

Key Features Document for Portfolio Bonds

This is an important document that you should read and keep in a safe place with the accompanying illustration.

Welcome to your Key Features Document

It explains all the important information you need to know in one place, including the aims, commitments, risks and other key features of the bond. It's an important document so please take the time to read it.

If this bond is held in a Discounted Gift Scheme, not all of the options detailed in this document will be available. If this is the case, you should read **How the Discounted Gift Scheme changes the terms of the Select Portfolio Bond** alongside this document.

Here are some of the things you'll find inside:

- Key features of the bond
- Aims, your investment and risks
- Questions and answers
- Further information
- How can I contact you?
- Glossary

If you have any questions, you can get in touch using the contact details in 'Further information'.



Your Key Features Document

The Financial Conduct Authority (FCA) is the independent financial services regulator. It requires us, ReAssure, to give you this important information to help you decide whether our bond is right for you. You should read the document carefully so that you understand what you are buying, and then keep it safe for future reference.

Your fund choices for this policy are shown in the 'further information' section of this document. You can also download information about the fund performance and risk ratings at **www.reassure.co.uk/funds**. Alternatively if you don't have internet access contact us on 0800 073 1777 and we will send you a copy.

With this document you will find a personal illustration showing the benefits included and how the bond may work for you. You should read your illustration with this document.

ReAssure Ltd, Registered Office: Windsor House, Telford Centre, Telford, Shropshire, TF3 4NB
Registered in England No. 754167

Tel: 0800 073 1777 Fax: 0808 168 3331 Email: customers@reassure.co.uk www.reassure.co.uk

ReAssure Ltd is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Firm reference number 110495. Member of the Association of British Insurers.

Key Features of the bond

This bond is for additional investments into existing contracts, or for setting up a new bond under a Discounted Gift Scheme where the original lives assured have died.

Its aims

- To grow your investment over five years and more.
- To give you the option of taking an income.
- To provide a replacement bond for an additional investment if you currently hold a Portfolio Bond.
- To provide a replacement bond if you currently hold a Discounted Gift Bond product.
- To provide an extension or conversion option if you currently hold a Cashbuilder Plan.

Your investment

There's no fixed term but you should consider this as a medium to long-term investment, be prepared to invest for at least five years, and ideally not tie yourself to a particular end date.

Risks

General

- The value of your additional investment can fall as well as rise, so you could get back less than you invest.
- You might get back less than is shown in your illustration if:
 - the funds you invest in grow at a lower rate
 - the charges are higher
 - you move your investment into other funds with higher charges or
 - you take more money out.
- If you choose to cancel your additional investment in the first 30 days, and there has been a fall in the value of your investment, you may get back less than you invested.

Fund risks

- There are specific risks relating to the funds you can invest in. Those applying to your chosen funds are set out at **www.reassure.co.uk/funds**.

Questions and Answers

This section aims to answer some questions you may have about making an additional investment into your bond. Where relevant, the answers will direct you to where you can find more information.

Where is my money invested?

- We invest your money in the funds you've chosen with your adviser.
- The funds may be managed by us or an external fund manager.
- Each fund is divided into units of equal value and shared out among all of the investors in that fund. Your share of a fund is the number of units we buy for you.
- The number of units we buy depends on how much you invest, your allocation rate and the unit price when we buy the units.
- Your bond consists of a series of identical contracts called policies. Your units are held in these policies to give you choices as to how you take money out.
- We'll set up your additional investment with the same lives assured and policyholders as those named on your bond.

Notes

- The value of your bond is based on the number of units you hold in the fund and the unit price applicable to those units.
- Your illustration shows your chosen funds and the allocation rate we'll use to buy your units.
- For details of how we manage our funds and calculate unit prices, please see our website www.reassure.co.uk/funds.

What allocation rate will you apply to my additional investment?

- Your allocation rate is the percentage of your additional investment we use to buy units. The percentage depends on whether you were given advice about making your additional investment into your bond.
- If you've agreed with your Financial Adviser to pay an ongoing facilitated adviser charge, it will be deducted from your policy and paid to your adviser's firm. The effects of these charges are shown in the enclosed illustration.
- If you've paid any initial facilitated adviser charge we'll have passed this on to your Financial Adviser.
- We'll confirm the details of any ongoing facilitated adviser charge once your policy has been set up. We've provided more information in our **Facilitated adviser charge guide** at www.reassure.co.uk/fac-guide.
- We'll show your allocation rate in your illustration.
- See the **What are the charges?** section for more information on initial and fund based charges.

