



Abbey Life Assurance Company Limited

Hill Samuel Participating Business Fund

Principles and Practices of Financial Management (PPFM)

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1 GENERAL

1.1 Introduction

This document records the Principles and Practices of Financial Management (PPFM) according to which the *Company* currently manages its Hill Samuel Participating Business Fund, which is referred to in the rest of this document as the *With-Profits Fund* or the '*Fund*'. It covers with-profits policies originally sold by the former Hill Samuel Life Assurance Company Limited. When preparing it, we have endeavoured to ensure that it accurately reflects how we manage the *Fund*.

Terms in italics are defined in the Glossary which is found in Annex 1 of this document.

The Financial Services Authority ('FSA') requires this documentation of PPFM, in accordance with its rules. Much of the document's form and content reflects these rules.

This is a technical document that has been prepared to enable a knowledgeable observer to understand the material risks and rewards from maintaining a with-profits policy with the *Company*.

Where we use terms such as "appropriate", "fair", "significant", "similar" and "material", then, unless otherwise required by the context, we are referring to judgements or assessments made by the *Company* or the *Board* of the relevant factors or circumstances.

1.2 Background

Hill Samuel with-profits policies were sold from 1966, but a separate sub-fund was not established until 31 March 1984.

The long-term business of the former Hill Samuel Life Assurance Company Ltd was transferred to the former Target Life Assurance Company Limited on 10 July 1995 in accordance with a Scheme of Transfer.

On 11 July 1995 a special resolution was passed to change the *Company*'s name from Target Life Assurance Company Limited to Hill Samuel Life Assurance Company Limited.

The long-term business of Hill Samuel Life Assurance Company Limited was transferred to the *Company* as at 1 January 1998 in accordance with the *Scheme*. In accordance with the *Scheme*, the *Fund* is now maintained as a separate sub-fund of the *Long Term Fund*.

Neither Scheme of Transfer imposed any constraints on the management of the *Fund*.

Any references to parts of the *Fund* are to notional parts of it and not to separate funds within it. Only with-profits policies invest in the *Fund*.

The *Fund* was closed to new business in 1987, although it is possible to alter existing policies.

1.3 The With-Profits Policies

The *Fund* provides with-profits benefits for a mixture of conventional whole life, endowment and flexible endowment policies issued in clusters. The first two categories include products that were issued in various low-cost or minimum cost packages with accompanying term assurance.

2 STRUCTURE OF THESE PPFM

2.1 Principles and Practices

The Principles in this document are high-level statements, which we do not expect to change often, of how we manage with-profits policies.

The Practices are statements of specific practices that we currently follow in managing with-profits policies but which we may change more frequently.

The Principles and Practices are shown separately in boxes. The rest of the document consists of explanatory commentary.

2.2 Layout

Section 3 contains a number of Overriding Principles of very wide-ranging importance.

The with-profits policies contain guarantees, which apply either at the policy's maturity date (if any), on earlier death of the life assured, or on surrender on and after the tenth policy anniversary for flexible endowment policies (Flexiplans). When we pay out in these circumstances, the amounts that we pay are determined by those guarantees and any bonuses that we add. Section 4.2 deals with those bonuses.

When we pay out on surrender of a policy other than a Flexiplan we determine the amounts differently. Section 4.3 covers these payments.

Asset shares are an important part of our processes for determining the amount of payouts at the policy's maturity date. They are dealt with in section 4.1. Asset shares depend on factors which often differ from one generation to another. Typically the factors include the premiums paid, the investment return (see section 5) earned on the *Fund*, our charges and certain expenses (see section 6), and a share of the impact of some of the risks to which the *Fund* is exposed (see section 7).

We deal with smoothing in section 4.

We do not hold, and do not intend to hold, an 'inherited estate'. Section 8 covers this and describes what we mean by this term.

Section 9 deals with the apportionment of surplus between the *Fund* and the shareholder.

3 OVERRIDING PRINCIPLES

The following Overriding Principles take precedence over the other Principles.

Overriding Principles

We will follow all contractual obligations, and other legal and regulatory requirements. Those requirements will apply if there is any inconsistency between them and any other part of these PPFM.

We aim to manage the business in line with the reasonable expectations of policyholders. When deciding what policyholders might reasonably expect, the factors other than contractual entitlements that we take into account include our past practice, industry practice, and representations we have made to policyholders.

