

Key Features



Introduction

You should read this document carefully as it provides a summary of the main points about Oracle. Before applying for a policy you should consult your financial adviser and also read the rest of the literature suite in full, including the:

- *Brochure*
- *Investment Guide*
- *Terms and Conditions* (a specimen is available on request).

You should keep all these documents in a safe place along with your Personal Illustration.

Once you have successfully applied for your policy, you will be given a Policy Schedule and *Terms and Conditions*, which you should also keep safely.

You can access the complete suite of Oracle product literature from our website: www.rl360.com/oracle.

Availability

Anyone aged 18 or over can apply for an Oracle policy provided they are not subject to any legislation which prohibits this type of investment. Available to individuals on a single or joint ownership basis as well as companies and trustees, Oracle can be issued as either a life assurance policy or as a capital redemption policy. Please refer to the "How can I set up my policy?" section on page 2 for further details.

Its aims

- To give you the opportunity to invest a cash sum with the aim of increasing its value.
- To allow you to link to a wide range of different funds, with the flexibility to switch between those funds at any time.
- To allow you to take withdrawals at any time, in a number of different ways.

Your commitment

- You agree to pay an initial premium subject to the minimum level. Details of these can be found in the "How much can I pay?" section on page 2.
- You are obliged to tell us about any changes to your address, country of residence, citizenship or domicile as soon as possible after any change. You must also do this for any lives assured.
- You should view your policy as being a medium to long term investment (5 years or more).

Risks

- The value of the funds linked to your policy may go down as well as up and are not guaranteed. If the growth achieved by the funds in your policy is less than the rate of growth assumed in your Personal Illustration, the value of your policy will be less.
- Where the provider of a fund linked to your policy becomes insolvent or is unable to meet its liabilities for any reason, your policy will suffer the loss.
- You should consider Oracle a medium to long term investment; generally the longer that you hold your policy the greater the potential for growth. Therefore, the shorter the period of time you hold the policy, the more likely you are to get back less than you paid in as any growth may not have covered the charges taken. Early surrender fees could also impact this.
- Taking withdrawals from your policy may mean that you get back less than you paid in, especially if the funds linked to your policy do not grow enough to cover the withdrawals.
- Where you are investing in funds denominated in a currency different to that of your policy, the investment returns will be subject to currency fluctuation risk.
- Changes to the law may affect the tax treatment of your policy or the funds linked to it and reduce the amount you get back in the future.

Questions and answers

Q What is Oracle?

A Oracle is a single premium offshore bond issued in the Isle of Man by RL360 Insurance Company Limited (RL360°). It is designed to allow a cash sum to be linked to a wide range of funds in a way that is tax efficient and offers the potential for growth, over the medium to long term.

Q How can I set up my policy?

A Oracle can be issued on a life assurance or capital redemption basis.

1. Life assurance

Oracle on a life assurance basis can be set up in one of two ways:

- Single life – There is only 1 life assured and when they die the policy comes to an end.
- Joint life last death – There can be up to 6 lives assured on the policy, and it comes to an end when the last life assured dies.

The youngest life assured cannot be older than 65 years of age when the policy is issued.

2. Capital redemption

Oracle on a capital redemption basis has no lives assured linked to it. It will remain in-force for a total of 99 years at which point it will mature and we will pay out the surrender value plus a guaranteed amount of USD160 (or currency equivalent).

You cannot change the basis of your policy after it has been issued. Your financial adviser will be able to help you decide which option would be most appropriate.

To help make your policy as tax efficient as possible, Oracle can be structured with up to 100 sub-policies. Your financial adviser can help explain why this might provide tax advantages to you in the future.

Q What currency can I select for my policy?

A Oracle is available in the following currencies:

- Pound sterling (GBP)
- Euro (EUR)
- Swiss franc (CHF)
- US dollar (USD)
- Australian dollar (AUD)
- Hong Kong dollar (HKD)
- Japanese yen (JPY)

The currency of your policy cannot be changed after issue. Your policy will be valued in this currency and charges will be deducted in this currency.

