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ONLY

FLEXIBLE ANNUITIES



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London & Colonial Assurance PCC Plc is a Gibraltar registered company, and is incorporated under the Gibraltar Insurance Companies Act as a protected cell company. Gibraltar Company Registration Number: 80650. London & Colonial Assurance PCC Plc is regulated by the Gibraltar Financial Services Commission - permission number: 5191. Registered Office: Montagu Pavilion, 8-10 Queensway, Gibraltar, GX11 1AA - T (UK): 0044 (0)2036 406843 - T (Gibraltar): 00350 200 75812 - www.stmgroupplc.com - LCA@stmgroup.online.

This guide is based on London & Colonial Assurance PCC Plc's understanding of applicable UK tax legislation and current HM Revenue & Custom's practice, as at June 2022, which could be subject to change in the future.

This guide contains general information only about products and/or services which London & Colonial Assurance PCC Plc ('LCA') may or may not offer. This information does not constitute investment, tax, legal, medical or other form of advice and it is not a substitute for such professional advice or services. LCA, including any companies of STM Group of companies and the officers and employees thereof, cannot accept responsibility for any loss caused as a result of any action taken or refrained from being taken upon the contents of this guide.

It is the responsibility of readers to satisfy themselves as to whether any product and/or service is suitable for recommendation to their client(s).

Meet London & Colonial Assurance PCC Plc

London & Colonial Assurance PCC Plc ('LCA') is a Gibraltar based life insurance company licensed to write Class I - Life and annuity, Class III - Linked long-term assurance business and VI - Capital redemption.

LCA has a long history in the UK annuity market, having transacted annuity business since its incorporation in 2001.

The business was primarily established to provide an alternative to conventional annuities for high-net-worth individuals wishing to use their pension funds to purchase an annuity that provides greater flexibility for income and investment choice.



LCA (As at 31 December 2021)

