

Bonds

Investment Bond / **Policy Provisions**



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Understanding the Investment Bond

1. Your Investment Bond

We will treat you as a Retail Client.

One or more separate policies make up your Investment Bond ('Bond'). Subject to a minimum initial investment of £500 per policy, you can choose to have up to 99 policies in your Bond. Each policy is given an individual number to identify it from other policies. Please quote all the relevant policy numbers whenever you contact us about your Bond.

Your Application Form for the Bond, the Policy Document and these Policy Provisions together form the contract between you and us.

You may also receive replacement or additional Policy Documents where the terms and conditions which apply specifically to you change. For example where you pay an Additional Investment Amount.

Each policy can be dealt with independently or collectively with the other policies that make up your Bond. These Policy Provisions apply to each policy individually.

In making decisions and exercising discretion given to us under these Policy Provisions, we will act reasonably and with proper regard to the need to treat you and our other customers fairly.

These Policy Provisions will only apply to your Bond provided they are not held by a relevant court or viewed by the Financial Services Authority to be unfair contract terms or reasonably considered by us to be unfair contract terms. If a term is held, viewed or considered to be unfair it will, as far as possible, still apply but without any part of it which would cause it to be held, viewed or considered unfair.

2. Definitions

Certain words we use have a special meaning. These words will start with a capital letter every time the special meaning applies.

Actuary – A person chosen by us who is a Fellow of the Institute and Faculty of Actuaries.

Additional Investment Amount – Any sum paid to us to buy Units after payment of the Initial Investment Amount.

Allocation Date – The date we credit Units to your Bond as set out in the Fund Dealing Guide.

AXA Wealth – AXA Wealth Limited, the provider of the Bond.

Benefits – Any money we pay to you under your Bond.

Business Day – A day when the London Stock Exchange is open.

Cash Value – The value of your Bond or each individual policy within the Bond when cashed-in.

Cash Value Date – The date on which we will calculate the Cash Value as set out in the Fund Dealing Guide.

Commencement Date – The date your Bond starts as shown in the Policy Document.

Death – The death of the Life Assured or, where there is more than one Life Assured, the death of the last of the Lives Assured to die.

Death Benefit – The Benefit payable on Death.

Drip-feeding – The option to automatically switch your investment from one or more Funds to other Funds selected by you. This can be done at a chosen frequency of monthly, quarterly, half-yearly or annually.

External Fund Manager – A company other than AXA Wealth which manages an Underlying Fund.

Financial Adviser – The adviser who provides you with advice regarding your investment in the Bond.

Fund – Any of the investment funds made available to this Bond.

Fund Dealing Guide – The guide, as amended from time to time, issued by us to you on the Commencement Date. The guide sets out the dates and processes relating to the purchase and surrender of Units in each Fund. A copy of our current Fund Dealing Guide is available on request.

Fund Expenses – The expenses determined by the External Fund Manager which are deducted from the value of each Underlying Fund on a daily basis and are reflected in the Price. Details of the most up-to-date Fund Expenses for each Fund are set out in our Investment Bond Fund List, a copy of which is available on request.

Fund Management Charge – The charge which applies to each Fund available via your Bond. See the section 'General Matters (2. Charges)'.

Initial Investment Amount – The sum, as shown in the Policy Document, initially paid to us to buy Units, which must be at least £15,000.

Investment Amount – Any sum paid to us to buy Units.

Investment Bond Fund List – The document setting out the Funds available, their respective Fund Management Charges and Fund Expenses. This document is updated from time to time and is available from your Financial Adviser or from us on request.

Investment Content – This is also known as the allocation rate and is the proportion of the Investment Amount that is actually invested in the Bond. The Investment Content is 100%, except where the only or youngest Life Assured is aged 75 or over in which case the Investment Content is reduced to 98%. We multiply the Investment Content by each Investment Amount to calculate the amount available to buy Units. This is shown in your Policy Document.