Q How much can I pay?

A There are set minimum amounts that you can pay into Oracle, these depend on the policy currency. There are no maximum limits.

Currency	Initial premium	Additional premiums
GBP	20,000	2,500
EUR	24,000	3,000
CHF	30,000	3,750
USD	32,000	4,000
AUD	36,000	4,500
HKD	250,000	31,250
JPY	3,400,000	425,000

Additional premiums can be paid into Oracle at any time, and will be divided equally across any sub-policies.

Q How can I pay my premiums?

A Subject to RL360° approval, you may pay your premium in any freely tradable currency. RL360° will use an exchange rate based on those commercially available in the market to convert your premium into your chosen policy currency.

You can choose to make payments by cheque, telegraphic transfer or banker's draft.

Questions and answers continued

Q How much of my premium will be used to buy units?

A We allocate each premium you pay at a rate between 100% and 105%. When you pay in additional premiums we will allocate them to your policy, at the rate shown, based on the total of the in-force premiums paid.

USD (or currency equivalent)	Allocation rate
32,000 to 55,999	100%
56,000 to 79,999	101%
80,000 to 127,999	102%
128,000 to 199,999	103%
200,000 to 239,999	104%
240,000 +	105%

For example if you paid in USD50,000 initially this would be allocated at 100%. Should you then pay in a further USD100,000, the allocation rate applied to your new premium would be 103%. This is because the total paid is USD150,000.

Q What can I invest into?

A Your premium can be invested into as many funds as required (subject to the minimum investment levels) from a range of UK authorised and international collective investment schemes. A full list of available funds can be found in the *Investment Guide*.

The minimum investment per fund is as follows:

Currency	Amount
GBP	500
EUR	600
CHF	750
USD	800
AUD	900
HKD	6,250
JPY	85,000

You can switch between funds whenever you want. There is currently no charge levied for switching funds, however, RL360° reserves the right to levy a charge for new switches at a later date.

Q Who is responsible for my fund choices?

A You or the company you nominate to act on your behalf. RL360° does not provide investment advice and will not provide you with guidance as to which funds are suitable for you.

Oracle is a policy where its value is linked to the funds you choose to invest in. In some cases you may be making decisions yourself or with the aid of your financial adviser, or allowing an investment adviser to make them for you. Oracle empowers you with the ability to access a wide range of different funds from across the globe, but RL360° is not responsible for how those funds are managed, we only reflect their value within your policy. It is their performance which ultimately impacts on your policy with us. Simply and importantly you must ensure that you are happy with the fund choices you or your adviser make. We will not check their suitability for you.

There is a clear division of responsibilities between RL360° as a product provider, and the funds to which your policy value is linked.

The funds you chose should have a range of supporting materials available from the fund manager that provides them. These will commonly detail how the investment is structured, how it is performing, the makeup of its underlying assets and other important information.

The final responsibility for fund selection lies with you and your adviser. If the funds selected for your policy reduce in value, this will reduce your policy value and RL360° will not compensate you as a result.

Q What might I get back?

A What you get back will depend on your initial premium and any additional premiums paid, the performance of your chosen funds over the lifetime of your policy, our charges and any withdrawals you may take.

Questions and answers continued

Q Can I take money out?

A Yes, there are a number of ways you can take money out of your policy.

Regular withdrawals

You can take regular withdrawals from your policy at any time. Regular withdrawals may be taken as a percentage of the premium, or as a fixed amount. Regular withdrawals will be paid in the policy currency and can be paid:

- monthly
- quarterly
- termly (i.e. on a 4 monthly basis)
- half-yearly
- yearly

Regular withdrawals can be set up when you apply for your policy or can be requested at a later date.

