

Premiere Account

Key Features

This document provides further information about your Premiere Account. Please read it with your Key Information Document and keep it with the other documents relating to your Premiere 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 Premiere 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.

Premiere Account

The Canada Life International Limited Premiere Account (the 'Account') 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. The policy can be set up on either a capital redemption or life assurance basis.

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 Account either as a one-off withdrawal, as a regular withdrawal, or by sub-policy surrender.

Who is the Premiere Account for?

The Premiere Account may be suitable for you if:

- You are resident in the UK, Channel Islands or the Isle of Man, aged between 18 and 89, have £50,000 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 range of collective investment schemes or permissible assets in which to invest.
- You want a choice between a capital redemption or a life assurance based bond.
- You have already considered and/or utilised other tax free investments/savings ways to invest.
- You are resident outside the UK then the Omega version is designed for you; this version can only be set up on a life assurance basis.

When is the Premiere Account not appropriate?

The Premiere Account will not be appropriate if:

- You are looking to protect your investment or want a guaranteed return.
- You are under the age of 18 or over the age of 89.
- You have less than £50,000 to invest.
- You are looking for a short term investment of less than 10 years.

Your commitments

- To invest a minimum single premium of £50,000 (or currency equivalent) into the Account.
- The life assurance option 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 Account during the first five years.
- The capital redemption option has a fixed term of 99 years, although it can be surrendered earlier.

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 Account 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 think this is necessary to protect our other policyholder's 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 Account is cancelled within 30 days, you may get back less than you paid in. Please refer to 'Can I change my mind?' on page 8 for further information.
- Your Account includes a trading cash account from which all fees, administration charges, fund adviser fees, adviser charges, withdrawals and partial surrenders are debited. It is important to monitor this account and maintain a positive balance. If your cash account becomes overdrawn then it will attract debit interest. Please refer to our document 'Tips on how to manage your cash account' (reference 6934) for more information.

Questions and Answers

What is the Premiere Account?

The Account is an international single premium investment, designed to potentially increase your investment over a period of at least five years.

There are two different versions of the Premiere Account:

1. The Alpha version allows you to link your investment to a wide range of funds, including our own range of funds. The Alpha version can be set up on either a capital redemption or life assurance basis.
2. The Omega version is designed for investors resident outside the UK. The Account can be linked to stocks and shares which are acceptable to us, in addition to those funds permitted through the Alpha version. The Omega version can only be set up on a life assurance basis.

The following information in this document is applicable to both versions of the Premiere Account.

- The minimum amount you can invest is £50,000 (or currency equivalent). There is no maximum amount. You can add extra amounts of £2,500 (or currency equivalent) or more at any time.
- The Account 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 Account is issued as a number of identical sub-policies to make it more flexible for tax planning.

How does the Premiere Account work?

- You can apply for an Account on your own or with, for example, your spouse. This is known as a joint Account. All applicants for the Account must complete the application form.
- All applicants must be aged 18 or over when the Account starts.

For the capital redemption basis:

- There are no lives assured.
- The policy does not end on death but passes to the surviving policyholder(s) or to your personal representative(s).
- The capital redemption version has a fixed term of 99 years.
- If one or more sub-policies are in force at the end of the fixed term then a guaranteed maturity value is payable.

For the life assurance basis:

- You must select a life or lives assured who are the individuals on whose life the Account depends.
- 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 Account can have up to six lives assured.
- There must be at least one life assured who is no older than 89.
- By setting-up the Account on multiple lives, it could continue even after your death.
- The Account ends on the death of the last life assured.

Questions and Answers

What is the maturity value?

Where the capital redemption basis is chosen there are two maturity value options;

- **Option A.** The maturity value is 130% of the initial premium but if you choose this option you will only be able to invest in the CLI Sterling Money fund (or other such fund as we may make available). The maturity value may be higher if the full surrender value on the maturity date is greater than 130% of the initial premium and we will pay the higher amount.
- **Option B.** The maturity value is 20% of the initial premium. If you choose this option you will have the full range of Premiere Alpha version investment options available to you. The maturity value may be higher if the full surrender value on the maturity date is greater than 20% of the initial premium and we will pay the higher amount.

An additional premium paid under option A will have a maturity value based on the number of years until maturity. An additional premium paid under option B will have a maturity value of 20%. Withdrawals under either option will reduce the maturity value in proportion.

Where are my premiums invested?

- In addition to the fund range offered by us, you can choose from a wide range of collective investment schemes and cash deposits. The document 'Your guide to investment funds' (reference 6815) provides further information on the different types of funds that are available. This guide is available to download from our website; www.canadalifeint.com

You should seek advice from your professional adviser, for which there may be a charge, as to what is the most suitable investment for you.