Life/Lives Assured – The people (up to a maximum of four) whose lives are to be assured under the Bond and whose names are shown next to this term in the Policy Document. Each Life Assured must be over the age of two at the Commencement Date. At least one of the Lives Assured must be under the age of eighty five at the Commencement Date.

Owner – The person or persons who applied for the Bond and whose name or names are shown next to this term in the Policy Document. The Owner must be a UK resident at the Commencement Date.

Policy Document – The separate schedule or schedules issued with these Policy Provisions.

Policy Provisions – These Policy Provisions as amended from time to time.

Portfolio Rebalancing – The option for your investment to be automatically rebalanced into specified proportions in different Funds. This can be done at a chosen frequency of monthly, quarterly, half-yearly or annually.

Price – The value of a Unit in pounds sterling at the time of purchase or sale.

Residual Value – The amount required to be left in each individual policy within your Bond such that the Cash Value of your Bond is at least £5,000. The amount will be reviewed by us from time to time and may be increased in line with the Retail Prices Index.

Retail Client – A client who is entitled to receive the highest level of protection available under the Financial Services Authority rules. This may, for example, include access to both the Financial Ombudsman Service and the Financial Services Compensation Scheme.

Retail Prices Index - An average measure of change in the prices of goods and services bought for the purpose of consumption by the vast majority of households in the UK. It is compiled and published monthly by the Office for National Statistics.

Underlying Fund – a fund managed by an External Fund Manager in which our Fund invests.

Unit – The units of equal value into which all Funds are divided. Your Investment Amount will be used to buy Units in the Funds of your choice.

Valuation Day – This is a Business Day on which certain dealings in connection with Units in your Bond take place. There will be at least one Valuation Day every month. Normally every Business Day will be a Valuation Day.

Withdrawals – Regular or ad-hoc payments made to you from your Bond following your written request.

3. Meaning of ‘you’, ‘us’ etc

The meaning of the words ‘you’ or ‘your’ in these Policy Provisions depends on whether one or more persons are

the Owner. If there is just one Owner these words refer to that individual, or, in the event of the death of that individual, to his or her successors in title to the Bond. If two persons are the Owner, they refer to those individuals jointly or to the survivor of them, or, in the event of the death of the survivor, to his or her successors in title to the Bond. Please see the section ‘Explanatory Notes (1. Successors in title to the Bond)’ for more information. If the Bond is taken out by trustees then ‘you’ or ‘your’ refers to the trustees jointly. Each time the words ‘us’, ‘we’ or ‘our’ are used in these Policy Provisions they refer to AXA Wealth.

4. Policy alterations

We reserve the right from time to time by giving you 30 days’ written notice, so far as it is practicable to do so, to make such changes or additions to these Policy Provisions as are reasonably required to reflect:

- changes in applicable tax or other law, legislation, regulation or industry codes of practice which affect your Bond;
- changes in how the London Stock Exchange or other relevant investment or regulated markets may work which may impact on the operation of your Bond;
- changes in investment/share dealing administration or other infrastructure facilities, systems or means of communication which impact on the provision and operation of your Bond and which are outside of our control;
- changes to services relating to your Bond supplied to us by third parties;
- changes in circumstances or the happening of any event which is outside of our control which means that the Policy Provisions operate in a way which is unfair to you or our other policyholders;
- changes resulting from the introduction of new systems, services, and changes in technology outside of our control;
- changes in circumstances or the happening of any event which is outside of our control and which makes it impossible, impracticable or economically unviable for us not to make a change to the Policy Provisions, provided that any such change is not unfair to you or to our other policyholders; or
- changes required to remedy obvious errors.

If we decide to alter your Bond at any time we will tell you by issuing an endorsement which will record the change to the Bond. The endorsement will change or add to information that appears in the Policy Provisions or Policy Document. When you read these Policy Provisions after a change or addition has taken place, you should read any references to the Bond as though they referred to the Bond as changed or added to by the endorsement.

Investment Matters

1. The Funds

1.1 What Funds are available?

You can select from a range of Funds from the Tailored Selection, Family Fund Range, the Multi-Manager Range, or other Funds as available at the time. For details on the Funds available please refer to the Investment Bond Fund List.

