

Product Profile



For financial advisers only

This document is intended as a product summary only and is not designed to encompass all the product details or terms and conditions. Before offering advice relating to this product, please read the full literature suite including the *Brochure, Key Features, Investment Guide* and *Terms and Conditions*.

Description

Quantum is an offshore regular premium savings policy.

Applicants

Applications can be made by individuals (on a single or joint ownership basis), companies or trustees. Individual applicants must be at least 18 years old at the application stage. There is no maximum age.

Policy type

Issued as either a life assurance or a capital redemption policy. The policy basis cannot be changed once the policy has been issued.

Segmentation

Quantum can be issued as a single policy or 100 sub-policies.

Minimum premiums

Monthly premiums			Additional single premiums
Policy currency	Premium term		
	5-9 years	10 years +	
GBP	400	200	5,000
EUR	480	240	6,000
CHF	600	300	7,500
USD	640	320	8,000
AUD	720	360	9,000
HKD	5,000	2,500	62,500
JPY	68,000	34,000	850,000

Allocation rates

Depending on the size of premium, allocation rates vary between 100% and 102% as shown in the following table:

Ccy	Monthly premium - Allocation rate		
	100%	101%	102%
GBP	200 to 549	550 to 949	950 +
EUR	240 to 649	650 to 1,149	1,150 +
CHF	300 to 799	800 to 1,449	1,450 +
USD	320 to 849	850 to 1,499	1,500 +
AUD	360 to 949	950 to 1,699	1,700 +
HKD	2,500 to 6,649	6,650 to 11,699	11,700 +
JPY	34,000 to 89,999	90,000 to 159,999	160,000 +

93% of each additional single premium will be allocated to the purchase of accumulation units.

Premium indexation

Clients can choose to increase their original premium by 5% or 10% per year.

Payment options

Method	Monthly	Quarterly	Half yearly	Yearly
Credit Card ¹ / Visa Debit Card	Yes	Yes	Yes	Yes
Direct Debit (GBP ²)	Yes	Yes	Yes	Yes
Standing Order	Yes	Yes	Yes	Yes
Telegraphic Transfer	No	No	Yes	Yes
Bankers Draft/ cheque	No	No	Yes	Yes

¹ A credit card fee will not be charged

² UK and Channel Island bank accounts only

Premium incentive

To qualify, the premium term must be a minimum of 10 years and the amount paid must be equal to or greater than the monthly amounts shown in the table below.

Ccy	Minimum premium to qualify per month	Monthly premium multiplier based on premium term				
		5 - 9 yrs	10 - 14 yrs	15 - 19 yrs	20 - 24 yrs	25 - 30 yrs
GBP	300	0	1.5	3	4.5	6
EUR	360					
CHF	450					
USD	480					
AUD	540					
HKD	3,750					
JPY	51,000					

The premium incentive will purchase initial units.

An increase to the regular premium may also qualify for an incentive. Refer to the *Key Features* for details.

Premium incentives are subject to a 100% surrender charge if the policy (or sub-policies if applicable) is surrendered within 5 years of the incentive being applied to the policy.

You can count on us

RL
360

Loyalty bonus

The loyalty bonus will be 0.25% of the final regular premium fund value multiplied by the number of years that premiums are paid in full – subject to a minimum premium term of 10 years and a maximum of 30 years.

Premium term (years)	5 – 9	10	15	20	25	30
Loyalty bonus (%)	0	2.50	3.75	5.00	6.25	7.50

The full list of bonuses can be viewed in the *Terms and Conditions*. Any years where the policy is on a premium holiday, or is made paid up, will not count.

The loyalty bonus does not apply to any additional single premiums.

Number of funds allowed

There is no restriction to the number of funds that can be held if you or your clients register for online fund switching. If you do not have online access, the maximum number of funds that can be held is 10.

Investment options

Direct access to over 250 funds. Please refer to the *Investment Guide* for further information.

Premium flexibility

Premium increases: Allowed on any premium due date.

Premium decreases: Allowed on any premium due date but cannot be reduced below the minimum premium or during the initial allocation period.

Premium holiday

Up to 2 years allowed following completion of the original initial allocation period where the fund value is above USD8,000 (or currency equivalent).

Paid up

Allowed once policy has completed the initial allocation period and the fund value is above USD8,000 (or currency equivalent).

Where the status of a policy has changed to either premium holiday or paid up, the standard charges will continue to apply with the exception of the policy fee which will increase.

Initial allocation period

Dependent upon the premium term of the policy as shown in the table below:

Premium term (years)	5-18	19	20	21	22	23	24+
Initial allocation period (months)	18	19	20	21	22	23	24

During this period all regular premiums will purchase initial units. Once this period is complete, premiums will be used to purchase accumulation units.

Regular premium increases are subject to their own initial allocation period based on the length of the remaining premium term.

Charges

Initial unit charge: 0.50% per month (6% per year)

Deducted from the value of the initial units monthly in arrears. This charge will be taken throughout the premium term. At the end of the premium term all remaining initial units will be converted into accumulation units on a one for one basis.

Contract charge: 0.125% per month (1.50% per year)

Deducted proportionately from initial and accumulation units each month in arrears whilst the policy remains in-force.

Policy fee: USD8.00 per month (or currency equivalent)

Deducted monthly in arrears from accumulation units whilst the policy remains in-force.

The policy fee will increase every year in line with the Isle of Man Retail Price Index.

The policy fee will be multiplied by 3 where a policy is on a premium holiday, or the policy is made paid up.

Fund switch/premium redirection fee

Instructions to switch funds and redirect premiums are free of charge.

Underlying fund charges

Underlying funds will be subject to management charges levied by the external fund manager. Further details can be obtained from the *Investment Guide*.

Surrender charges

A policy surrendered within its initial allocation period will acquire no surrender value, in effect suffering a 100% surrender charge.

A policy or sub-policy surrendered after the initial allocation period may be subject to a surrender charge deducted as a percentage of the initial unit value. Please refer to the *Key Features* document for details.

Accumulation units are not subject to any surrender charges.

Death benefit

Life assurance option: 101% of the fund value of the policy.

Capital redemption option: Not applicable.