What flexibility is there after I invest?

- You can:
 - keep your additional investment for as long as you like
 - cash in all or part of it at any time
 - switch your money between funds
 - use the additional investment to provide you with an income, with the flexibility to alter it if your needs change
 - add further additional investments in the future
- For more details of the flexibility of your additional investment, limits and charges, please see the **Policy Provisions**.

If this bond is held in a Discounted Gift Scheme, the actual options available to you will be different (please see **How the Discounted Gift Scheme changes the terms of the Select Portfolio Bond**).

Notes

- Some funds have higher charges than others, so if you switch to another fund, you may be charged more.
- You can add to the bond in the future provided our investment terms at that time allow it.
- There's currently a maximum of five additions over the term of the bond.

What might I get back?

- Your accompanying illustration gives you a guide to what you might get back and shows the effect of charges.
- The amount you actually get back when you cash in the bond will depend on:
 - the performance of the assets in the funds that you and your adviser have selected
 - how much money you've taken out previously through cashing in or taking an income
 - the charges paid on your bond
- See the section headed **What are the charges?** for more information about charges
- If you choose to take an income, the amount you receive could go up or down and will affect the amount remaining invested in your bond.

How can I take money out?

- You have three options. You can:
 - cash in part of your investment.
 - cash in all of your investment.
 - take an income in a variety of ways, which may be tax efficient.

If this bond is held in a Discounted Gift Scheme, the actual options available to you will be different (please see **How the Discounted Gift Scheme changes the terms of the Select Portfolio Bond**).

What happens when I die?

- It depends on whose name you set your bond up in:
 - If your bond is set up in your name only, it ends if you die.
 - If you set up your bond in the name of more than one person, it ends on the death of the last life assured to die.
- We pay out 101% of the full value of units when your bond ends. – for Select Portfolio Bond only

If this bond is held in a Discounted Gift Scheme, the actual options available to you will be different (please see **How the Discounted Gift Scheme changes the terms of the Select Portfolio Bond**).

What are the charges?

- We've outlined all the potential charges below. The charges that apply and the effect of them are shown in your illustration.

Annual fund charge

- The annual fund charge consists of:

Management charge

- This part of the charge covers the investment manager's costs, our own costs of managing the fund and the cost of administering the bond.
- The management charge is not fixed. If we change it, we'll only do so for specified reasons as set out in the **Policy Provisions**. If we need to increase the charge, we'll tell you about it at least 30 days in advance, wherever possible.

Extra expenses

- This part of the charge covers various other expenses, including the costs of holding and administering assets.
 - The extra expenses are likely to vary, for example the day-to-day costs of administering the fund's assets can change. We review the extra expenses regularly, at least once a year, and as a result may increase or reduce them.
 - The charge varies by fund. Your illustration shows the current charge for your chosen fund.
- There are a number of ways you can find out the current annual fund charge for all funds:
 - We'll tell you what the current annual fund charge is for the fund you're invested in at least once a year.
 - Go to our website at **www.reassure.co.uk/funds**.
 - Contact us using the details shown in the 'How can I contact you?' section.

The annual fund charge is taken into account when working out the unit price of each fund so you won't see a specific deduction from your bond for this charge.

Other charges

Fund based charge

- This charge can only apply if your adviser doesn't give you advice about making your additional investment and your most recent investment into your bond included a fund based charge.

Switch charge

- You may switch funds at any time. The first 20 switches each year are free and after that, we currently charge £10 for each switch.

What about tax?

• Fund taxation

We will pay corporation tax on the income and realised capital gains, net of indexation, from the underlying investments. This tax liability will be taken off the fund and will be included in the unit price.

• Personal taxation

Gains on UK life policies are assessable for income tax under HMRC rules for investment income:

- Because of the fund taxation described above, basic rate tax is treated as already paid and cannot be reclaimed by anyone (even non-UK taxpayers). So, if you are a basic rate taxpayer, you will not have to pay any further tax unless a gain moves you into a higher tax band.
- If you pay tax at a higher rate you may have to pay the difference between this and basic rate tax on any investment gains.
- If you are, or become, a higher rate taxpayer and some of your Personal Savings Allowance (PSA) remains unused, this can be set against your gain.
- The proceeds of policies not placed in trust may be liable to inheritance tax.

Please remember that tax rules and rates can change.

Can I change my mind?