This is updated from time to time and is available from your Financial Adviser or from us on request.

1.2 Fund structure

Each Fund is divided into Units. Funds are 'open-ended' – their size will fluctuate as Units are created or cancelled to match supply and demand. Units allocated to your Bond determine the Benefits accruing to you. However, you do not have any direct ownership rights to these Units.

1.3 Creating and cancelling Units

Units are created or cancelled on each Valuation Day by paying into, or taking out of, the Fund an amount representing the value of these Units. The value is worked out by multiplying the number of Units being created or cancelled by the Price prevailing on the Valuation Day.

1.4 Managing the Funds

The assets in the Funds are managed by us or by managers appointed by us. The Funds contain only investments allowed by rules made under the Financial Services and Markets Act 2000 or any replacement of that Act.

1.5 Valuing the Funds

On each Valuation Day we work out the value of each Fund. We or the External Fund Manager will select a time of day at which the value of each asset of the Fund or Underlying Fund (as applicable) is determined. This will:

- not exceed a value based on the buying price for the asset at the appropriate time of day plus the cost of buying; and
- not be less than a value based on the selling price for the asset at the appropriate time of day less the cost of selling.

The following will be deducted from this value:

- the Fund's and/or Underlying Fund's share of any taxes, including any potential taxes and levies imposed (including those imposed upon us by the Financial Services Compensation Scheme);

- any costs incurred in valuing, managing, maintaining, buying and selling assets including the Fund Expenses;
- any other liabilities for which it is reasonable for us or the External Fund Manager to say the Fund or Underlying Fund should take a share; and
- the Fund Management Charge multiplied by the number of days since the last Valuation Day divided by 365 and multiplied by the value of the Fund.

In valuing each Fund:

- Units of other AXA Wealth funds held will be valued at their prevailing Price; and
- income of the Fund will be taken account at the time the Fund becomes entitled to receive that income, whether or not it has actually been received, to the extent that this is appropriate.

1.6 Price

There is a single Price calculated for each Fund at which Units are bought and sold. The Price of each Unit is calculated by dividing the value of each Fund (after the deduction of any applicable charges as set out in provision 1.5 above) by the number of Units that make up that Fund, rounded by not more than three decimal places.

1.7 Our power to delay the creation or cancellation of Units

We may, at our discretion, defer the creation or cancellation of Units in one or more Funds if this is, in our reasonable opinion, necessary to avoid causing serious disadvantage to any policyholders whose benefits are linked to those Units.

The circumstances in which we may defer the creation or cancellation of Units in a Fund are as follows:

- during any period when any of the main stock exchanges or markets are closed or when dealings are restricted or suspended;
- if anything happens which would mean that selling or valuing assets of the Fund would be impractical or impossible without a significant reduction in the value of the asset, or during any time when we cannot realise our investment in the Underlying Fund;
- during any breakdown in any system of communication (including computer systems) that is normally used in working out the Price or value of any assets of the Fund or Underlying Fund or in deciding prices on any stock exchange or market;

- if anything happens that prevents the External Fund Manager from determining the value of assets in the Underlying Fund or supplying us with adequate information to value the Underlying Fund;
- during any period when we cannot realise sufficient cash to make payments on the cancellation of such Units due, for example, to a substantial number of policyholders wishing to cancel Units in a Fund at the same time;
- during any time when any transfer of funds involved in the realisation of or purchase of assets or payments due on the cancellation of Units cannot in our or the External Fund Manager's reasonable opinion be effected at normal rates of exchange;
- if we reasonably believe that due to circumstances beyond our control continued dealing in Units may not be fair to all potentially affected policyholders.

If it is necessary for a transaction to be deferred we will notify you and, where possible, provide an estimate of when the period of deferment will end. Upon receipt of such notification, you may either cancel the transaction or instruct us to action it at the end of the period of deferment.

The subsequent creation or cancellation of Units after a period of deferment will be calculated using the Price applicable for such Units at the end of the period of deferment.