Subject to the above, we aim to achieve fairness of treatment between different types and groups of with-profits policies, and between them and the shareholder.

The *Board* can change any of the Principles and Practices. When we change any of the Principles or Practices we will tell relevant policyholders in accordance with the FSA's requirements at the time.

When the number of in-force policies in the *Fund* reduces below 1000, the *Scheme* provides powers for the *Company* to convert the remaining policies to a fixed bonus basis, possibly including a final bonus, at which time they will cease to confer the right to participate in profits. These powers may only be exercised with the prior consent of the Secretary of State holding office for the purposes of the relevant Act.

As at December 2009, the number of in-force policies in the *Fund* is expected to reduce to below 1000 in 2018.

4 THE AMOUNT PAYABLE UNDER A WITH-PROFITS POLICY

This section covers our approach to payouts under with-profits policies.

We guarantee a minimum amount to pay out from the *Fund* under a with-profits policy. However, such guarantees apply only in specific circumstances, set out in the provisions of the relevant policy. Where they apply, the amounts that we pay out are determined by those guarantees and by any bonuses that we add. When deciding on bonuses we use asset shares as a guide to the overall level of payouts.

Principles

We aim to set amounts payable to policyholders so that we pay out over time the whole of the *Fund* (after allowing for outgoings such as taxation, charges and the shareholders' share of distributed surplus described below) to the policyholders of the *Fund*.

Common bonus rates and surrender bases are used for appropriate groups of policies, reflecting an element of cross-subsidy and pooling of risks. A single group may contain, for instance, policies of different types, different starting dates, different sizes and different ages of lives assured.

Practices

The main methods and assumptions that we use are summarised in *Board* papers. These papers are supported by appropriate documentation of the more detailed methods, parameters and assumptions in files in the *Company's* actuarial department.

The parameters and assumptions are derived from analysis of the experience of the *Company* and, where relevant, that of the industry generally.

Changes to methods, parameters and assumptions are documented and are subject to formal approval as part of the bonus-setting process or on reviewing the surrender basis.

4.1 Asset Shares

Very broadly, asset shares are an accumulation of premiums paid, less various deductions including deductions to cover expenses, the cost of life assurance cover, tax and the shareholders' share of distributed surplus. The accumulation is at the rate of investment return earned on the *Fund*.

Principles

To help us to achieve the aim of fairness set out in section 3, ‘Overriding Principles’, we track asset shares of the *Fund*. We track them for groups of policies in aggregate and for sample or hypothetical with-profits policies.

Any changes in the methods that we use to track asset shares are subject to approval by the *Board*.

We may change historical assumptions or parameters that we use when tracking asset shares. We may do this if, for instance, it would more accurately reflect the actual experience of the *Fund* or achieve a more appropriate apportionment of the *Fund*. However, we would only do so if we considered that it was consistent with the reasonable expectations of policyholders.

Practices

Premiums and Charges

Asset shares reflect the premiums paid by each policy less an allowance for the charges and expenses described in section 6.

Investment returns

The investment return that we use to track asset shares is the return (net of investment dealing expenses) on the *Fund*.

Taxation

The investment return used to accumulate the asset shares is net of taxation on the *Fund*'s assets. The prevailing rates of policyholder tax are used. Allowance is made for indexation allowances and for deferral of relief or payment of tax on unrealised gains.

We adjust the expense and commission charges to allow for any tax relief we have received or expect to receive.

Deaths

The cost of life assurance cover deducted from the asset shares is based on estimated mortality rates.

Surrenders and Miscellaneous Profits and Losses

Profits and losses also arise from surrenders and from the items referred to in section 7.2 ‘Profits and Losses Within the *Fund*’. These profits and losses, and those from any other sources, are allocated to the asset shares by assuming a uniform annual addition to the past investment growth rates.

4.2 Bonuses

The two main classes of bonus that we may add to with-profits policies are:

- Reversionary bonus, which we may add from time to time as permanent increases in the amount of benefit guaranteed, and
- Terminal bonus, which we may add on top of the guaranteed amount (as increased by any reversionary bonuses) when we pay out from the *Fund* on a guarantee event, to increase the total payout.

Principle

Because of their importance to policyholders, changes in bonus rates are approved by the *Board*.

