LONDON & COLONIAL

Essential Facts of our International Bond

The International Bond is a group of identical single-premium unit-linked life assurance policies or bonds, issued by London & Colonial Assurance PCC Plc ('LCA').



London & Colonial Assurance PCC Plc

- a Gibraltar company established in 2001
- specialises in offshore bonds and flexible annuities

Gibraltar Jurisdiction



- high level of policyholder protection under a **Protected Cell** structure
- FSCS Protection*

  Eligible UK policyholders may be entitled to compensation under the Financial Services Compensation Scheme (FSCS) if the insurer is unable to meet its obligations. Eligibility, compensation limits, and the extent of protection are subject to the applicable FSCS rules and individual circumstances at the relevant time. FSCS protection does not cover poor investment performance, market losses or other losses arising from normal investment risks or adverse market conditions. Further information is available at www.fscs.org.uk.

Investment-linked



- invest in a wide range of investments
- benefit from **gross roll-up:** investment growth is largely free from income and capital gains tax while inside the International Bond ('IB')
- Investment options:
  - Discretionary Fund Managers
  - Investment Advisers / Managers
  - Platforms

Product Suitability



- UK residents only
- minimum age: 18 with no maximum age
- minimum initial premium of GBP 50,000 / EUR 60,000 / USD 70,000
- medium to long-term horizon, typically more than 7 years
- does not need income from the IB for day-to-day living expenses
- wishes to invest a lump sum for IHT and estate planning, wealth creation or wealth management
- only available via UK-regulated Financial Advisers

Risk Warning

Please note that past performance is not a guide for the future. The value of investments can fall as well as rise.

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Product Structure

- Capital Redemption basis or Life Assurance basis
- Capital Redemption basis:
  - written on a term basis of 99 years
  - matures after 99 years but can be surrendered before maturity
- Life Assurance basis:
  - Single Life basis: one Life Assured; ends when the Life Assured dies
  - Joint Life basis: two to six Lives Assured; ends when the last survivor dies
  - can be surrendered before the last surviving Life Assured dies
- Segments
  - for both Capital Redemption and Life Assurance bases:
    - » minimum 500 identical sub-policies
    - » maximum 99,999 identical sub-policies
    - » minimum premium for each sub-policy: GBP 100 / EUR 120 / USD 140

Premiums

- Initial
  - minimum GBP 50,000 / EUR 60,000 / USD 70,000 with no maximum
  - has its own 5% Tax-Deferred Allowance for a maximum of 20 years
- Additional / top-ups:
  - minimum GBP 5,000 / EUR 6,000 / USD 7,000 with no maximum
  - top-ups applied equally across all sub-policies within the International Bond
  - each top-up will have its own 5% Tax-Deferred Allowance for a maximum of 20 years

During the lifetime of the International Bond

- Withdrawals
  - one-off or regular withdrawals permitted
  - minimum one-off withdrawal amount: GBP 1,200 / EUR 1,440 / USD 1,680
  - regular withdrawals paid monthly, quarterly, half-yearly or yearly
  - all withdrawals in excess of the 5% Tax-Deferred Allowance in any one year will be a Chargeable Event: may trigger a tax liability
- Surrenders
  - full or partial surrenders are permitted before maturity date or death of Lives Assured
  - surrenders are a chargeable event: may trigger a tax liability
- Assignments
  - assignments are permitted: whole IB account or individual sub-policies may be assigned
  - assignments not for money or money's worth are chargeable events.

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Trusts

- Absolute and Discretionary Trust templates available free of charge
- trustees responsible for registering Trusts with the Trust Registration Service

Product Charges

- Establishment Charge
  - 0.50% of IB premium paid
  - capped at GBP 5,000 / EUR 6,000 / USD 7,000
- Quarterly Administration Charge ('QAC')
  - ongoing QAC deducted for administering the International Bond
  - QAC deducted on a quarterly basis in arrears
  - fixed QAC of GBP 200 / EUR 240 / USD 280
- Investment Transaction Charges by the Investment Adviser

Adviser Charging

- when premiums are paid
  - monetary amount or % of premium paid
- ongoing
  - monetary amount or % of yearly value

Next Steps

For more information on the International Bond or to request an Illustration, get in touch with us.

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Gibraltar Company Registration Number: 80650
London & Colonial Assurance PCC Plc is a Gibraltar-registered company and is incorporated under the Gibraltar Insurance Companies Act 2014 as a Protected Cell Company. London & Colonial Assurance PCC Plc is regulated by the Gibraltar Financial Services Commission - Permission Number: 5191. Registered Office: 3rd Floor, 55 Line Wall Road, Gibraltar, GX11 1AA.

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