



Covering Your Contract Charges



To help you better understand the charges applied to your Ascend contract, we have produced the figures below to illustrate how the charges deducted over the commitment period of a contract can impact its growth.

These figures represent the 'Growth Required to Cover Contract Charges' – that is, how much growth would be required each year in order to offset the charges that are deducted over the commitment period.

Savings Term (years)	Monthly Contribution (USD)									
	300	500	750	1,000	1,250	1,500	2,000	3,000	4,000	5,000
5	4.29%	3.68%	3.37%	3.22%	3.13%	3.07%	3.00%	2.93%	2.89%	2.87%
10	2.56%	2.23%	2.06%	1.98%	1.93%	1.90%	1.86%	1.82%	1.80%	1.78%
15	1.79%	1.55%	1.43%	1.37%	1.34%	1.31%	1.28%	1.25%	1.24%	1.23%
20	1.46%	1.26%	1.16%	1.12%	1.09%	1.07%	1.04%	1.02%	1.01%	1.00%
25	1.23%	1.06%	0.98%	0.93%	0.91%	0.89%	0.87%	0.85%	0.84%	0.83%

For example, as the table above illustrates, if you were to save USD 1,500 per month into a 15 year commitment period, 1.31% growth would be required each year to cover the associated contract charges. This would result in a maturity value of USD 270,000 – the same as the total amount of contributions paid. Any growth above 1.31% per year would result in positive returns for your contract (i.e. the maturity value would be greater than the total amount of contributions paid).

It is important to note that the figures shown are illustrative and are not guaranteed. They should only be used as a guide, and are influenced by a number of factors including (but not limited to) commitment period, contribution amount and frequency, currency, fund selection and growth.

What is included in the figures shown?

The figures shown are based on illustrative contracts fulfilling the following criteria:

- the contract runs for the commitment period;
- all contributions paid on time in the stated currency and amount;
- no withdrawals are taken.

If contributions are reduced or stopped, or withdrawals are taken, or the contract is surrendered early, then the effect of the charges could be much greater than shown.

All product charges and bonuses that will be applied by Hansard Worldwide have been factored into the calculation of these illustrated figures. Please refer to the product literature for details of the charges and bonuses that apply to your contract.

What is not included?

Underlying external fund charges will vary depending on the funds selected. These have not been included in the illustrated figures shown as they could be different for each contract.

Similarly, there may be charges applied by us or by third-parties in relation to specific transactions a contract holder could perform (for example, fees paid out of the contract to a mandated agent,

transfer charges applied by a bank, etc.), but as this activity may or may not happen, we have not included these charges in the illustrated figures.

No adjustments have been made to reflect the impact of inflation over the illustrated terms. Although inflation can reduce the 'buying power' of money over time, the rate of inflation is not guaranteed and can also vary significantly by country. This could mean that the maturity value is worth less in real terms than the contributions paid.

What else do I need to know?

The illustrated figures shown represent the average growth which may be required each year over the commitment period, but the actual effect of charges on a contract may be higher in the early years. The assumed growth rate is uniform over the commitment period, but in practice, unit fund prices can go down as well as up, and fluctuations in prices can also have a big impact, particularly over the short term.

For an illustration to suit your personal circumstances, please refer to your independent financial advisor.

Important notes

This document is produced for general information purposes only. Before applying for any product, you should read the associated product literature and seek independent financial advice.

Hansard:

- uses reasonable efforts to ensure that the information contained in this document is accurate at the date of publication;
- does not offer any minimum return guarantee, therefore the amount you get back from your contract may be lower than the contributions paid;
- does not provide advice on the suitability of any products;
- products are available through independent financial advisors only, on the basis that the independent financial advisor is acting on behalf of the applicant.

Tax consequences will depend on an individual's circumstances and residence, and may change over time. Applicants are advised to seek independent professional advice before applying for any product or if their tax circumstances change during the contract term.

Past performance is not a guide to future performance. Fund prices can go down as well as up. Fund price performance may be affected by movements in exchange rates.

For full details of Ascend, please refer to the product literature.

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