- After you invest, we'll send you a cancellation form. If you change your mind about making an additional investment, complete the form and send it to the address in the 'How can I contact you?' section below, within 30 days of receiving it.
- If you change your mind within 30 days, you won't get back more than your additional investment into your bond. If there's been a fall in the investment value of the additional investment, your refund will reflect this.
- After 30 days, you can't cancel your additional investment but you can cash it in. Please note your money will be subject to the risks described in the **Risks** section.

How do I find out how my investment is doing?

- The value of your investment will be included in the value of your bond.
- We'll send you a statement with the value of your bond at least once a year.
- You can ask for a valuation from us at any time.

You can check the value of your bond yourself by looking up the unit price for each fund at

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Further information

This section aims to give you more information about ReAssure and the bond, in addition to the Questions and Answers section.

About ReAssure

ReAssure Ltd is part of the Phoenix Group.

Our permitted business is the undertaking of ordinary long-term assurance business in the United Kingdom, namely life assurance, pensions, income protection and annuities.

You can check this on The Financial Services Register by visiting the FCA's website register.fca.org.uk.

About our service

- We'll only communicate with you in English. The law of England will apply to any disagreements about the policy.
- We are not authorised to provide advice or make personal recommendations. We can only provide you with factual information. This means that you make your own decision and tell us what you want us to do after reading the information we send to you.
- If you take out a product without receiving advice, you're responsible for determining if the product is suitable for you. You may not be able to refer a complaint to the Financial Ombudsman Service if you later find this product is not suitable for you.

Compensation

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if we cannot meet our responsibilities. The FSCS currently covers 100% of the total claim. You can get more information about compensation arrangements from the FSCS by visiting www.fscs.org.uk.

Valuing investment funds

We value **investment funds** frequently to enable us to treat all policyholders fairly. For more information please see our 'Guide to Unit Linked Funds', which is available on our website.

Questions and complaints

If you have any questions or need more information about your policy, or if you want to make a complaint, you can contact us using the details below.

In writing:

ReAssure
Customer Services Department,
Windsor House,
Telford Centre,
Telford,
Shropshire, TF3 4NB



By phone:

0800 073 1777

We have a complaints procedure, and you can ask us for a copy of this.

If you are not happy with how we deal with your complaint, you can then complain to:

The Financial Ombudsman Service
Exchange Tower
London E14 9SR.

You can also contact them by phone:

0800 023 4567

If you contact the Financial Ombudsman Service, or make a complaint, it will not affect your right to take legal action.

These Key Features (EP175, EP130, EP115, EP120, EP125 version 1.1) are a guide to the product. They are based on ReAssure's understanding of the Law of England and HMRC practice as at July 2020. Full details are contained in the policy document, which is the legally binding contract between you and ReAssure.

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Glossary

Additional investment

A further lump sum investment into your existing bond.

Allocation rate

The percentage of your money that's used to buy units.

Assets

The investments that make up a fund. For example, shares or cash.

Bond

Our bond is a lump sum life assurance contract used for investment purposes.

Discounted Gift Scheme

A Discounted Gift Scheme is an inheritance tax (IHT) planning arrangement based on a trust and an investment bond. These schemes are used by those wishing to undertake IHT planning while retaining access to their investment.

External fund or funds

A fund managed by a company other than us.

External fund manager

A fund manager other than us.

Fund or funds

A collection of assets that your bond can be invested in. These assets may be managed by us or other investment management companies. Where we refer to 'fund' in this document it can mean fund or funds.

Illustration

A document that forms part of these Key Features that provides a guide to how much you might get back from your investment. It's based on a number of example investment growth rates and reflects the charges you may pay over the time you're invested. It assumes that charges will remain at their current level and your fund selection and any income remain unaltered throughout the term of your bond.

Income

Where income is used in this document we're referring to regular payments made from your bond that are used to provide you with an income.

Life assured

The person, or persons, on whose life your bond depends, as described in the **Policy Provisions**.

Policies

A series of identical insurance contracts. Each policy has its own unique number and can be individually recognised. As a group, the policies make up the bond.

Policyholder

The legal owner, or owners, of your bond.

Schedule

A document that sets out the details of your investment which is proof of ownership of your additional investment.

Trust

A legal arrangement that allows investments or property to be held for the benefit of someone else without giving them full control of it.

Units

A unit is a share of a fund. Each fund is split into a series of units. The number of units you hold is your share of the fund.

Unit price or prices

A price calculated each working day that is used to value units.

Working day

Any day from Monday to Friday inclusive, excluding English public holidays.