4.2.1 Reversionary Bonus

Reversionary bonuses are permanent increases in the amounts of benefit guaranteed. They can occasionally be added as a one-off amount which we refer to as 'special bonus'. Otherwise, reversionary bonus is generally referred to as regular bonus.

Principles

We review rates of regular bonus annually.

We aim to set regular bonus rates at a level that can be supported assuming prudent future investment returns, yet still allow for a modest terminal bonus in most investment scenarios.

In some years there may be no regular bonuses added to some or all with-profits policies.

Practices

We decide rates of regular bonus towards the end of each year. The rate of regular bonus is expressed as a percentage of the guaranteed sum assured at maturity plus any regular bonus already added.

We add an amount of regular bonus to each policy as at the end of each year.

A single bonus rate applies for all types of policy.

Deciding rates of regular bonus

When deciding the rate of regular bonus:

- (a) We first determine the highest possible rate of regular bonus that can be maintained in the future assuming that the *Fund* is 100% invested in fixed-interest securities and that zero terminal bonus is declared. If this rate is lower than the current regular bonus rate we would reduce the regular bonus rate correspondingly. If it is higher then we would consider increasing the regular bonus rate but only if the current terminal bonus scale can be maintained or increased.
- (b) We then determine the terminal bonus scales that can be maintained in the future, based on our future investment return assumptions, assuming that the regular bonus rate determined in (a) continues to be declared in each future year.
- (c) We would consider reducing the regular bonus rate determined in (a) further if we consider this rate would not be likely to leave sufficient scope for future terminal bonuses.
- (d) We limit changes in rates of regular bonus in line with our interpretation of the reasonable expectations of policyholders but there is no pre-set maximum rate at which we might reduce or increase the rates.

4.2.2 Interim Bonus

Interim bonus may be added alongside any terminal bonus when we pay out under a with-profits policy at a guarantee date. Although it is a form of terminal bonus, it is covered separately here.

Practices

We decide rates of interim bonus at least as often as rates of regular bonus. The rate of interim bonus is also expressed as a percentage of the guaranteed sum assured at maturity plus any regular bonus already added. The interim bonus added to claims (or alterations) is scaled by reference to the number of months since the most recent regular bonus addition.

We set the interim bonus rate at the same level as the regular bonus rate, but excluding any special bonus rates (if any).

4.2.3 Terminal Bonus

This section covers terminal bonus, which may be payable when a policy becomes a claim at its maturity date, on surrender of a Flexiplan, or on earlier death of the life assured.

While rates of reversionary bonus are set with the aim of providing scope for future terminal bonuses (in aggregate for all policies), we take actual experience into account when we set rates of terminal bonus.

Principles

We determine the rates of terminal bonus so that maturity benefits across groups of policies are in total consistent with asset shares, subject to smoothing any change in terminal bonus from year to year.

Although smoothing may not be neutral over time, the profit or loss from smoothing will be credited to the asset shares of the remaining policyholders.

There is no guarantee that any terminal bonus will be paid.

Practices

Timing of changing rates of terminal bonus

We aim to set rates of terminal bonus once a year, but may change them at any time if the experience of the *Fund* (in particular investment returns) alters significantly. Policyholders are notified of the declared terminal bonus scales on the annual Bonus Notices, which are currently sent out in April. The timing of these notifications may change in the future. Terminal bonus is expressed as a percentage of the regular bonuses (plus any interim bonus) added to the policy. The rate depends on the whole number of years that the policy has been in force.

Practices

Procedure for setting rates of terminal bonus

We carry out the following procedure a number of weeks before new rates of terminal bonus are expected to apply.

We derive the expected asset shares at maturity for all of the premium-paying endowment and flexible endowment policies due to mature in the period to which the new rates will apply. We use the method explained in section 4.1, using an expected future investment return that is based on low-risk short-term deposits or equivalent (these are the asset types that are used to meet short-term cash flows as described in section 5.1).

A smoothed terminal bonus scale is then calculated based on these results that:

- a) aims to ensure that the maturity values are within a reasonable range of any recent projections, allowing for actual market movements over the year,
- b) aims to ensure that the projected aggregate maturity values to be paid out for premium-paying endowment and flexible endowment policies in the year to which the new rates apply are within the range of 90% to 110% of the projected aggregate asset share for these policies based on assumptions at the time the bonus rates are calculated. Payments may fall outside this range, depending on how actual investment returns compare to those that we expect when we set the terminal bonus rates, and
- c) is consistent with the aim that the maturity values to be paid out for premium-paying endowment and flexible endowment policies in the year to which the new rates apply are within the range of 70% to 130% of the corresponding actual asset share. This range includes allowance for the likelihood that actual investment returns will differ from the returns we anticipated when calculating the expected asset shares at maturity.

