



This announcement applies to policies held in respect of the following Nordben contracts:

Nordben Triple C Plan GBP Nordben Triple C Plan USD
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As advised in its last announcement of 22 October 2018, Nordben closed to new business and stopped issuing new policies from 2015. As a result, Nordben's With-Profits Policyholders' Funds (the "Funds" held to meet the benefits payable to Nordben's Policyholders) are closed. In the announcement of 22 October 2018, Nordben's Policyholders were advised that future announcements regarding the impact of closure on the Funds would be published via www.nordben.com.

UPDATE TO THE TRIPLE C PLAN GBP AND USD POLICYHOLDERS' FUNDS

Nordben is obligated to meet its liabilities due from its Triple C Plan GBP and USD contracts. These liabilities are known as guaranteed liabilities and cannot be removed.

Nordben holds both GBP and USD sub-funds (of the Funds) and the assets of these sub-funds are held in the same currency denomination of the liabilities or currency hedges may be used to eliminate exchange rate risk.

CURRENT INVESTMENT APPROACH

The above Triple C Plan GBP and USD sub-funds are currently invested as follows:

- The sub-funds hold highly-rated government bonds to back the guaranteed liabilities.
- A portion of any surplus assets (above the guaranteed liabilities) may be invested in equities. This is to provide the potential for upside from good returns on equities, whilst recognising that there is a downside risk associated with investing in equities.
- The balance is held in cash to ensure ongoing liquidity in the sub-funds.

Under the above approach, as the bonuses are applied to policies the guaranteed liabilities would increase and equities would be sold, i.e. the equity content of the above funds would naturally decline over time.

UPDATED INVESTMENT APPROACH

With effect from the week commencing 9 December 2019, Nordben is no longer investing any surplus assets of the sub-funds in equities and the proceeds from the sale of all existing equities will be used to buy duration matching highly-rated government bonds.

IMPLICATIONS OF THIS CHANGE

- Policyholders will no longer receive an increased bonus if returns on equities are good.
- Conversely, it will also mean that future bonuses will not drop if returns on equities are poor.



The change has been made following consultation with Nordben's Appointed Actuary and approved by Nordben's Board of Directors.

A further announcement will be published on www.nordben.com by 30 June 2020 in respect of an Amendment to the Bonus Regulations. The above described change and the impending future Amendment to the Bonus Regulations have **no impact** on any policy terms and any contractual guarantees Nordben has with its Policyholders.

For all enquiries, please visit <https://www.nordben.com/contact/>

Nordben Life and Pension Insurance Co. Limited
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