1.8 Withdrawal of available Funds

We reserve the right to withdraw an available Fund in which you have Units by closing that Fund and requiring you to switch all Units in that Fund to another available Fund. The withdrawn Fund would then cease to be available for any Additional Investment Amounts, including switches into that Fund. We will endeavour to give you at least 30 days' prior written notice if you have Units in a Fund that is being withdrawn.

We may also close a Fund solely for Additional Investment Amounts, including switches into that Fund. In this case we will not require you to switch any Units you have in that Fund to another available Fund. We will endeavour to give you at least 30 days' prior written notice if you have selected a Drip-feeding or Portfolio Rebalancing option that may require a future switch into a Fund that is being withdrawn.

We reserve the right at any time to close any Fund completely or to Additional Investment Amounts, provided we believe it is reasonable to do so and it is for one of the following reasons:

- we are unable to continue to invest in that Fund because of changes to statutory requirements or other legal or regulatory requirements;
- the charges we incur for making the Fund available are increased so that the Fund becomes uneconomic to maintain;
- the total value of the Fund assets under management falls to a level at which we, in the opinion of our Actuary, can no longer manage the Fund effectively;
- we consider that the Fund no longer meets our strict selection criteria (namely, that the investment objectives or the risk characteristics of the Fund have materially changed or can no longer be attained);
- any of the Underlying Funds are withdrawn, converted or merged;
- the compliance or regulatory costs associated with offering the Fund have increased; or
- for any other reason provided it does not cause you serious disadvantage.

Unless we are unable to do so due to statutory requirements, or other legal or regulatory requirements or for any other reason that is outside our control (for example where we do not receive sufficient notice from the External Fund Manager) we will endeavour to give you at least 30 days' written notice of the date from which a Fund will cease to be available for past and/or Additional Investment Amounts. This is to give you time to notify us how you want to reallocate the money from the withdrawn Fund to the remaining available Funds. Where we are unable to give you 30 days' notice we will give you as much notice as is reasonably practicable.

If, by the date a Fund is withdrawn, you have not notified us how you want to invest the amounts that were previously invested in the Fund that is being withdrawn and/or future payments including switches, then we may substitute Units in the relevant Fund with Units to the same value in any other Fund we reasonably believe provides the closest match to the risk profile and objectives of the Fund being withdrawn, and notify you accordingly.

1.9 Addition of Funds

We may make other Funds available to you. A list of the available Funds will be provided to you on request.

2. Unit allocation

2.1 When we credit Units to a Bond

Any Investment Amount we receive will be used to buy Units in the Funds that have been selected by you and notified to us.

Units will be purchased in accordance with the investment process that is set out in the Fund Dealing Guide.

2.2 Choosing the Funds to which the Bond is linked

Your Policy Document shows the Fund or Funds that you chose in your application form as the Fund(s) you would like your Bond initially linked to.

2.3 Number of Units we credit to the Bond

To work out how many Units to credit to your Bond for each Investment Amount we receive, we divide the Investment Content by the Price that applies on the Allocation Date. Where you invest in more than one Fund we will divide the Investment Content proportionately between your chosen Funds.

3. Switching Funds

3.1 Exchanging Units of one Fund for Units of another

You can tell us in writing at any time to exchange some or all of the Units of a particular Fund or Funds currently allocated to your Bond for Units of one or more other Funds in the proportions you tell us.

3.2 Date we will make the switch

The investment process relating to the switching of monies between Funds is set out in the Fund Dealing Guide.

Switches out of and into Funds will happen on the same Valuation Day. If a switch is due on a day that is not a Valuation Day it will take place on the next Valuation Day.

3.3 How we make the switch

Where a switch is made, Units will be surrendered in the existing Fund and the proceeds used to purchase Units in the replacement Fund.

3.4 Drip-feeding

You may select this option at any time subject to any conditions we may impose at the time this option is selected. We will carry out your instructions as supplied to us until you notify us otherwise. The minimum Drip-feeding period is one month and the maximum is ten years. The frequency of Drip-feeding can be monthly, quarterly, half-yearly or annually. The first switch will take place at your chosen frequency after the Commencement Date.