Smoothing of maturity values occurs since in normal circumstances a common final bonus scale applies to all policy types and applies for a period of a year. Smoothing also occurs since the aggregate maturity values in step (b) above vary from 100% of the relevant aggregate asset shares (100% being our target level, over time). The extent of variation is assessed by the *Board*, having regard to the extent of variation when terminal bonuses were last reviewed and the actual investment return earned relative to the return expected at that review. The smaller the variation since the last review and the smaller the difference between the expected and actual return, the closer the target percentage will be to 100%.

We do not restrict the extent to which payouts can rise or fall from one change in rates of terminal bonus to the next. The surrender value for a Flexiplan policy is calculated by applying the scale of final bonus to the guaranteed benefits defined in the policy. A check is made that the projected surrender values at the policy anniversaries in the period to which the new rates are to apply provide broadly the same proportion of expected asset share as for maturing Flexiplan policies.

4.3 Payouts on early surrender

This section covers the early surrender of with-profits policies, apart from flexible endowment policies (Flexiplans). Flexiplans have a guaranteed minimum surrender basis set out in the policy document.

Principles

Our aims in setting surrender values are to:

- set surrender payouts which have regard to the premiums paid, the outstanding premiums payable, the with-profits sum assured, the regular bonus already added, an allowance for any terminal bonus which may be considered to have accrued and the investment return which could be earned over the outstanding term of the policy
- pay no more than asset share over time
- run the surrender value into the maturity value as the maturity date approaches
- pay surrender values which are consistent with past practice

There are no guaranteed minimum surrender values apart from those on Flexiplan.

The method and basis we use make approximate allowance for the above items.

We may review the surrender basis from time to time. There is no specific timetable for review and there are no specific triggers for review. However, we may review the basis on a significant change in investment conditions, or an increase in the number of policies surrendering, to better reflect underlying asset values or other factors affecting asset shares.

Practices

We use formulae to calculate the amount payable on surrender for a particular policy at a particular time.

The formulae depend on a number of factors including some or all of the following:

- the premiums paid
- the total premiums payable
- the with-profits sum assured
- the bonus already declared
- the current rate of interim bonus
- the current rate of terminal bonus at maturity for a similar policy
- a discount factor reflecting the outstanding term of the policy and based on the expected long term future return on the *Fund*, and
- for endowment policies, we make an adjustment with the following aims:
 - a) that aggregate surrender payments that would be paid for premium-paying endowment policies would be within the range 90% to 110% of the aggregate asset share for these policies that we expect at the time the discount factor is set, and
 - b) that the surrender payment for an individual premium-paying endowment policy would be within the range 70% to 130% of the corresponding asset share (that would be calculated using the actual return on the *Fund*), or
- for whole-life policies, we make an adjustment with the aim that:
 - a) aggregate surrender payments for premium-paying whole-life policies would be within the range 90% to 110% of the aggregate value of future claim benefits, allowing for a projected pattern of future final bonus payments and discounted at the expected long-term rate of investment return.

The adjustments may take the form of a multiplier or of an adjustment to the expected long term future return on the *Fund* used to derive the discount factor. We will normally review these adjustments at the same time that bonus scales are reviewed. However, there is no overall specific timetable for review and changes may be made at other times (see “Principles” above).

We do not limit the change in surrender values from year to year.

Smoothing occurs on surrender payouts since they do not normally reflect day to day movements in market values. Smoothing also occurs since the aggregate surrender values in steps (a) above vary from 100% of the relevant aggregate asset shares (100% being our target level, over time).

5 INVESTMENT STRATEGY

5.1 General

Principles

The investment strategy is decided at least annually by the *Board* taking into account the advice of the *Appointed Actuary*.

