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Key Features Document Offshore Bond

Novia Offshore Bond provided by
Royal London 360 Insurance Company Limited

/ Key Features Document: Helping You Decide

The Financial Services Authority is the independent financial services regulator. It requires Royal London 360 Insurance Company Limited and Novia Financial to give you this important information to help you to decide whether the Novia Offshore Bond 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.

The Novia Offshore Bond product wrapper is provided by Royal London 360 Insurance Company Limited which is based in the Isle of Man.

Please read this document with the Novia Service Key Features Document, the Novia Terms & Conditions and the Investments List. All are available at www.novia-financial.co.uk

/ Aims

- The Novia Offshore Bond, provided by Royal London 360 Insurance Company Limited, is an offshore investment linked life assurance policy which includes a Cash Facility.
- It is a whole of life assurance policy which provides a long term investment vehicle and a modest level of life cover for up to 10 lives.
- Allows your investment to grow over the medium and long term through a broad range of investment types permitted within the Offshore Bond, as detailed in the Investments List.
- Allows you to invest tax-efficiently in an offshore setting and make withdrawals on a regular or one-off basis.
- Provides an investment structure allowing for gross roll-up of income and gains with the exception of some withholding tax. Under current UK tax rules withdrawals of up to 5% of total premiums paid can be paid per annum on a cumulative basis without the policyholder incurring an immediate income tax liability.
- You should be prepared to maintain the investment for at least five years and you are obliged to notify us of a change of address, residence or citizenship.
- Through your adviser, an Offshore Bond can be opened by sending Novia a fully completed application form. Novia must receive a correctly completed application and your initial investment which will be sent to Royal London 360 Insurance Company Limited. You may send your initial investment by bank transfer or cheque. Please see the appropriate application form for payment details, and the Terms & Conditions for more information.
- The Cash Facility in your Offshore Bond must maintain a balance of 2% of the value of the product wrapper. This will be used for investing your money, making withdrawals, receiving income and rebates from your investments and paying charges.

/ Risks

- The investment return may be lower than shown in your personalised illustration and the benefits you receive may be less than expected.
- The amount you get back from your investment will depend on the performance of the investments chosen. Please remember that the value of your investments may go down as well as up.
- You may get back less than you invested, especially if you cash in your Offshore Bond soon after it started, as a result of charges in the early years.

/ Your Investment

- To open a Novia Offshore Bond provided by Royal London 360 Insurance Company Limited you invest a single lump sum to start your Policy. The minimum initial investment is £50,000.

- You should be aware that charges and any other deductions made, which may increase, will affect the performance of your investment and any returns received.
- If you become resident or a citizen in some jurisdictions the tax treatment of your Policy may change. For example, under United States of America law the Offshore Bond does not qualify as a life insurance contract. See the question about Tax for further information.
- If you become resident or a citizen in some jurisdictions some aspects of your Policy may have to be curtailed or modified to maintain compliance with local regulations. For example, if you become resident in the United States of America the ability to change investment options or make additional investments will be restricted.
- If the balance of the Cash Facility falls below 2% we may, on a monthly basis, sell investments on your behalf to maintain the level and you should be aware that this could happen at a disadvantageous time. Please see the Terms & Conditions for details.

- Your personal illustration will demonstrate how the Offshore Bond might work for you in terms of investment returns.

What are the charges?

- All of the charges which apply to the Offshore Bond are applied as explained and detailed in the Novia Service Key Features and Terms & Conditions.
- The Initial Charge will apply for all money you invest into your Offshore Bond.
- The Annual Charge for the Novia Service is deducted proportionately from all the product wrappers you hold. This will include your Offshore Bond at the rate which applies according to the total value of all your product wrappers.
- There is an additional charge of 0.20% to cover the added administration involved. This is levied on an annual basis and taken monthly in arrears from the funds within your Offshore Bond only.
- Investment manager charges, as detailed in the Investments List, and Novia rebates will apply to the investments you hold within your Offshore Bond.
- There is a mortality charge if the youngest life assured is more than 80 years of age. Please see the Terms & Conditions for details of this charge.

/ Questions and Answers

Who are Royal London 360 Insurance Company Limited?

- The Novia Offshore Bond is provided by Royal London 360 Insurance Company Limited which is based in the Isle of Man.
The Island is recognised as a centre of excellence in the financial services industry. For further information on them please contact the Head Office at Royal London House, Isle of Man Business Park, Cooil Road, Douglas, Isle of Man, IM2 2SP or visit the website at www.royallondon360.com

How does the Offshore Bond work?

- The money you invest into your Offshore Bond on the Isle of Man will be used to buy the investments as instructed by your adviser on your behalf.
- Novia provides the transactional administration service for the investments and cash you hold within the assurance policy. The policy is issued offshore in the Isle of Man and provided and administered by Royal London 360 Insurance Company Limited.

What will advice cost?

- You should speak to your adviser for details about the cost of advice. The amount will depend upon your agreement with your adviser and may be affected by the size of the investment and length of the policy term.
- It will be paid for out of deductions from your Cash Facility within your Offshore Bond.
- For more information on adviser remuneration please see the Service Key Features and Terms & Conditions and speak to your adviser.
- Please note that Discretionary Management charges count as part of any withdrawal of the annual 5% tax deferred allowance.

/ Questions and Answers *continued*

What might I get back when I encash my Offshore Bond?

- This will depend on the amount you have invested, the performance of the investments you have chosen over the lifetime of your Policy and any withdrawals that have been made
- How the Offshore Bond may perform and the effect of any deductions is set out in your personal illustration.

Can I share my Offshore Bond with someone else?

