

## KEY FEATURES OF THE GLOBAL ASSET PORTFOLIO

These Key Features outline the most important things you should know about the Global Asset Portfolio but you should also read the Global Asset Portfolio Brochure.

Your Financial Adviser will be pleased to answer any further questions you might have.

### THE AIMS OF THE GLOBAL ASSET PORTFOLIO

- To provide you with the opportunity to increase the value of your capital over the medium to long-term by investing in a range of tax efficient insurance funds.
- To provide you with an “income” should you choose to make regular withdrawals.

### YOUR COMMITMENT

- You agree to invest an initial lump sum of at least £15,000/US\$25,000/Euro25,000 and to maintain a minimum balance of at least £10,000/US\$15,000/Euro15,000 in your Portfolio.
- You or your adviser decide into which one or more of the funds you wish to invest
- You view your investment as being for the medium to long term.

### RISK FACTORS

Many things could happen to alter the Portfolio’s benefits as shown below:

- Investment values can fall as well as rise and may be affected by currency fluctuations.
- If you withdraw from your investment, particularly during the early years when there is an encashment penalty, you may get back less than you invested.
- If any of the financial institutions with whom your money is invested were unable to meet their obligations, the security of your Portfolio would be at risk.
- Your tax status may change as a result of which tax charges may be levied in other jurisdictions in which you are then deemed taxable.
- If you make regular withdrawal which exceed the growth in your Portfolio the value of your investment will be eroded.
- If the costs of running your portfolio are greater than expected, the charges may be higher than those shown
- If you use your right to cancel you will get back the amount you invested less any fall in the value of your Portfolio at the time we receive your notice to cancel.

### YOUR PERSONAL ILLUSTRATION

The illustration shows how The Global Asset Portfolio may work for you. This is an illustration only and is not intended as a forecast, projection or warranty of investment performance by Isle of Man Assurance Limited. The actual performance will depend entirely on the investment performance of the underlying funds.

## QUESTIONS AND ANSWERS

### WHAT IS THE GLOBAL ASSET PORTFOLIO?

It is an offshore insurance bond consisting of a series of unitised whole of life single premium policies issued by Isle of Man Assurance Limited ("IOMA").

The Global Asset Portfolio is normally made up of 20 identical policies.

### WHO CAN INVEST IN THE GLOBAL ASSET PORTFOLIO?

Anyone who is aged 18 or over and a non-resident of the Isle of Man.

Investments may be made by individuals, companies or trustees. Individuals may apply on their own or with someone else.

### HOW MUCH CAN I INVEST?

The minimum initial investment is £15,000/US\$25,000/Euro25,000. There is no maximum. You can make additional investments into a new Portfolio at any time subject to a minimum of £2,500/US\$4,000/ Euro4,000.

### HOW DO I INVEST?

Payment can be made by Electronic Transfer, Bankers draft or cheque, payable to Isle of Man Assurance Limited. If the cheque is not drawn on your personal account, you may be asked to prove that the money belongs to you.

Although the Portfolio can be denominated in Sterling, US Dollars or Euros, you may invest with any freely convertible currency. If you choose this option, payments will be converted prior to investment. The cost of conversion will be met from your investment.

### WHERE WILL MY PREMIUM BE INVESTED?

Your premium buys an 'allocation' of units in the funds you choose subject only to a minimum investment into any fund of £2,500/US\$3,750/Euro3,750. [Allocation of units will take place](#) on the receipt of cleared funds at our bank.

Details of the funds available can be found in the Global Asset Portfolio brochure.

### CAN I CHANGE MY INVESTMENTS?

Yes. Subject to the minimum investment limits mentioned above you may switch between any of the funds available and are entitled to 12 free switches in any policy year. [Copies of detailed dealing procedures](#) are available from your financial adviser or Isle of Man Assurance Limited.

### CAN I MAKE REGULAR WITHDRAWALS FROM MY PORTFOLIO?

You can make regular withdrawals from your Portfolio quarterly or annually, subject to a minimum withdrawal of £500/ US\$750/ Euro750 each time.

Each policy year you may withdraw up to 10% of the premiums paid without incurring a charge. Any of the 10% allowance not used can be carried forward indefinitely. However, during the first five years following the payment of your premium any withdrawals which exceed the aforementioned allowances will be subject to an encashment penalty, details of which are explained in the Charges section below. No penalties will apply in respect of any withdrawals taken more than five years from the date of the payment of your premium.

The payment of withdrawals will be subject to the dealing days of the funds in which your capital is invested.

Any withdrawals you make are actually withdrawals of your capital. You may not make a withdrawal that would result in the value of your Portfolio falling below £10,000/US\$15,000/ Euro15,000.

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## QUESTIONS AND ANSWERS

### **CAN I ENCASH PART OR ALL OF MY PORTFOLIO?**

You may either encash one or more of the policies that make up your Portfolio or you may encash part of each policy, at any time. You cannot encash less than £1,000/ US\$1,500/ Euro1,500 of your Portfolio.

If you encash part or all of your Portfolio within five years of an investment being made, the amount you receive will be subject to an encashment penalty, details of which are explained in the Question and Answer section below.

If you encash part of your Portfolio and the resultant value falls below £10,000/US\$15,000/Euro15,000, IOMA may require you to encash your entire Portfolio.

