

Delta Account

Key Features

This document provides further information about your Delta Account. Please read it with your Key Information Document and keep it with your documents relating to your Delta Account. The Key Information Document and personal illustration show what you may get back from your investments.

The Financial Conduct Authority (“FCA”) is the independent financial services regulator, which lays down rules in respect of the promotion of financial products in the UK. Although Canada Life International Limited (‘we, us, our’) is not regulated by the FCA we are required to make available important information to help you decide whether the Delta Account is right for you. You should read this document carefully so that you understand what you are buying and then keep it safe for future reference.



Delta Account

The Canada Life International Limited Delta Account (the policy) is designed for someone looking to defer the effect of direct UK taxation on their investment, whilst retaining access to the investment or wishing to take a regular income from the investment.

Its aims

- To potentially increase the value of the money you invest.
- To let you invest your money in a fund or range of funds to meet your investment needs.
- To let you take money out of your policy either as a one-off withdrawal, as a regular withdrawal, or by sub-policy surrender.

Who is the Delta Account for?

The Delta Account may be suitable for you if:

- You are aged between 18 and 89, have £3,000 or more to invest and are prepared to accept a degree of investment risk on your money.
- You want to invest your money to generate either a capital lump sum or an additional income stream (or a combination of both) for a period of at least 10 years, in a tax efficient manner.
- You are looking for a wide choice of asset classes and fund types in which to invest.
- You have already considered and/or utilised other tax-free investments/savings ways to invest.

When is the Delta Account not appropriate?

The Delta Account will not be appropriate if:

- You are under the age of 18 or over the age of 89.
- You have less than £3,000 to invest.
- You are looking to protect your investment or want a guaranteed return.
- You want a short term investment of less than 10 years.

Your commitment

- To invest a minimum single premium of £3,000 (or currency equivalent) into the policy.
- The policy has no fixed term. You can decide how long you want to invest for, but you may have to pay a charge if you fully surrender the policy during the first five years.

Risk factors

There are circumstances which could reduce the value of your investments. This could mean that the amount you receive is reduced.

- Tax legislation may change in the future. Therefore your own taxation position may alter.
- The value of your investment can go down as well as up and you may not get back the full amount invested. How any of the funds have performed in the past is not a guide for how the funds you have invested in will perform in the future.
- Some funds have higher levels of risk than others do and currency fluctuations can also affect how funds perform. Details of the fund choice are available on our website; www.canadalifeint.com. Please discuss this with your professional adviser.
- If you decide to link your policy benefits to a fund which holds property, we have the right to delay switching any amounts out of the fund or paying claims for up to six months if we consider it necessary to protect our other policyholders' interests.
- Due to the nature of property funds, there is a possibility that costs may be incurred as a result of buying and selling the properties which form the underlying asset. This may result in a reduction in the value of the whole fund to cover these associated costs.
- If the policy is cancelled within 30 days, you may get back less than you paid in. Please refer to 'Can I change my mind?' on page 6 for further information.
- On a day you value or cash in all or part of your policy, more money may be moving out of the funds than into them. In this instance, for each fund in which you invest, the value of the whole fund may reduce to allow for the estimated costs of selling the underlying assets.

Questions and Answers

What is the Delta Account?

- The Delta Account is a single premium offshore life assurance policy, designed to potentially increase your investment over a period of at least five years.
- You can invest any amount in the policy subject to the minimum of £3,000 (or currency equivalent). You can add extra amounts of £2,000 (or currency equivalent) or more at any time.
- The policy can also be held in US Dollars or euro. If any currency conversions are required, we will try to obtain the latest available rate.
- The policy is issued as ten identical sub-policies to make it more flexible for tax planning.

How does the Delta Account work?

- You can apply for a policy on your own or with, for example, your spouse. This is known as a joint policy. All applicants for the policy must complete the application form.
- All applicants must be aged 18 or over when the policy starts.
- You are not automatically a life assured. If you wish to be, you must complete the relevant section of the application form.
- If you want someone else or several other people to be lives assured you must provide their details on the application form.
- The policy can have up to six lives assured.
- There must be at least one life assured who is no older than 79.
- By setting-up the policy on multiple lives, it could continue even after your death.
- The policy ends on the death of the last life assured.

Where are my premiums invested?