One-off withdrawals

There is no maximum limit for a one-off withdrawal subject to the following:

- If you have only paid one premium into your policy, any withdrawals taken cannot be greater than the current surrender value or result in the policy value being less than USD20,000 (or currency equivalent), whichever is higher.
- If you have paid more than one premium into your policy, any withdrawals taken cannot be greater than the surrender value or result in the policy value being less than 10% of the total in-force premiums paid, or USD20,000 (or currency equivalent), whichever is higher.

Withdrawal minimums

Both regular and one-off withdrawals are subject to the following minimums:

Currency	Amount
GBP	250
EUR	300
CHF	375
USD	400
AUD	450
HKD	3,125
JPY	42,500

Sub-policy surrenders

In addition to withdrawals, you may also surrender whole sub-policies. Any sub-policy surrendered within the first 5 years will be subject to a surrender fee. The surrender fee will be equal to the outstanding establishment fee and will be applied proportionally across all surrendered sub-policies.

Policy surrenders

If you wish to fully surrender your policy you can do so at any time, simply by returning your Policy Schedule, including any endorsements, to our head office address along with a completed *Surrender Form*.

A policy surrendered in full within the first 5 years will be subject to a surrender fee. The fee will be equal to the outstanding establishment fee.

A surrender fee equal to the outstanding establishment fee will also apply to any additional premium if it has been less than 5 years since the additional premium has been paid.

Any extra allocation based on premium size will also be subject to a surrender fee if the policy is surrendered in full within the first 5 years from date of issue. The fee will be equal to 100% of the extra allocation rate reducing at each policy anniversary by 20%.

We recommend that you discuss any withdrawals or surrenders with your financial adviser so that you can decide on the most effective method.

Q What happens to the policy on death?

A For life assurance policies (where the last life assured has died)

When the last life assured dies, your policy will end. We will then require written notification of death along with satisfactory documentation (legal entitlement - "probate") to be sent to our head office address, before we can pay out. The death benefit payable will be equal to 101% of the policy value.

For life assurance policies (where the policyholder has died, but lives assured remain)

Where the policy is held in the names of joint policyholders, sole ownership will pass to the surviving policyholder. Where the policy is held by you only, ownership of the policy passes to the personal representatives of your estate.

For capital redemption policies

Capital redemption policies will not automatically come to an end on the death of the policyholder(s). Ownership can be determined by the personal representatives of your estate.

Questions and answers continued

Q What are the charges?

A Our charges cover the set-up and ongoing administration of your policy, any commission paid to your adviser and our profit. There are 2 main components of the Oracle charging structure as listed below:

Establishment fee

The standard establishment fee is 7.50% of the premium paid. The fee is collected at a rate of 0.375% quarterly in arrears over the first 5 years.

Each additional premium will be subject to its own establishment fee. The fee will be collected in the same format as described above.

Percentage administration fee

There is a standard ongoing percentage administration fee of 1.20% per year, taken as 0.30% of the current policy value or the premium paid, if higher, deducted quarterly in arrears.

Each additional premium is subject to its own percentage administration fee. The fee will be collected in the same format as described above.

The percentage administration fee is payable for the lifetime of the policy.

Advice fee (optional)

If you choose to appoint an investment adviser there may be an advice fee deducted from your policy. The amount of the fee, and when it should commence, should be agreed between you and your investment adviser. The amount deducted, if any, will be paid directly to your investment adviser.

Additional fees

The funds that are held within your policy will be subject to an annual management charge. The charge will vary per fund chosen and further details can be obtained from your financial adviser or the *Investment Guide*. The annual management charge set by the fund manager is reflected in the fund price, and is in addition to the Oracle product charges.

There may be charges associated with the payment of premiums or withdrawals by telegraphic transfer and other means.

If you require more than the standard annual valuation statement, a charge may be made for each additional valuation. Alternatively, you and your financial adviser can download these free of charge by using our online services.

Q How is the loyalty bonus calculated?

A A loyalty bonus of 0.50% of the policy value will be applied on the sixth policy anniversary and yearly thereafter.

