

Key Information Document

for an open architecture single premium insurance investment product

[Product name and type e.g. ABC product]

This document is issued by ABC Insurance Company.

Registered office address:

Telephone number:

Email address:

ABC Insurance Company is regulated by the Isle of Man Financial Services Authority.

This document provides you with key information about this insurance investment product. It is not marketing material. The information is required by law to help you understand the nature, risks and costs of this product and to help you compare it with other products.

What is this product?

It is a unit linked insurance policy that can be set up on either a capital redemption or life assurance basis.

OBJECTIVES

Its objectives are to increase the value of the money you pay into the product and to provide a high level of flexibility and investment choice. It gives you access to a wide range of assets, including external funds and cash deposits, with the option to nominate an Investment Adviser or External Manager to select and manage your linked investments. The premiums you pay, after deduction of any applicable fees and charges of the product, will be linked by ABC Insurance to the investments you select and will accordingly determine the value of your policy. The value of your policy will rise and fall in line with these linked investments.

WHO SHOULD INVEST?

This product is intended for people who can invest £50,000 over the medium to long term (a period of 5 to 10 years), and whilst there is no fixed length of time that the product has to be held for, it is recommended that it should be held for at least 5 years.

Investments carry varying degrees of risk. The value of these funds can fall as well as rise so you must be prepared to get back less than you originally invested.

Could I lose money?

This product does not have any guarantee or capital protection provided. You may not get back the full amount of premium you pay and may suffer investment losses [OR state the guarantee and state that if the guarantee condition is not satisfied, policyholders will not be able to get the guarantee].

You have the right to cancel this contract within 30 days of receiving the product documents. If you decide to cancel, you will get your money back (less any charges already paid for advice (UK)) unless the value of the product has fallen, in which case you will not get back the full amount you paid in. There may be a delay in paying the cancellation value until all trades have been completed.

ABC Insurance Company is a participant insurer in the Policyholders Compensation Scheme established under the Life Assurance (Compensation of Policyholders) Regulations 1991 and the Policyholders' Compensation Fund established under that Scheme shall pay a sum equal to 90% of the amount of any liability of ABC Insurance Company under this contract, should the company become insolvent

Please note that this scheme is in relation to the company becoming insolvent and does not relate to the underlying investments chosen by you, with the assistance of your advisor. **All underlying investments are made in the name of ABC Insurance Company, and so you will not be eligible to take advantage of any investor compensation scheme or any Depositors Compensation Scheme, which may otherwise exist if you had directly invested with the underlying fund manager, bank or building society.**

INSURANCE BENEFITS

Life assurance

For the life assurance version of this policy, there can be up to ten lives insured. On the start date of the policy all lives insured must be aged at least 3 months and the youngest life insured must be aged no more than 79 years. On the death of the last surviving life insured before the tenth anniversary of the start date of the policy, we'll pay the higher of:

- 100.1% (110% if death is due to an accident) of your policy surrender value, and
- Your total payments, less any regular withdrawals, and reduced each time you take a one-off withdrawal, by the proportion of the policy value that you cash in.

If death is ten years or more after the start date of the policy, we'll pay 100.1% of your policy value.

Capital Redemption

For the capital redemption version, there are no lives insured and the policy will continue until it is fully cashed in, or until it matures at the end of its 99 year term.

The Authority has used an unusual structure here to show the level of detail that can be contained within a KID if necessary.

What are the risks?

Investment involves risks. The value of your policy can go down and you may get nothing back depending on the performance of the investments chosen. Please refer to the product brochure for full details of the risk factors.

INVESTMENT RISK

The investment options that ABC Insurance Company makes available under this product have very different features and risk profiles. The level of risk and potential investment performance will depend on the underlying investments you choose.

You should ensure that you are aware of the risks relating to investments that you choose under this product, including reading the relevant fund literature.

It is **your responsibility** in conjunction with your advisor, to select appropriate underlying funds to match your risk profile.

OTHER PARTICULAR RISKS

CURRENCY - if the underlying investments chosen are held in a currency which is different to that of your policy, currency conversion will apply. All the costs associated with the currency conversion will be charged to the policy. Changes in exchange rates between currencies could reduce your policy value.

PERFORMANCE - some investments may have fees associated with them, as set by the underlying fund manager. If the growth of the underlying investments does not cover the charges of the product, then this will reduce the value of your investment.

LIQUIDITY - if you ask us to invest in a bank or building society account the deposit will be bound by the terms and conditions as applied by the deposit taker. This means you may not be able to access the value of the deposit until the end of a fixed term or without giving notice. Where the deposit taker does agree to close the account early a charge may be made by the deposit taker, which may mean you do not receive back the full amount of investment made. *A similar statement could be made in relation to fund liquidity regarding the ability for the fund manager to suspend dealing.*

<<insert, under headings, any other relevant penalties, fund risks, market risks, life coverage etc., as relevant>>

How long should I hold it and can I take money out early?