- Your premiums are invested in the chosen Canada Life International Limited funds.
- Each fund is divided into equal parts called units and we use your premium to buy as many units in your chosen funds as possible.
- You can choose up to ten different funds.
- The value of all the units you have allocated to your policy is the policy value.
- The full range of available funds can be found on our website www.canadalifeint.com Your professional adviser can help you decide which funds are suitable for you.

Who can make my investment decisions for me?

- You can make your own decision on what investments to invest into, alternatively, you can nominate a fund adviser. They must hold an appropriate authorisation or approval from their regulator to perform this role.

Questions and Answers

What are the charges and what are they for?

- We will deduct an amount from your policy to pay for setting it up. This is known as the establishment charge.
- We will also deduct an amount for its ongoing administration. This is known as the administration fee.
- We may increase the policy charges if the cost of managing your policy increases.
- We can make deductions from your policy to pay your professional adviser for the advice that he/she may have given you, and to pay a fund adviser if appointed. These deductions will only be made if we receive written instruction from you (for example on your initial application form). If at a future date you wish to alter the level of payments to a professional and/or fund adviser then please write to us at the address shown on page 7.

Full details of all our charges and fees are shown in the 'Delta Key Information Document' (reference IOM01004) and the 'Charges and fees' document (reference IOM01353) which is enclosed with this pack. If this is not included in your pack, please contact our office on +44 (0)1624 820200.

Your professional adviser will obtain a personal illustration for you which will detail the charges applicable to your policy.

What if my country of residence changes?

The enclosed illustration is based on your present country of residence. You must inform us if you become resident in a different country.

- There are certain countries, such as the United States of America, in which we may be prohibited from conducting business. If you or any of the trustees move to such a country, you will no longer be able to pay any premiums into your policy (including additional investments) or switch funds. You may also be required to surrender your policy.

Can I take money out?

- Yes, there are a number of ways that you can take your money out. But be aware that taking money out of your policy will affect the amount you will get back in future.
- There is no charge for taking money from the policy.

Paying fees to a professional adviser or fund adviser

- Adviser charges – We can pay an initial adviser charge from the investment before or after it is applied to the account, and you can ask us to deduct single or ongoing adviser charges at any time.
- Fund adviser fees – If a fund adviser is appointed we can deduct their fees from the account.

Regular withdrawals

- You can withdraw regular amounts from the policy. You can do this every year, every six months, every three months or every month. The minimum amount you can withdraw is £50. You must leave at least £2,000 plus any outstanding charges in the policy.
- Regular withdrawals are taken equally across all sub-policies.

One-off withdrawals

- You can take a one-off withdrawal from the policy at any time. The minimum amount you can withdraw is £200. You must leave at least £2,000 plus any outstanding charges in the policy.
- One-off withdrawals are taken equally across all sub-policies.

Sub-policy surrender

- The policy is issued as ten identical sub-policies. You may surrender any of these sub-policies at any time, however you must leave at least £2,000 plus any outstanding charges in the policy.

Full surrender

- You may surrender the policy in full at any time. However, if you surrender the policy we will deduct any outstanding charges from the amount returned to you.

How can I purchase the Delta Account?

- Canada Life International Limited is a life assurance company and not authorised to provide advice. If you would like to purchase this Account, you must first obtain advice from a professional adviser who will then recommend the most suitable solution to meet your financial objectives.

When can I receive the money?

- When all the required documentation has been received and once the investments in the policy have been settled to meet the value of the withdrawal, sub-policy surrender or surrender.

How can I receive the money?

- We can pay the proceeds by BACS or CHAPS to your bank. There will be a charge for CHAPS payments.

What happens to the money if I die?

- If you are the last life assured or the last policyholder and the policy is not in trust, then your Executors' or Personal Representatives will need to apply for Isle of Man Probate.
- If there is more than one life assured, the policy can continue until the death of the last life assured when the death benefit is payable. As above, if the last policyholder passes away and there are surviving lives assured, then Isle of Man Probate will be required to appoint the new policyholder.
- The death benefit is the unit value of the policy calculated at the next valuation date following receipt of written notification of death, less any outstanding fees and charges, plus £100 or currency equivalent.
- The death benefit will be paid out when all the investments have been settled and all the required documentation has been received by us, which includes Isle of Man Probate if the policy is not in trust. Please see 'Our guide to making a death claim' (form 6387).

How is a death claim made?

- To make a claim for the death benefits, your claimants should contact your professional adviser or our customer support team at the address shown on page 7. We will then let them know what information and documentation we require to process the claim.