973

ANNUITANTS

IN EXCESS OF
£314m

FUNDS UNDER ADMINISTRATION

Our Home is Gibraltar

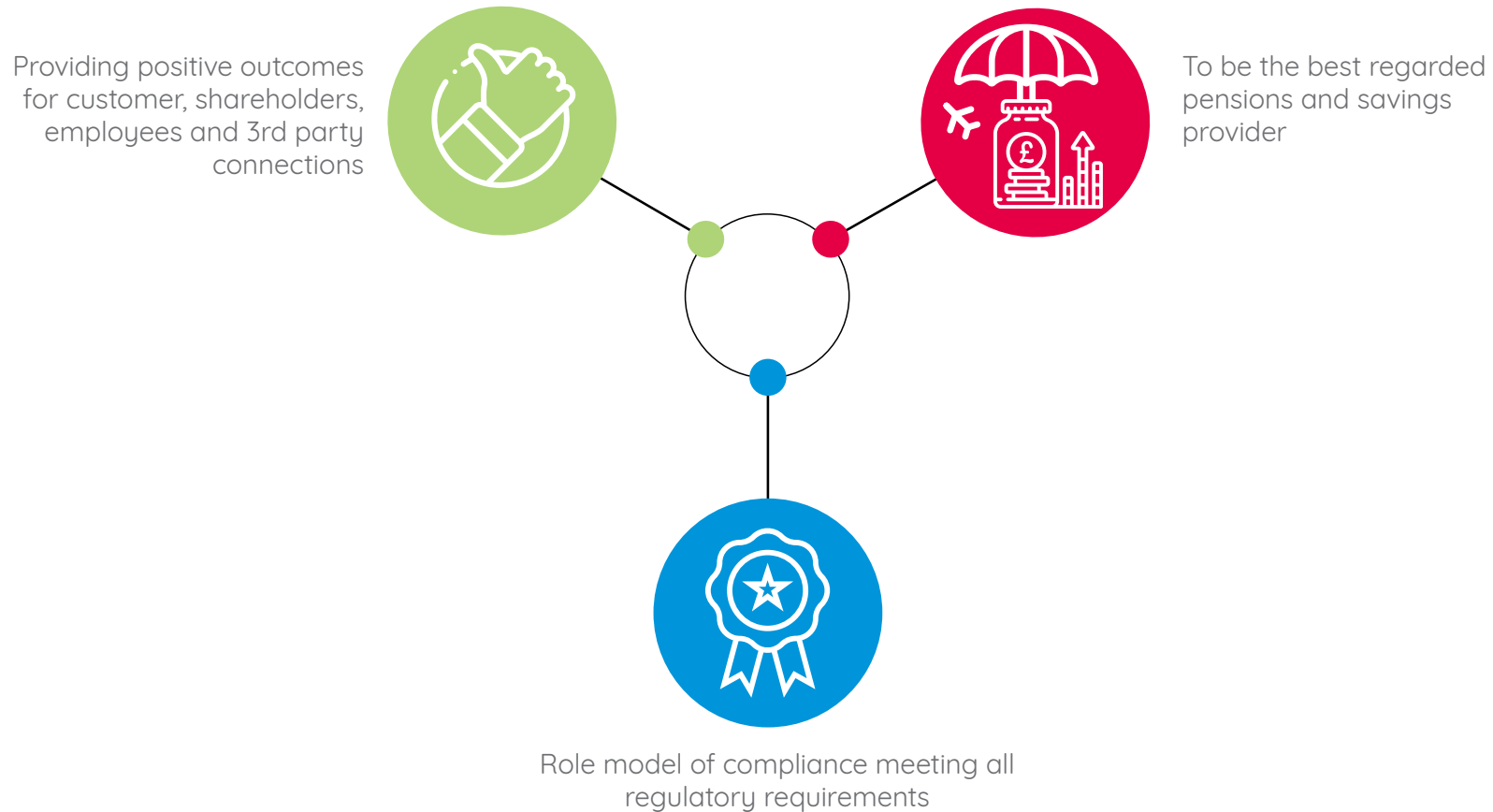


Gibraltar was chosen as it observes high standards of supervision and financial regulation and was the first EU jurisdiction to offer Protected Cell Company (PCC) legislation.

LCA is subject to continuous regulation by the Gibraltar Financial Services Commission ('GFSC'), the regulatory authority for all financial services providers operating in and from Gibraltar.

In their [country risk analysis](#) published in August 2021, AM Best categorised Gibraltar's economic, political and financial risk as a CRT-1 country with a very low level of risks in all categories. Specifically, a CRT-1 country is defined as having a "predictable and transparent legal environment, legal system and business infrastructure; sophisticated financial system regulation with deep capital markets" and a "mature insurance industry framework".