Our investment strategy is to:

- invest in a spread of marketable investments, which will be readily realisable at the time we anticipate the capital is required
- invest the bulk of the reserves in fixed-interest securities, where the proportion is determined and the securities are selected to reduce the risk of the *Fund* not being able to pay the guaranteed benefits
- invest the remainder of the *Fund* mainly in equities and property for their greater growth potential to support future bonuses
- invest in low-risk short-term deposits or equivalent (with a high degree of security) to meet short-term cash-flows

We will only use derivatives (including futures and options or other instruments whose value or behaviour derives from the value or behaviour of other, more basic, economic variables) to assist the efficient management of the investment portfolio of the *Fund* or to reduce investment risk.

When investing, we will assess the creditworthiness of counterparties and establish internal limits for the maximum aggregate exposure to each counterparty including connected parties depending on that creditworthiness.

Beyond prudence, there are no *Scheme* or other constraints on the investment strategy of the *Fund* associated with parts of the *Fund* or different generations of policyholders.

Practices

Counterparty exposure limits are set by the *Investment Committee*.

The *Fund* can use investment instruments that are of a new type, or are of a type not already authorised for use within that *Fund*, only with the approval of the *Board* or a delegated representative of the *Board*.

It has not been necessary to transfer assets to the *Fund* to maintain the above investment strategy.

5.2 Deciding the investment mix

Practices

We monitor the degree of matching of the liabilities to the type of assets after actuarial valuations.

The value of the guaranteed paid-up liabilities is matched with fixed interest securities and cash of broadly the same duration, as are the interim and terminal bonuses that we expect to pay on maturing policies in any period for which terminal bonuses have been set. The remaining non-guaranteed liabilities are matched with equities and properties.

The fixed interest securities are directly held, and comprise UK government-backed securities and corporate bonds. We select securities that will provide a pattern of cashflow that broadly matches the projected net benefit outgo from the *Fund*. New corporate bond investments are in investment grade bonds.

The equities are held through units in Hill Samuel Unit Trusts and Scottish Widows Open-Ended Investment Companies (OEICs). The property investments are held through units in the Hill Samuel Internal Linked Property Fund.

The Unit Trust and OEIC investment managers decide on the investment strategy of the respective Trusts/OEICs, within limits defined in the Trust/OEIC Prospectuses.

Derivatives are not currently part of the investments held.

5.3 Assets that would not normally be traded

Principle

We do not intend to hold in the *Fund* any assets that would not normally be traded.

6 CHARGES AND EXPENSES

We make charges from the *Fund* to recover our expenses.

Charges are amounts that we debit from the *Fund* in return for meeting the expenses relating to with-profits policies.

In this section we describe the way in which we apply charges and apportion expenses.

The Company has two outsourcing arrangements. In 2009 the Company outsourced its policy administration functions to Capita, for an initial period of 10 years, but with an option within the first 5 years to convert to a perpetual arrangement. After 3 years, the contract may be terminated by the *Company* subject to 6 months' notice or at any time for a material breach. It also has a contract with Scottish Widows Investment Partnership (SWIP) to manage its investments.

Principles

We deduct charges from the *Fund* to cover the expenses incurred in maintaining the policies in the *Fund*, including a share of overhead expenses.

We may change the levels of charges if in our opinion this would achieve a more appropriate balance between policyholders and the shareholder.

We aim for each with-profits policy to bear a share of the total charges levied on the *Fund*.

Practices

General

The amounts charged to the *Fund* comprise a per policy amount to cover administration costs and amounts in respect of investment management and renewal commission.

The charge for administration costs is based on a fixed amount per policy per year. This charge is intended to be no more than the costs of administering the policies plus an appropriate recovery of overheads, allowing for the additional complexity of with-profits business. The level of the charge is reviewed annually, with any increase being limited to our assessment of cost inflation. The charges are based on the fees payable under our outsourcing arrangements.

The investment returns credited to the *Fund* are net of the actual investment dealing expenses.

The amount charged to the *Fund* in respect of investment management expenses in a year is the amount payable to the investment managers.

Renewal commission paid on with-profits policies is charged to the *Fund*.

The *Company* monitors its outsourcing arrangements on an ongoing basis.

Asset share expense allowance

When calculating asset shares, each policy is allocated its share of the total expenses incurred by the *Fund*, net of any tax relief.

The investment growth rate used for the asset shares is derived after deducting the net of tax relief investment expenses.