This option may be stopped at any time by writing to us, but we must receive your instruction at least seven days before a Drip-feeding switch. If the instruction to stop Drip-feeding is received by us less than seven days before a Drip-feeding switch, then the instruction may not be processed in time and that switch will still take place but subsequent switches will be stopped.

This option can also be started at anytime by sending us the relevant application form. We must receive this at least seven days before a desired Drip-feeding switch, otherwise the instruction may not be processed in time for that switch and will therefore be actioned for the following switch.

The day and/or frequency that Drip-feeding occurs may also be altered if we receive your instruction at least seven days before a Drip-feeding switch.

Funds may be switched at anytime, however, where Drip-feeding is in place in a particular policy, it will cease if we receive a Fund switch instruction for that particular policy.

You cannot apply Drip-feeding at the same time as Portfolio Rebalancing to a particular policy within your Bond. If we receive an instruction to begin Drip-feeding, any Portfolio Rebalancing in place for that particular policy will cease.

Drip-feeding will automatically cease if ownership of the Bond is transferred.

Drip-feeding will be stopped if one of the Funds in which you are invested is closed to new investments.

If Drip-feeding ceases then you will need to supply us with new instructions when you wish it to recommence.

3.5 Portfolio Rebalancing

If you have selected this option, we will automatically switch Units in your Bond in accordance with your instructions. The frequency of Rebalancing can be monthly, quarterly, half yearly or annually.

Portfolio Rebalancing will commence on the date you specify and will be applied to your Bond at the frequency you have selected. The date specified must be between the 1st and 28th of a calendar month. Where no date is specified, the default will be to use the Commencement Date as the starting point. Where the Commencement Date falls between the 29th and 31st of a calendar month, Rebalancing will begin on the next Valuation Day after the 31st of that calendar month. Where a Rebalancing switch falls due on a day that is not a Valuation Day, then that switch will take place on the next Valuation Day after the 31st of that calendar month.

This option may be stopped at any time by writing to us, but we must receive your instruction at least seven days before a Rebalancing switch. If the instruction to stop Portfolio Rebalancing is received by us less than seven days before a Rebalancing switch, then the instruction may not be processed in time and that switch will still take place but subsequent switches will be stopped.

This option can also be started at anytime by sending us the relevant application form. We must receive this at least seven days before a desired Rebalancing switch, otherwise the instruction may not be processed in time for that switch and will therefore be actioned for the following switch.

The day and/or frequency that Portfolio Rebalancing occurs may also be altered if we receive your instruction at least seven days before a Rebalancing switch.

Funds may be Rebalanced at anytime, however, where Portfolio Rebalancing is in place in a particular policy, it will cease if we receive a Fund switch instruction for that particular policy.

You cannot apply Portfolio Rebalancing at the same time as Drip-feeding to a particular policy within your Bond. If we receive an instruction to begin Portfolio Rebalancing, any Drip-feeding in place for that particular policy will cease.

Where an annual statement is produced between Rebalancing switches, the asset allocation will not represent the original Fund allocation chosen. This is because your Bond is only Rebalanced to your chosen Fund allocation on your specified dates.

Portfolio Rebalancing will automatically cease if ownership of the Bond is transferred.

Portfolio Rebalancing will be stopped if one of the Funds in which you are invested is closed to new investments.

If Portfolio Rebalancing ceases then you will need to supply us with new instructions when you wish it to recommence.

Where a regular Withdrawal has also been selected the payment will always be made before the Rebalancing switch takes place.

3.6 Restrictions on switching

We reserve the right to:

- refuse or delay requests for the switching of Units;
- limit the number of switches of Units; or
- impose charges for switching of Units, where we have reasonable grounds to suspect that such switching arises from policyholders engaging in:
 - activities aiming to take unfair advantage of market timing opportunities;
 - a pattern of short-term or excessive trading; or
 - trading patterns likely, in our reasonable opinion, to be disruptive to Unit pricing of the affected Funds.