- You can invest in an Offshore Bond together with someone else such as your husband, wife or partner. Companies, Partnerships and Trustees may also open an Offshore Bond

What happens to my Offshore Bond if I die?

- If you are the sole investor and life assured, your personal representatives will receive 101% of the encashment value of your Policy
- If there are two or more lives assured payment would be made on the death of the last survivor.

What about making withdrawals and closing the Offshore Bond?

- You can take some or all of your money out at any time.
- You can choose to take regular withdrawals from your Policy and these can start or stop at any time.
- You will need to complete a withdrawal instruction form and return it to us to take money out of your Offshore Bond.
- Normally withdrawals should be accompanied by an investment instruction to ensure that you maintain a suitable balance in your Cash Facility.

Can additional investments be made?

- You can invest more into your Offshore Bond subject to the Terms & Conditions.
- There is no limit to the number, or amount, of further investments you can make while we continue to offer products of this type. The minimum additional investment is £5,000. Any additional investment must be accompanied by a fully completed additional investment form.

What about switching the investments I hold?

- This can be done at any time. Novia will act as

instructed by your adviser or Discretionary Manager on your behalf.

What happens if I change my mind?

You can change your mind and cancel your Policy. Royal London 360 Insurance Company Limited will send you details of your cancellation rights (including how to exercise them) when your Policy starts. You may cancel your Policy at any time until 30 days after you receive these details by returning the cancellation form, signed by you, to Royal London 360 Insurance Company Limited. If you do this, you will get a refund of any contribution paid, reduced by any fall in the value of your investment. If you do not cancel, your Policy will start and end as per the Policy Conditions.

What investments are available within the Offshore Bond?

A broad range of investments are available. You can see which investments are available within the Offshore Bond by consulting the Investments List at www.novia-financial.co.uk/investments-list. Equities are not permitted within the Offshore Bond. For more information on the investments available please speak to your adviser.

What about tax?

Where a non-qualifying bond is issued offshore, there is no income or capital gains tax liability on the money held within the funds with the exception of some withholding tax on certain income producing assets.

The tax treatment of any benefits you take from your Offshore Bond will depend upon your country of residence. For example, UK resident policyholders will have a possible income tax liability on a chargeable event. A chargeable event includes surrendering your bond or withdrawing in excess of your cumulative 5% annual allowance. A chargeable event is reportable through Self Assessment.

You should also be aware that where you are a UK resident, Royal London 360 Insurance Company Limited is sometimes required to provide details of the chargeable event to HMRC depending upon when the bond was issued, the nature of the chargeable event and the amount of any gain. Future changes in legislation or your financial circumstances could affect your personal taxation situation. You should always consult your own professional adviser in order to determine your personal liability to income tax.

/ Other Information

Law

The Novia Offshore Bond provided by Royal London 360 Insurance Company Limited is subject to the law of the Isle of Man as stated in the Terms & Conditions. The law of the Isle of Man governs the relationship the life company has with you prior to the termination of the contract.

Compensation

Investors holding policies provided by Royal London 360 Insurance Company Limited receive the protection of the Isle of Man Life Assurance (Compensation of Policyholders) Regulations 1991. Royal London 360 Insurance Company Limited reserves the right to adjust the returns from the investments to cater for any levy or charge made on Royal London 360 Insurance Company Limited under these regulations or similar legislation.

Holders of policies issued by Royal London 360 Insurance Company Limited will not be protected by the Financial Services Compensation Scheme, established under the UK Financial Services and Markets Act 2000, should Royal London 360 Insurance Company Limited be unable to meet its liabilities to them.

Data Protection Act

Data protection information relating to Novia's handling of Data can be found in the Service Key Features and Terms & Conditions. Information supplied to Royal London 360 Insurance Company Limited in connection with your Policy will be held in both electronic and paper records. This information may be disclosed to and processed by companies within the same Group as Royal London 360 Insurance Company Limited, its reinsurers or any third parties which provide services relating to the policy. This may include sensitive personal data. If this happens, your details will stay confidential and will not be used for any other purpose. You have the right to see certain information held by us on payment of a fee, and you should make your request in writing to Royal London 360 Insurance Company Limited's Registered Office address.

Queries and Complaints

If you wish to complain about any aspect of the service you have received please write to Novia's Compliance Manager at the address below:

Compliance Manager
Novia Financial plc
Cambridge House
Henry Street
Bath
BA1 1JS

On receipt of your complaint, you will receive a letter of acknowledgement together with notification of Novia's complaints procedure. Complaints we cannot settle can be referred to the Financial Services Ombudsman Scheme for the Isle Of Man or Financial Ombudsman Service in the UK, depending on the parties involved.

Financial Services Ombudsman Scheme
for the Isle Of Man
Government Buildings
Lord Street
Douglas
Isle of Man IM1 1LE

Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London
E14 9SR

This document has been approved by Novia Financial plc, an authorised firm under the UK Financial Services and Markets Act, 2000.

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Novia Financial plc, a limited company registered in England & Wales. Register Number:06467886. The Novia Offshore Bond is provided by Royal London 360 Insurance Company Limited.
Registered Office: Royal London House, Isle of Man Business Park, Cooil Road, Douglas, Isle of Man, IM2 2SP, British Isles. Telephone: +44 (0)1624 681681. Telephone calls may be recorded.
Fax: +44 (0)1624 677336 or Website: www.royallondon360.com. Royal London 360 Insurance Company Limited is authorised by the Isle of Man Government Insurance and Pensions Authority.
Registered in the Isle of Man number 053002C. A member of the Association of International Life Offices.

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