COOLING OFF PERIOD AND CANCELLATIONS

If you change your mind there is a 30 day cooling off period within which you can cancel the policy. When we issue your documents, we will send you details of how to cancel your policy. You will have 30 days from receiving these documents to do this. Where applicants are at separate addresses the cancellation notice will only be issued to the address of the first applicant. You can also cancel before you receive your policy documents by calling us or your adviser.

If you decide to cancel, we will give you your money back unless the value of the investment has fallen, in which case you will not get back the full amount you paid in. There may be a delay in paying the cancellation value until all trades have been completed.

WITHDRAWALS AND SURRENDER

This product is intended for people who can invest over the medium to long term (a period of 5 to 10 years), and whilst there is no minimum holding period, it should be held for at least 5 years.

If you decide to take withdrawals from the product or to surrender the product there will be a dealing charge for the sale of any external funds or withdrawals from cash deposits. There may be a delay in receiving your money depending on the frequency of dealing in the investments chosen. There may be a charge for breaking a fixed deposit early or not providing the required notice. Some external assets may carry exit charges. Further details on these charges can be found in the <<insert details of fund literature>>.

[If applicable] There will be an early surrender / withdrawal charge applied in case of [policy termination / surrender / suspension of or reduction in premium payment] within the first [x] years. You may also lose your entitlement to bonuses. This charge is shown in the table below.

How do I make a complaint?

If you need to complain about this product, please contact us using the details at the top of this document. You can ask us for a copy of our complaints handling process, and this is also detailed on our website.

Complaints that cannot be resolved can be referred to the Financial Service Ombudsman Scheme ("FSOS") for the Isle of Man. The FSOS is specifically aimed at individuals. You are not eligible to make a complaint against us to the UK Financial Ombudsman Service.

Complaints related to advice, suitability of the product or investments selected and the performance of the assets would not be covered by FSOS and should be directed to your advisor.

The Ombudsman's contact details are:

The Financial Service Ombudsman Scheme for the Isle of Man
Thie Slieau Whallian
Foxdale Road
St. Johns
Isle of Man
01624 686500

What are the costs?

Although the intermediary firm that has advised you may not charge directly for the advice received, if you take up this policy it will receive a payment from ABC Insurance Company of £2,000.00 on the commencement of your policy.

In addition, after commencement of your policy, the intermediary firm that has advised you will receive ongoing remuneration from ABC Insurance Company of 0.5% of your policy value each year for the lifetime of your policy.

The costs of these payments will be met by the charges you pay for your policy.

Other charges associated with this policy are reflected in the table below:

	Amount of charge	Charge Basis		
Allocation Rate	100% Allocation	100% of each relevant premium paid into the policy will be used to purchase units in your chosen investments.		
Establishment Fee	0.5% per year	The charge is calculated as a percentage of the value of the investments linked to your policy. It is levied in arrears by deduction of units on the last business day of each month for a period of 5 years, and is mainly used to cover the payment made to the intermediary firm disclosed above.		
Regular policy management charge	0.5% per year	The charge is calculated as a percentage of the value of the investment funds linked to your policy. It is levied in arrears by deduction of units on the last business day of each month for a period of 5 years.		
Policy Fee	£60 per year, levied in arrears on the last business day of each month by deduction of units in the investment funds linked to your policy.			
Early surrender / withdrawal charge	An early withdrawal charge is levied, if policy termination or surrender occurs within the first 5 years.			
	The early withdrawal charge is 2.5% during the first quarter after policy inception, reducing by 0.125% per quarter to nil after 5 years, based on the relevant premium paid. The fee is mainly used to recover any outstanding establishment fee. The applicable rates of the charge are shown below:			
	Duration from payment of the relevant premium	Early withdrawal charge	Quarter from payment of the relevant premium	Early withdrawal charge
	0 years 3 months	2.50%	2 years 9 months	1.25%
	0 years 6 months	2.38%	3 years	1.13%
	0 years 9 months	2.25%	3 years 3 months	1.00%
	1 year	2.13%	3 years 6 months	0.88%
	1 year 3 months	2.00%	3 years 9 months	0.75%
	1 year 6 months	1.88%	4 years	0.63%
	1 year 9 months	1.75%	4 years 3 months	0.50%
2 years	1.63%	4 years 6 months	0.38%	
2 years 3 months	1.50%	4 years 9 months	0.25%	
2 years 6 months	1.38%	5 years	0.13%	
Part surrender or regular withdrawals can be made with no early withdrawal charge.				
Additional Charges	The funds that are held within your policy may be subject to additional charges, such as a fund manager initial charge, a management charge taken by the fund manager and early exit penalties. The charge may vary per fund chosen and may be reflected in the unit price of the underlying funds or units will be redeemed from your investment options to pay for these. Further details can be obtained from <<insert details of fund literature >>			
There may also be charges associated with the payment of premiums or withdrawals by telegraphic transfer and other means.				

I have received and understood the information provided within this key information document.

Signed _____ Date _____