In exercising our discretion, we will take into account a policyholder's switching history in a particular Fund or across all Funds, aggregate value of holdings of Units in Funds and/or whether the policyholder is also a trustee of a Bond acting for one or more beneficiaries.

4. Cash Value

The Cash Value is what the Bond is worth if it is cashed in.

To calculate the Cash Value on the Cash Value Date we:

- work out the number of Units credited to your Bond; then
- multiply the number of Units held under your Bond by the applicable Price on the Cash Value Date to give us the value of all the Units credited to your Bond; and
- add on any Investment Amounts we have received but which we have not yet converted to Units.

General Matters

1. When the Bond starts

The Bond starts on the Commencement Date.

2. Charges

2.1 Fund Management Charge

The Fund Management Charge for each Fund is an annual percentage rate set by us and may be changed at any time. It is deducted from Funds on Valuation Days and reflected in the Unit Price for those Funds. The charge varies per Fund and is set out in our Investment Bond Fund List, a copy of which is available on request.

We may increase the Fund Management Charge if there is an increase in the percentage of the Fund required to cover the costs and expenses of the Fund, and/or an increase in the costs and expenses we incur in providing the Bond resulting from future changes, provided our Actuary considers such increase to the Fund Management Charge to be reasonable.

The circumstances that could lead to such an increase in our costs and expenses are:

- changes in tax rules, legislation or regulatory requirements or the way such rules are interpreted or applied in practice;
- our staff or overhead costs being higher than expected;
- increases in the costs of administration; or
- increases in the costs of the External Fund Manager.

Any increase necessary will be fair, reasonable and in proportion to the increase in costs we incur.

If we increase the Fund Management Charge on a Fund in which you have Units, we will give you the following notice:

- (i) where the increase is being made by us due to a change in the External Fund Manager's charges, we shall endeavour to give you not less than 30 days' notice. If we are unable to give you 30 days' notice we will give you as much notice as is reasonably practicable;
- (ii) in all other circumstances we will give you not less than 30 days' notice of the increase.

By reserving the right to make increases in the Fund Management Charge, we are also able to maintain the capital we are required to hold by the Financial Services Authority at a level which would

avoid having to apply generally higher charges to the Bond.

Where the assets of one Fund include Units in another Fund we will ensure that there is no duplication of the Fund Management Charge.

2.2 Fund Expenses

The Fund Expenses are determined by the External Fund Managers, are different for each Fund and vary frequently. They are in addition to the Fund Management Charge, are deducted from the Underlying Fund on Valuation Days and are reflected in the Unit Price. If the External Fund Manager changes the Fund Expenses more frequently than our literature is reprinted, the Fund Expenses shown on the latest Investment Bond Fund List may be different to those which appear on your illustration. Your illustration will show the most up to date Fund Expenses at the time it is issued to you.

2.3 Flexible Adviser Remuneration

If you've chosen to pay Flexible Adviser Remuneration ("FAR") from your Bond, the amount of FAR will be agreed between you and your Financial Adviser and set out in the application form. We will cancel the required number of Units in your Bond to make the FAR payment. Units will be cancelled in proportion to the number of Units in each Fund across all Funds within each policy that makes up your Bond.

3. Loyalty bonus

A bonus of 0.5% of the Cash Value will be allocated to the Bond on the 10th anniversary of the Commencement Date. We will credit extra Units in proportion to the number of Units in each Fund across all Funds within each policy that makes up your Bond.

The bonus will not apply to any Additional Investment Amount which is received after the 8th anniversary of the Commencement Date.

4. Benefits

4.1 Before Benefits are paid you must satisfy us that:

- 4.1.1 a Benefit has become payable; and
- 4.1.2 you are legally entitled to receive that Benefit.

You must also return the Policy Document to us and fill in any claim form that we may reasonably require.

4.2 Death Benefit

The Death Benefit will be calculated as a percentage of the Cash Value on the Cash Value Date.