7 BUSINESS RISKS

In this section we describe the exposure of the *Fund* to various types of business risk, such as:

- profits and losses arising from our management of with-profits policies including the operation of guarantees, options, smoothing, mortality and persistency
- compensation costs

Principles

We aim to maintain a sound and prudent approach to the management of the *Fund* when considering the nature and extent of risks taken.

Profits and losses arising within the *Fund* from the management of policies will generally be shared among the policies in the *Fund*.

7.1 Allocation of liabilities and the monitoring and control of risk

Principles

Any amounts payable by the *Company* in respect of actual or alleged mis-selling will not be charged to the *Fund*.

Practices

As the *Fund* is closed to new business, it is not exposed to any risks in connection with acquiring new business though it is possible to alter existing policies.

For endowment and whole life policies, a proportion of the benefits payable on a claim, including on death is reinsured. We may increase the amount of benefit reinsured as the number of policies reduces.

7.2 Profits and Losses within the *Fund*

Practices

Miscellaneous profits and losses can arise within the *Fund* for a number of reasons including:

- where we have paid more or less than asset share to maturing policies due to smoothing terminal bonus or where the guaranteed payout exceeds asset share
- where in aggregate, the level of payments on surrender or death has not been fully reflected in tracking asset shares

These profits and losses are shared among the with-profits policies by increasing the past investment growth rates assumed in the asset share calculation by a uniform percentage so that the total of the individual asset shares is equal to the *Fund*. Asset shares are calculated for premium-paying endowment and flexible endowment policies. For other policies we derive a notional asset share by discounting projected future benefit payments, including terminal bonuses, at the long term expected future rate of return on the *Fund*.

8 INHERITED ESTATE

We do not aim to hold an inherited estate. By inherited estate we mean assets held in the *Fund* that we do not intend to distribute to its policyholders.

Principles

We do not aim to hold in the *Fund* any significant, long-term excess of assets over and above the amounts required from time to time to meet:

- the reasonable expectations of the *Fund*'s policyholders
- any regulatory requirements which can only be met by holding such an excess

9 APPORTIONMENT OF SURPLUS BETWEEN THE *FUND* AND SHAREHOLDERS

Principles

Policyholders will receive at least 90% of surplus distributed from the *Fund* whether on maturity, surrender, or death; shareholders will receive the balance.

In the event that the shareholders' share of surplus is less than 10% in any year, it may be increased by up to 0.5 percentage points in the following year. Otherwise, there will be no change.

Practices

The amount of surplus distributed is valued for this purpose as:

- the value of regular bonuses, calculated on the basis used for the regulatory valuation of the liabilities of the *Fund*, which allows for taxation of the *Fund*, but ignoring for this purpose the solvency requirements of the FSA (or its successor);
- the value of interim and terminal bonuses paid on maturity, death and surrender claims made during the year. For surrenders, this reflects that part of our formulaic calculation of the surrender value which is in respect of interim and terminal bonus
- the value of the shareholder transfer, before tax.

If there is any change in the basis used to quantify the value of surplus that is distributed, we do not intend to change the planned division of that surplus between policyholders and shareholders.

The shareholders' share of surplus arising in the *Fund* is expected to increase by 0.5% per year from 6.3% at 31/12/03 up to 10% in 2011.

Taxation borne by the *Company* on the transfer described in this section is not borne by the *Fund*, and is not reflected in payouts under with-profits policies.

ANNEX 1: GLOSSARY

Appointed Actuary means the holder for the time being of the office of With Profits Actuary of the *Company* or of a successor office.

Board means the Board of Directors of the *Company*.

Company means Abbey Life Assurance Company Limited, company number 710383 and having its registered office at Winchester House, 1 Great Winchester Street, London EC2N 2DB.

Fund means the *With-Profits Fund* (see below).

Investment Committee means a committee of senior managers with authority to set and monitor adherence to guidelines including limits on the exposure of the *Fund* to individual counterparties.

Long Term Fund means the long term fund maintained by the *Company* pursuant to FSA rules.

Scheme means the Scheme of Transfer which transferred the long-term business of Hill Samuel Life Assurance Company Limited to the *Company* as at 1 January 1998.

With-Profits Fund is the original name of the Hill Samuel Participating Business Fund with-profits sub-fund. It was subsequently changed to the Hill Samuel Participating Business Fund when the Hill Samuel Business was transferred to Abbey Life in 1998.