Questions and Answers

Can I change my mind?

- You have the right to change your mind and cancel the policy within 30 days of receiving the document 'Notice of the right to cancel' from us.
- If you have asked us to make any payments to a professional or fund adviser and we have made these payments then we will be unable to refund the deductions to you. Please contact the relevant adviser(s) to discuss any potential refund payment(s).
- If you do decide to cancel the policy, any fall in value of the investment will be deducted from the amount returned. Should a rise in investment value occur, we will retain the surplus and return the amount invested.
- You should be aware that if you choose to cancel a policy and part of the premium(s) has/have been linked to a fund which deals monthly, quarterly, annually or less frequently then the following will apply:
 - The policy will be cancelled on the date we receive the cancellation notice. However, we may delay the repayment of the part of your policy linked to the fund described until the dealing date for the fund is reached and full settlement is received by us.

What taxes are applicable?

- We are resident in the Isle of Man and we pay no local taxes on the capital growth or income which accrue to our funds. However, withholding tax may be charged on certain investments, and this is not reclaimable.
- If you are UK resident for tax purposes, you can withdraw your original premium from your policy without having to pay any income tax immediately providing that you do not withdraw more than 5% of your original premiums paid each year.
- The 5% allowance is worked out each policy year. A policy year is the annual anniversary of your policy.
- The 5% allowance is only available on actual premiums paid.
- If you request any adviser charge payment to be made by partial surrender then the amount(s) deducted will count towards the 5% allowance.
- If you do not withdraw the full 5% in any year, the unused amount can be carried forward to be used in future years. This means, for example, that you can withdraw up to 5% of your premiums each year for 20 years without paying any income tax at the time of the withdrawals.
- If you do withdraw more than 5% of your premiums paid, including any unused amounts from previous years, the excess may be liable to income tax at the full rate payable (basic or higher rate, less allowances, if appropriate) irrespective of the value of the policy at the time.
- When the policy is fully surrendered, or when sub-policies are surrendered or on the death of the last life assured, there may be a charge to income tax. The amount chargeable to tax will be the surrender value of the policy or sub-policy, plus any withdrawals taken, less the sum of the original premiums and any amounts previously withdrawn that exceeded the 5% allowance.



This is based on our understanding of UK legislation as at September 2018 and could be subject to change in the future.



Contact

You should contact your professional adviser in the first instance.

If you have any questions you can contact us in the following ways:

Call us:

+44 (0)1624 820200



Email us:

focus@canadalifeint.com



By post:

Canada Life International Limited
Canada Life House
Isle of Man Business Park
Douglas
Isle of Man
IM2 2QJ



Online:

www.canadalifeint.com



Further Information

How to complain:

If you need to complain about any part of the service we have provided, please contact us.

If you are not happy with our response you can contact:

Financial Services Ombudsman Scheme for the Isle of Man
Thie Slieau Whallian
Foxdale Road
St John's
Isle of Man
IM4 3AS

Phone: +44 (0)1624 686500
E-mail: ombudsman@iomoft.gov.im
Website: www.gov.im/oft

Referring a complaint to the Ombudsman may preclude you from taking legal proceedings (not applicable to companies).

What legal system applies to the policy?

The law of the Isle of Man will apply to your policy.

What protection is there for this policy?

Policyholders of Canada Life International Limited policies are protected by the Isle of Man Life Assurance (Compensation of Policyholders) Regulations 1991 if the company becomes unable to meet its liabilities to them. You should read the 'Policyholder Protection' leaflet (reference 6383), which is available on request, or on our website www.canadalifeint.com

Canada Life International Limited is not directly authorised by the Financial Conduct Authority or the Prudential Regulation Authority.

Terms and conditions

This document is a brief guide to the key features of the Delta Account. You can read the full terms and conditions in the 'Delta Account Policy Provisions' (reference 6236) which, together with the application form, makes the legally binding contract between you and us.



Canada Life International Limited, registered in the Isle of Man no. 33178. Registered office: Canada Life House, Isle of Man Business Park, Douglas, Isle of Man IM2 2QJ. Telephone: +44 (0) 1624 820200 Fax: +44 (0) 1624 820201 www.canadalifeint.com Member of the Association of International Life Offices.

Canada Life International Limited is an Isle of Man registered company authorised and regulated by the Isle of Man Financial Services Authority.



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