If the Commencement Date of the Bond is prior to 1 April 2005, the Death Benefit percentage will be as follows:

- where the age of the Life Assured (or youngest Life Assured where there are two or more Lives Assured) was below 75 on the Commencement Date, the Death Benefit percentage will be 101%.
- where the age of the Life Assured (or youngest Life Assured where there are two or more Lives Assured) was over 75 on the Commencement Date, the Death Benefit percentage will be 100.1%.

If the Commencement Date of the Bond is on or after 1 April 2005, the Death Benefit percentage will be 101% regardless of the age of the Life/Lives Assured on the Commencement Date.

5. Cashing-in a Policy

5.1 When a Bond can be cashed-in

You can cash-in the entire Bond or any number of policies within the Bond at any time.

5.2 The amount payable

The amount payable will be the Cash Value on the Cash Value Date.

5.3 Procedure for cashing-in a Bond

If you wish to cash-in all or some of the policies within your Bond, you must ask us for a withdrawal form which must be completed by you to our reasonable satisfaction before your request can be processed.

Payment of any amount will be subject to the terms of provision 4 of this section and provision 1.7 of the Investment Matters section. If all the Units allocated to the Bond are cashed-in then the Bond will come to an end.

6. Additional Investment Amounts

Provided we agree, you may pay Additional Investment Amounts into the Bond at any time after the Commencement Date, without limit, subject to the following:

- 6.1 Any Additional Investment Amount will be spread evenly throughout all the policies making up your Bond unless you specifically request otherwise.
- 6.2 The total Additional Investment Amount paid into all policies making up your Bond must be no less than £1,000 on each occasion. This amount will be reviewed by us from time to time and may be increased in line with the Retail Prices Index.
- 6.3 Any Additional Investment Amount paid into the Bond will be subject to our standard terms and conditions in operation at the date it is received which may vary from the terms and conditions stated in these Policy Provisions. Before you enter into a commitment to pay an Additional Investment Amount we will advise you of the terms and conditions that will apply.

7. Notices affecting the Bond

You should send notice of any changes affecting your Bond to our Head Office address detailed under the section 'Contact us' on the last page. We will tell you if it changes.

Notice of a claim should be given in writing.

Any notice we need to send you will be in writing and will be sent by post to the most recent address you have given us. We will assume you have received the notice two Business Days after we posted it.

We will not action instructions from you until such information as we may reasonably require is received at our Head Office address.

8. Law

We and you have a free choice about the law that can apply to a contract. We propose to choose the law of England and Wales and by entering into this contract you agree that the law of England and Wales applies.

Benefits will be payable in pounds sterling.

These Policy Provisions were written in October 2010. If at any time after this date there is any change in tax or other laws or rules which affect us, your Bond, or any Fund, then we may adjust the Benefits and terms and conditions of your Bond as we consider necessary.

Withdrawals

1. Types of Withdrawals

You may choose to make ad-hoc Withdrawals or regular Withdrawals on a monthly, quarterly, half-yearly or yearly basis, subject to the remaining provisions of this section.

2. Requesting Withdrawals

2.1 Subject to provision 1.7 of the Investment Matters section and provisions 3 and 4 below, you may request Withdrawals:

2.1.1 when you make the application for the Bond; or

2.1.2 at any time after the Bond has been issued, by giving us at least 30 days' notice in writing.

3. Conditions

3.1 You can take Withdrawals from one specific policy, a number of policies, or all of the policies making up your Bond.

3.2 Regular Withdrawals will start on the date you specify and then continue at your chosen frequency.

3.3 Following each Withdrawal, the number of Units held in the specific policies from which you have taken the Withdrawal will be reduced. The reduction in Units will be such that the value of the Units cancelled will be equal to the amount of the Withdrawal. The value of Units will be calculated as the number of Units multiplied by the applicable Price on the Valuation Day on which the Withdrawal is processed as set out in the Fund Dealing Guide.

3.4 Withdrawals are not permitted where they would cause the Cash Value of your Bond to go below the Residual Value except where the Withdrawal is made to satisfy the Donor's or Settlor's entitlement to capital payments if the Bond is held under a Discounted Gift Trust.

