice versa.
- (f) Where any reference is made in these Conditions to an item contained in the Policy Schedule it includes any amendments made or due to be made in accordance with these Conditions whether by reissue of the Policy Schedule or endorsement of the Policy.
- (g) The benefit under this Policy will be paid upon evidence satisfactory to Friends Provident being forwarded from time to time of the person being entitled to the said benefit under the terms of these Conditions.
- (h) A reference to any enactment shall be deemed to include a reference to any statutory amendment or re-enactment thereof and any regulations made thereunder for the time being in force.
- (i) The Annuity secured by this contract shall not be assigned or surrendered.

Friends Provident Life and Pensions Limited is a member of the Friends Provident Marketing Group and is authorised and regulated by the Financial Services Authority

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