Furthermore, each additional premium will attract its own loyalty bonus. The loyalty bonus will be calculated as 0.50% of the additional premium's current value on its sixth premium anniversary. The loyalty bonus will be applied on each premium anniversary thereafter.

Q What about tax?

A RL360° is subject to Isle of Man tax laws. The Isle of Man does not tax any growth or income earned in your policy. However, withholding tax may be deducted at source on income arising from investments held in some countries, which cannot be reclaimed by us. You may have a personal liability to tax depending on the tax regime in your country of residence and your own personal circumstances. Tax implications should be discussed with your specialist adviser.

Q Can I change my mind?

A After your policy has been issued and you have received your Policy Schedule, you will also receive a notice telling you about your right to change your mind and how to cancel. You will have 30 days to cancel your policy. If you decide to cancel, we will give you your money back, reduced in-line with any fall in the value of the funds linked to your policy (if applicable).

Q How will I know how my policy is doing?

A We will send you a valuation every 12 months as determined by your policy start date.

In addition you can also access valuations online at our website at any time, after registering. The Online Service Centre provides 24 hour access to your policy details and valuations, which can be easily downloaded when required.

Alternatively you can also request a valuation by contacting us on the number shown in the "How to contact us" section. We may apply a charge if you request posted valuations, in addition to the one produced each year.

Further information

How to contact us

If you wish to pay an additional premium, make a one-off withdrawal, change funds, or surrender your policy, please speak to your financial adviser first.

If you require further information then please contact us.

Head office address

RL360 Insurance Company Limited
RL360 House
Cool Road
Douglas
Isle of Man
IM2 2SP
British Isles

Telephone: +44 (0)1624 681681
(we may monitor calls to improve our service)

Email: csc@rl360.com

Website: www.rl360.com

How to complain

If you wish to complain about any aspect of your policy please consult your financial adviser or write to our Head of Customer Services at our head office address.

Complaints about our products or service will be dealt with in accordance with the Complaints Handling Policy, a copy of which is available on request.

If a complaint regarding the administration of the policy is not dealt with to your satisfaction you can refer it to the Financial Services Ombudsman Scheme for the Isle of Man, Isle of Man Office of Fair Trading, Government Buildings, Lord Street, Douglas, Isle of Man, IM1 1LE, British Isles. Telephone +44 (0) 1624 686500.

Terms and conditions

These *Key Features* only give you a summary of the main points to consider before investing in Oracle. A specimen *Oracle Terms and Conditions* can be provided to you by your financial adviser, downloaded from our website or requested at any time.

The *Terms and Conditions* are part of the contract between you and RL360 Insurance Company Limited. The legally binding contract is governed by the following documents:

- 1) your *Application Form*;
- 2) the *Terms and Conditions*;
- 3) your Policy Schedule;
- 4) any endorsements to your Policy Schedule; and
- 5) any other communication, signed by one of our authorised signatories, that evidences a change in the contract between you and RL360°.

If we need to make any changes to the Oracle *Terms and Conditions* we will tell you in advance.

Law and language

Oracle is governed by the law of the Isle of Man. We will always write and speak to you in English.

Compensation

Owners of policies issued by RL360 Insurance Company Limited receive the protection of the Isle of Man Compensation of Policyholders protection scheme, which covers an amount equal to 90% (subject to the provisions of the scheme) of RL360°'s liability where it is unable to meet its financial obligations. RL360° reserve the right to adjust the returns to cater for any levy or charge made on it under the regulations or similar legislation.

Important notes

Oracle is available exclusively in association with financial advisers. Your financial adviser can provide a final recommendation as to whether or not Oracle is suitable for you.

The information contained in these *Key Features* is based on our understanding of Isle of Man legislation as at April 2014. Whilst every care has been taken in producing this document, we cannot accept responsibility for our interpretation or any subsequent changes to legislation. These *Key Features* are not intended as a substitute for legal or tax advice.

Servicing

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