- We offer a wide range of funds that you can link your Account to in order to suit your needs.
- Each fund is divided into equal parts called units and we use your premium to buy as many units in your chosen fund(s) as possible.
- There is no maximum number of funds that you can link your Account to.
- The value of all the units allocated to your Account is the Account value.
- The Omega version only can be linked to stocks and shares which are acceptable to us, in addition to those funds described above.
- Option A of the capital redemption basis can only be linked to the CLI Sterling Money fund (or such other fund as we may make available).

Who can make my investment decisions for me?

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

What are the charges and what are they for?

At the start of your Account there are three different charging options available.

- If you select option 1 then we will deduct an amount from your initial premium to pay for setting it up. This is known as the establishment charge.
- If you select option 2 then we will deduct an amount from your Account to pay for setting it up each quarter for five years. This is known as the establishment charge.
- An annual management fee will apply if you select option 3.
- We will also deduct an amount for its ongoing administration. This is known as an administration fee.
- We may increase the Account charges if the cost of managing your Account increases.
- We can make deductions from your Account to pay your professional adviser for the advice that he/she may have given you, and to pay your 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 your professional and/or fund adviser then please write to us at the address shown on page 10.

Full details of all our charges and fees are shown in the 'Premiere Key Information Document' (reference IOM00966) and the 'Charges and fees' document (reference IOM01353) which are enclosed with this pack.

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

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 move to such a country, you will no longer be able to pay any premiums into your Account (including additional investments) or switch funds. You may also be required to surrender your Account.

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 Account will affect the amount you will get back in future.
- There is no charge for taking money out of the Account except if a sale of investments is required. This will incur a transaction fee.

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 Account. You can do this every year, every six months, every three months or every month. The lowest amount you can withdraw is £50. You must leave at least £5,000 plus any outstanding charges in the Account.
- 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 £5,000 plus any outstanding charges in the Account.
- One-off withdrawals are taken equally across all sub-policies.

Sub-policy surrender

The policy is issued as a number of identical sub-policies. You may surrender any of these sub-policies at any time, however you must leave at least £5,000, plus any outstanding charges in the Account.

Full surrender

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

Questions and Answers

How can I purchase the Premiere 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 Account have been settled to meet the value of the withdrawal, sub-policy surrender or Account 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 have chosen the capital redemption basis there are no lives assured so the policy continues after death by passing to the surviving policyholder(s) or to your personal representatives.
- For the life assured basis:
 - If you are the only life assured we will pay the death benefit to your claimants.
 - If there is more than one life assured, the Account can continue until the death of the last life assured when the death benefit is payable.
 - The death benefit is the unit value of the Account 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.

How is a death claim made?

For the life assured basis, to make a claim for the death benefits, your claimants should contact your professional adviser or our claims department at the address shown on page 10. We will then let them know what information and documentation we require to process the claim.

Can I change my mind?

- We are not directly authorised by the Financial Conduct Authority and, therefore, the Financial Conduct Authority cancellation rules do not apply to our policies.
- We do however continue to offer cancellation rights and you have the right to change your mind and cancel the Account 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).
- If you do decide to cancel the Account, 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 only the amount invested will be returned.
- You should be aware that if you choose to cancel a Account that is either:
 - linked to a deposit which has a term of more than 30 days; or
 - linked to a fund which deals monthly, quarterly, yearly or less frequently then the following will apply:

The Account will be cancelled on the date we receive the return of the completed cancellation notice. However, we may delay the repayment of the part of the Account linked to the deposit or fund described above until the deposit matures or 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 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 Account without having to pay any income tax immediately providing that you do not withdraw more than 5% of your original premium paid each year.
- The 5% allowance is worked out each policy year. A policy year is the yearly anniversary of your Account.
- The 5% allowance is only available on actual premiums paid.
- If you request any adviser charge payments 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 premium 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 premium 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 Account at the time.
- When the Account is terminated (full surrender of the Account, full surrender of a sub-policy or on death (where the Account is on a life assurance basis)) there may be a charge to income tax. The amount chargeable to tax will be the surrender value of the Account or sub-policy, plus any withdrawals taken, less the sum of the original premium and any amounts previously withdrawn that exceeded the 5% allowance.

This is based on our understanding of relevant legislation as at September 2018 and could be subject to change in the future. We recommend you seek your own independent tax advice.

Contact

You should contact your professional adviser in the first instance.

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

By post

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



Call us

+44 (0) 1624 820200



By email

focus@canadalifeint.com



Online

www.canadalifeinternational.com



Further information

How to complain

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

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

Email: ombudsman@iomoft.gov.im

Website: www.gov.im/oft

Referring a complaint to the Ombudsman may preclude you from taking legal proceedings.

What legal system applies to the Account?

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

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


Terms and conditions

This document is a brief guide to the key features of the Premiere Account. You can read the full terms and conditions in the 'Premiere Account policy provisions' (reference 6215) which, together with the application form, makes the legally binding contract between you and us.



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Telephone: +44 (0) 1624 820200 Fax: +44 (0) 1624 820201 www.canadalifeint.com Member of the Association of International Life Offices.

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