3.5 If Drip-feeding has been selected Withdrawals must be taken from all Funds in proportion to the value of Units in each Fund.

3.6 No Withdrawals will be permitted unless we are in receipt of a valid instruction.

4. Altering and ending regular Withdrawals

4.1 If you wish to:

4.1.1 alter the frequency or amount of Withdrawals; or

4.1.2 end Withdrawal;

you may do so at any time by giving us notice in writing at least 30 days before the relevant change is to take place.

5. Cessation of Withdrawals

5.1 Withdrawals will immediately cease:

5.1.1 upon Death;

5.1.2 upon full encashment of the Bond;

5.1.3 upon assignment of the Bond – new Withdrawal instructions will be required from the new owner if Withdrawals are to continue; or

5.1.4 if on any Valuation Day when a regular Withdrawal is due or an ad-hoc Withdrawal is processed, the Cash Value of the Bond does not exceed the amount of the proposed Withdrawal by the Residual Value, then subject to provision 3.4 we will pay that part of the Cash Value (if any) which does exceed the Residual Value and no further Withdrawals will be permitted.

Explanatory Notes

1. 'Successors in title to the Bond' (meaning of 'you', 'us' etc.)

It is important to know who has 'title' to the Bond because it is this person who normally has the legal right to make claims for Benefits under the Bond and to exercise any option contained in the Bond.

Usually the Owner has title to the Bond and where there are two Owners they have joint title. Under some circumstances, title may be passed to someone else.

For example:

- In the case of joint ownership of the Bond, on the death of the first Owner to die, title automatically passes to the surviving Owner. If joint Owners die in such circumstances that we cannot find out who died first, we will treat them as dying in the order in which they were born for the purposes of determining who has title to the Bond.
- On death of the last Life Assured, any Death Benefit will be payable to the Owner or Owners. If the Owner or Owners have already died, the Death Benefit will be payable to the Executors or Administrators of the Owner's estate or, in the case of joint Owners, to the Executors or Administrators of the estate of the last Owner to die.
- If the Bond is legally assigned or mortgaged to a third party, title will normally belong to the bank, building society or other company or person to whom the Bond is assigned or mortgaged. However, with mortgages, the passing of title is often not complete so that in some cases we may require the Owner's instructions also before we can make any payment.
- If the Bond is subject to a trust the legal title will be held by the trustees.

2. Interest

If for any reason we pay the Death Benefit more than one month after the Cash Value Date, we will add interest at a reasonable, commercial rate to the Death Benefit. We are required by law to deduct tax from interest payments.

How to complain

If you are not satisfied with any aspect of the service that you have received from us, please contact us using any of the methods detailed in the 'Contact us' section.

Information regarding our formal complaints procedure is also available from the same contact points.

Complaints that we cannot settle may be referred to the Financial Ombudsman Service at:

South Quay Plaza,

183 Marsh Wall

London

E14 9SR

Phone: 08000 234 567

Email: complaint.info@financial-ombudsman.org.uk

Website: www.financial-ombudsman.org.uk

Making a complaint will not affect your right to take legal proceedings.



Financial Adviser

If you would like to learn more about our products and investments, or require any advice or further information, we recommend that you speak to a Financial Adviser.

Please note that Financial Advisers use a variety of different ways to charge you for their services and you will be liable for any charges incurred. Please ask a Financial Adviser for full details of these charges.

If you do not have a Financial Adviser you can find one in your area by contacting the Institute of Financial Planning on 0117 945 2470 or at www.financialplanning.org.uk

Contact us

If you wish to obtain information on an existing AXA Wealth policy or would like to discuss an application which has already been sent to us, please contact:

Telephone: 0845 129 9993*
Email: enquiry@axawealth.co.uk
Address: AXA Wealth
Winterthur Way
Basingstoke
Hampshire
United Kingdom
RG21 6SZ

*Available 8.30am to 5.30pm, Monday to Friday. As part of our commitment to quality service, telephone calls may be recorded.

Online information

www.axawealth.co.uk

Please visit our website to view our fund factsheets.

0845 129 9993

www.axawealth.co.uk