Our Long Term Goal

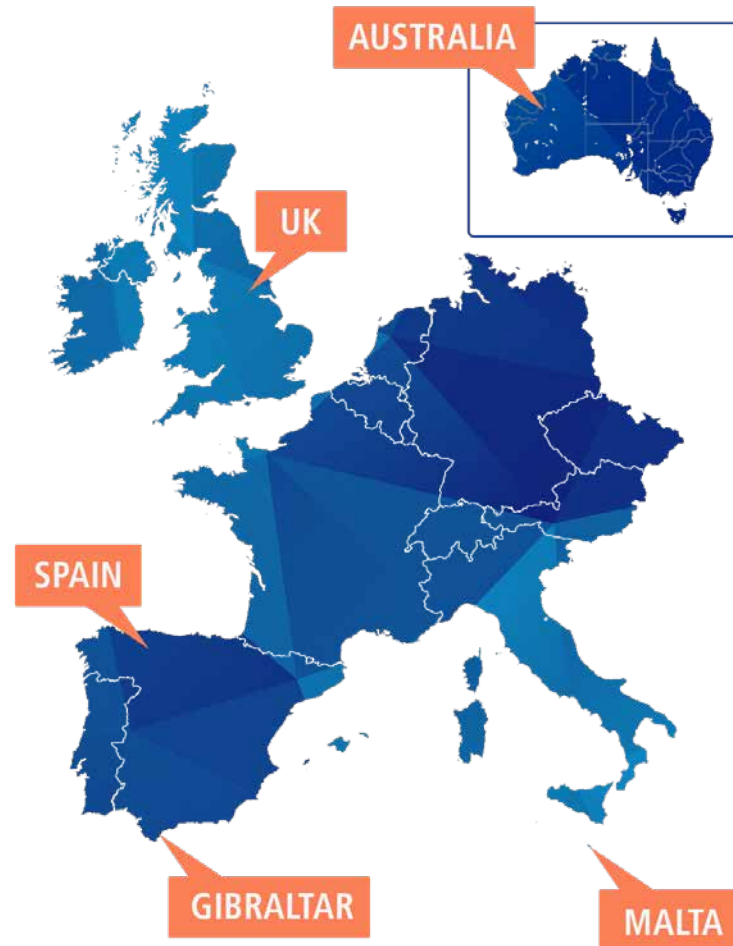


Part of a Big Family

LCA is part of STM Group Plc, a multi-jurisdictional financial services group traded on AIM, a market operated by the London Stock Exchange. Established in 1989, the Group specialises in the administration of client assets in relation to retirement, estate and succession planning and wealth structuring. Today, STM Group Plc has operations in Australia, Gibraltar, Malta, Spain, and the UK.

STM Group Plc strives to be the financial services provider of choice for the UK resident and UK expatriate market in relation to pension and life assurance solutions. Financial intermediaries that advise this market will recognise that STM Group companies offer an unrivalled service level to both them and their clients, putting the client at the forefront of its business proposition.

STM has developed a range of pension and annuity products for UK nationals and internationally domiciled clients and has two Gibraltar life assurance companies within the Group.



STM Is About Diversification Of Client Base

By helping to look after their financial future, STM Group gives peace of mind to

205,000
Customers

living all over the world.
Currently this equates to having customers in

126
Countries

Our Annuity Products

LCA's annuities could be the right choice for your clients if:

They are UK residents looking for tax efficient, regular (i.e., monthly, quarterly, half-yearly, or yearly) income payments for life;

They have a fund in excess of £100,000;

They would like to be able to vary the level of income they receive depending upon their circumstances;

They wish to retain control of their fund so that upon death, the remaining value of the annuity fund can be used to provide benefits for dependants and other beneficiaries. See Preference Share section on [page 9](#) of this brochure.

LCA markets the Flexible Life Annuity and the Flexible Pension Annuity products to UK tax residents through financial advisers and our service features are designed to give maximum support to all of our intermediary partners.

Flexible Pension Annuity (FPA)

The FPA is a pension annuity purchased on behalf of the policyholder by the trustees of the pension scheme holding the pension assets. The product allows full flexibility, providing the policyholder with the option to elect how much income to take each year.

The policy is purchased by the trustees of the registered pension scheme, therefore there is greater investment flexibility. An in-specie transfer of existing pension scheme assets is allowed.

Flexible Life Annuity (FLA)

The FLA is a purchased life annuity. During the lifetime of the annuity, the policyholder can elect to change the amount of the annuity payments (either increase or decrease).

A wide range of assets is allowed in the FLA.



Preference Share

LCA is organised as a Protected Cell Company ('PCC')*. Each LCA annuity is linked to a 'cell' and the assets backing the annuity are owned by the 'cell' and hence completely ring-fenced from all other policyholders' and shareholders' assets. Each unique cell of the company can have at least one preference share issued to that 'cell'. LCA's policyholders are able to purchase a preference share in the 'cell' containing their policy at policy commencement. The preference share gives the holder of the share, at the time of policyholder's death, access to the assets held in the 'cell'.

The preference share enables the funds from the 'cell' to pass to the beneficiaries. Whoever holds the preference share on death has the right to the residual value. If the holder of the preference share at the time of his/her death is the policyholder then the assets in the 'cell' will fall into the estate.