### **DOES THE PORTFOLIO INCLUDE LIFE COVER?**

Yes. Where the youngest of the Lives Assured is aged less than 65 at the time an investment is made this will provide 101% of the encashment value payable on the death of the last Life Assured to die. At age 65 and above this benefit will be 100.1% of the encashment value.

This will be paid to your assignees, personal representatives, or Trustees.

### **HOW WILL I KNOW WHAT MY PORTFOLIO IS WORTH?**

You should contact your Financial Adviser who will be sent a full valuation statement each year following the Portfolio anniversary.

### **WHAT ARE THE CHARGES AND WHAT ARE THEY FOR?**

Full details of the charges that will apply to your Portfolio are as follows:

During the first five years of your investment an establishment charge of 0.4% of your Premium, or Portfolio value if higher, is levied each quarter.

If, in any of the first five Policy years, you make withdrawals in excess of the charge free allowance set out on the previous page or encash part of your Portfolio there will be an encashment penalty levied against your Portfolio equal to 8% of the value of the units encashed reducing by 1.6% each year to nil after five years.

If you fully encash one or more of your Policies; totally encash the Portfolio or a death claim is made within five years of an investment being made, the amount paid out is subject to an encashment penalty equal to 8% of the premium, or Portfolio value if higher, reducing by 1.6% each year to nil after five years, together with any other outstanding charges if applicable.

The funds are subject to an annual management charge of 1.25% of the value of your investment each year, which is reflected in the fund price. In addition there may be extra charges if the insurance fund invests in unit trusts or mutual funds.

Other charges which only apply in certain circumstances are:

- You are entitled to 12 free fund switches in each policy year. Switches in excess of this will be subject to a charge of 1% of the switch value.
- Portfolio Administration Fee of 0.5%

The charges pay for the cost of setting up and administering your policy. Other than the establishment charge Isle of Man Assurance Limited reserves the right to vary these charges in the future.

All charges are allowed for in the personal illustration.

## FURTHER INFORMATION

### CANCELLATION RIGHTS

After your proposal has been accepted you will receive a notice of your right to cancel. You will have 14 days in which to change your mind, as required by law.

### WHERE CAN I OBTAIN FURTHER INFORMATION?

If you need further information please contact our Sales Support on Tel: +44 (0) 1624 681320. If you require any advice regarding the suitability of the Global Asset Portfolio for you please contact your independent financial adviser.

### ENCASHING YOUR PORTFOLIO IN THE FUTURE

You can encash your Policy at any time by giving Isle of Man Assurance Limited written notification and sending your policy documents back together with any documents of title. You should first consult your Financial Adviser to discuss your options.

### PREVENTION OF MONEY LAUNDERING

There is a legal requirement to prove the identity of people taking out an insurance policy. Your Financial Adviser will confirm what evidence, if any, you need to show.

### TAX

Isle of Man Assurance Limited is not liable to any Income Tax, Capital Gains Tax or Corporation Tax in respect of its policyholders funds. The only exception may be withholding tax, which a number of countries levy on the dividends payable to foreign investors.

On encashment, Income Tax will be payable at your relevant marginal rate on any gain in excess of the original premium paid.

The UK Finance Act 1998 requires that, in certain circumstances, Isle of Man Assurance Limited must disclose information concerning UK resident policyholders to the UK Inland Revenue. This disclosure may be required when an event occurs which results in a gain being realised. Disclosure will be dependant upon the amount of any gain and whether or not we are aware or believe that the policyholder was resident in the UK at the time the event occurred.

For detailed taxation advice and in the event of a change or intended change in your country of residence/domicile, we strongly recommend that you consult your financial adviser.

This information is based on Isle of Man Assurance Limited's understanding of law and taxation practice in the Isle of Man and UK as at April 2001 and may change in the future.

### LAW

Your policy is construed in accordance with the law of the Isle of Man. This document and the brochure give you a brief guide to the contract. Full details are contained in the policy document which, together with the application form, will form the legally binding contract between you and Isle of Man Assurance Limited.

### ISLE OF MAN ASSURANCE LIMITED

The Isle of Man & General Life Assurance Company was formed in 1971. In 1982 it changed its name to Isle of Man Assurance Limited. The Company is regulated by the Personal Investment Authority in respect of UK Investment Business and supervised by the Isle of Man Insurance and Pensions Authority.  **Holders of policies issued by the Company will not be protected by the UK Policyholders Protection Act 1975 should the Company become unable to meet its liabilities to them. However, holders of the Global Asset Portfolio will be protected by the Isle of Man Life Assurance (Compensation of Policyholders) Regulations 1991 which protects investors by providing a statutory guarantee of up to 90% of the amount of any liability of the insurance company under any life policy.** The company reserves the right to adjust the returns from the Portfolio to cater for any levy or charge made on the company under these regulations or similar legislation.

### ENQUIRIES AND COMPLAINTS

If you would like further information or you have a complaint about any aspect of the service you have received, please contact the Compliance Department, Isle of Man Assurance Limited, IOMA House, Hope Street, Douglas, Isle of Man IM1 1AP, British Isles. Making a complaint will not prejudice your right to take legal action. If your complaint is not dealt with to your satisfaction you can complain to the Personal Investment Authority Ombudsman.

Isle of Man Assurance Limited a member of the IOMA Group.

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IOMA is a member of the Association of International Life Offices and is regulated by the Personal Investment Authority in respect of Investment Business