** Please see Section 'Policyholder Protection' of this brochure for more details on the Protected Cell Company structure.*

Policyholder Protection

UK Financial Services Compensation Scheme

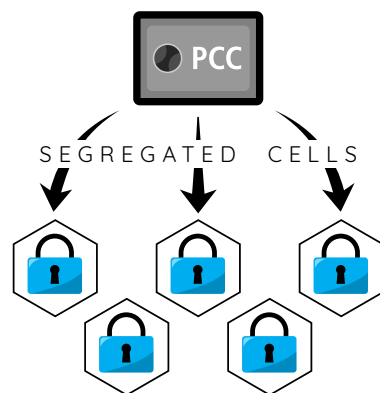
The Flexible Life Annuity and the Flexible Pension Annuity are covered by the Financial Services Compensation Scheme ('FSCS'). In the unlikely event that LCA were to default on claims under its policies, sales of its products conducted in the UK to UK residents at the time the contract commenced, are covered by the 'protected contracts of insurance' part of the FSCS. Please see the FSCS website for full details: www.fscs.org.uk



PROTECTED CELL COMPANY ('PCC') LEGISLATION

As a Protected Cell Company ('PCC'), all LCA products provide a high level of policyholder protection. A PCC structure is subject to the provisions of specific Gibraltar PCC Law which was implemented in 2001 (Protected Cell Companies Act 2001).

In a PCC, legally recognised 'cells' are created within the company in order to segregate and protect each policyholder's assets from other policyholders and the company itself. This means that each individual policy is linked to a 'cell' and the assets backing the policy are owned by the 'cell' and hence completely legally ring-fenced from all other policyholders' and shareholders' assets. Put very simply, a PCC is a form of company comprised of individual parts, known as 'cells'.



WHAT THIS MEANS FOR POLICYHOLDERS

For each client that purchases an LCA annuity, a unique 'cell' is opened with LCA. For more information on purchasing an LCA annuity, please see LCA's Purchase of Preference Shares document. Each 'cell' has its own designation (the policy number) and is completely independent of all other 'cells' and of the company's core. It is the Directors' duty to keep and account for the assets and liabilities of each 'cell' separately. The PCC legislation prohibits the assets of a 'cell' to be used to satisfy any liability not attributable to that 'cell'.

It is similar to a honeycomb where the cells are all individually protected within the beehive.

In the unlikely event that anything should happen to LCA, an individual's policy (and the assets within the policy) would remain secure from and untouched by any potential creditor. In other words, each 'cell' is ring-fenced from all other 'cells', providing 100% policyholder protection.

Please note: 100% policyholder protection does not apply to the ongoing valuation of the investment as the value of investments can fall as well as rise.

Our Values

We all come from different backgrounds and cultures, but we believe that our company is a unique experience because of our people. What brings us together at LCA? It's how we approach the hundreds of decisions we make every day. How we behave, our beliefs and our attitudes. In other words: **our values**.

Our values are important because they enable us to grow and develop both individually and as a company. They outline what we stand for and influence the way we interact, both with our clients and with one another and hold us accountable to do our best. They govern our actions and determine our success.



Our Values (Continued)



SHOWING CARE & RESPECT

- Putting the customer at the heart of everything we do
- Maintaining work/life balance
- Being aware of both internal and external stakeholders
- Thinking about your personal development
- Creating an environment of success
- Thinking about the impact on yourself, others and your environment
- Acting professionally
- Being authentic and honest
- Communicating clearly



TAKING PERSONAL RESPONSIBILITY

- Being innovative
- Giving and receiving constructive feedback
- Being open
- Holding self and others to account
- Remembering that no one has the monopoly on new ideas
- Questioning why
- Continually challenging the status quo
- Striving for continuous improvement



HAVING A PASSION FOR EXCELLENCE

- Going above and beyond
- Delivering above expectation
- Showing commitment and dedication to deliver our purpose
- Being dependable
- Focusing on quality, not quantity



STRIVING FOR BUSINESS SUCCESS

- Considering all customers, colleagues and stakeholders
- Taking a long term commercial view to deliver our purpose
- Being conscious of the value and costs of all decisions
- Continually striving to become more efficient



WORKING TOGETHER

- Remembering we are stronger and better together
- Asking for help and advice when you need it
- Helping each other out
- Thinking and acting collaboratively
- Working with and through all our internal and external clients and stakeholders as we strive to deliver our organisational goals

How to Contact Us

To find out more about annuities or to arrange a personalised illustration for one of your clients, get in touch with us.



T (UK): 0044 (0)2036 406843
T (Gibraltar): 00350 200 75812



LCA@stmgroup.online



<https://info.stmgroupplc.com/solutions/annuities/>



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