



HANSARD INTERNATIONAL LIMITED

Pinnacle

E N G L I S H



Hansard International Limited ('The Company') is authorised under the Isle of Man Insurance Act 1986. Its activities are regulated by the Isle of Man Insurance and Pensions Authority.

The Company is registered at Harbour Court, Box 192, Lord Street, Douglas, Isle of Man, IM99 1QL.

No liability can be accepted for any country's tax or legislative measures which might affect the contract described in this brochure. Please ensure that you understand the tax, exchange control and insurance legislation which exists in your current country of residence and in the country where you expect to reside when you take the benefits. Please note, legislation may change between the start of the contract and the time at which benefits are taken. The effect of such changes, if any, cannot be predicted.

This brochure contains detailed information about Pinnacle and you may rely on this information. The Company cannot, however, accept any responsibility for or be bound by any contradictory or supplementary information about Pinnacle provided to you by any third party.

Please satisfy yourself that under any tax, exchange control or insurance legislation which exists in your current country of residence, you are allowed to effect this contract, an offshore, regular and/or single contribution unit-linked life assurance contract. Such legislation may affect the amount or form of benefits received.

The monetary amounts given in this brochure were correct at the time of publication. To verify the monetary amounts and charges applicable at the time you apply for a contract, you should ask your independent financial advisor for a copy of the most recent Product Profile for the Pinnacle contract.



Are you Ambitious?

Ambitious....‘ardently desirous of, an aspiration to be or to do...’

Hansard International Limited’s clients are high achievers. Their work ambitions revolve around making their projects succeed, so that their organisations become more effective. This leads to recognition, promotion and, naturally, higher incomes.

Away from work, everyone has personal ambitions. These range from the simple to the elaborate. Some clients are working towards the purchase of luxuries, some want to accumulate enough experience and wealth to start their own business, others want to be sufficiently well off to retire at 50. What are your personal ambitions?

Are you Responsible?

Responsible....‘capable of fulfilling an obligation, reliable, trustworthy, of good reputation’

The work of the typical Hansard International Limited client tends to involve a high degree of responsibility. Usually such responsibility has been chosen as ‘part of the job’. It can therefore, to an extent, be controlled.

Personal responsibilities are dictated by individual circumstances. These responsibilities are less easily controlled, involving as they do, wives or husbands, parents or children. Considerations will include children’s schooling and university education, or how to cover a more substantial mortgage. We have to consider carefully our duty to our parents as they grow older. Hansard International Limited clients realise that it is important to think about these issues now and not wait until it is too late.



Are you Astute?

Astute....‘of keen perception, shrewd, sagacious...’

When your income comfortably exceeds your current expenditure, it is very easy to leave the balance in your bank account and watch it increase slowly month by month. Your savings will be secure and can be drawn upon at any time.

Most people are aware that the purchasing power of money held in a bank account will be eroded by inflation. Very often, such savings will be left in an account for the full duration of the time spent overseas, maybe ten or twenty years. The financially astute realise that these are exactly the conditions suited to equity investment, where the requirement is to provide inflation-beating growth over the medium- to long-term and they take action accordingly.

Hansard International Limited contracts are designed for the astute investor who recognises the importance of investing now, in equity-type investments, to satisfy future ambitions and responsibilities.



Hansard International Limited

Hansard International Limited, based in the Isle of Man, is an established offshore life assurance company. Many of Hansard International Limited's clients are expatriates, although local professionals around the world are increasingly recognising the opportunities available to them through Hansard International Limited.

Hansard International Limited and Tax

Hansard International Limited's aim is to provide products which are tax-efficient and flexible enough to cope with changes in circumstances. Hansard International Limited is zero-rated for tax in the Isle of Man. This results in client funds growing virtually free of corporation, income and capital gains tax on the Isle of Man. In addition, no Isle of Man tax is deducted when withdrawals are made from a Hansard International Limited contract, or on full surrender. Please note, some countries in which Hansard International Limited's fund links invest may impose an irretrievable tax on investment income.

The Isle of Man – Advantage

The Isle of Man is one of the world's leading international financial centres. The Island has been granted Designated Territory status under the UK's Financial Services and Markets Act 2000. This means that the financial regulations in place meet standards similar to those in the UK. In addition, the Isle of Man has a statutory compensation scheme, incorporated in the Life Assurance (Compensation of Policyholders) Regulations 1991. These regulations provide for clients to receive up to 90% of the amounts due under their contracts in the unlikely event that an Isle of Man life assurance company were to become unable to meet its liabilities.





A Confidential Environment

Aside from the security provided by the regulatory framework, dealings in the Isle of Man are conducted in an environment that respects the right of individuals to carry on their business affairs in private. Unless otherwise required by law, Hansard International Limited will not release details of client affairs to third parties.

What is Pinnacle?

Pinnacle....‘the highest point, the culmination of success or ambition’.

Pinnacle is a unit-linked contract which provides you with access to a wide range of professionally managed fund links. Pinnacle is specifically designed for those who wish to contribute on a regular, rather than one-off, basis. However, a single contribution version is also available.

You can choose the period for which you wish to contribute (typically between ten and twenty years) and the level of contribution that you wish to make from £150 per month upwards (£1,200 per year). As contributions are received, units are allocated from the chosen fund links. You can, where necessary, reduce the level of your regular contribution after the first two years.

Your funds accumulate free of any Isle of Man income, corporation and capital gains tax. In addition, all benefits are paid out without deduction of Isle of Man tax.

This brochure describes Pinnacle from the viewpoint of a Pound sterling investor. If you wish to contribute in another of the accepted currencies, contribution limits can be converted by applying the Company exchange rates then prevailing. Details of these rates are available on request.





Key Features of Pinnacle



- ❑ Pinnacle accumulates virtually tax free – offshore
- ❑ Investment term can be tailored to meet your particular needs
- ❑ Investments may be made, and Pinnacle denominated, in one of a number of major currencies
- ❑ 100% of contributions allocated to units – 105% after 10 years' level regular contributions
- ❑ 101% allocation for single contributions over £50,000
- ❑ Bonus units are allocated to regular contribution contracts
- ❑ Access to over 120 professionally managed fund links
- ❑ The fund link choice may be reviewed and altered at any time
- ❑ Valuable protection options available
- ❑ The security of a major financial institution
- ❑ Award-winning fund links available
- ❑ Additional life cover available
- ❑ Waiver of contribution available

A description of these features is provided in this brochure.



Your Choice of Fund Links

The Hansard International Limited fund link range consists of over 120 fund links, chosen to cover the majority of the world's investment markets. The range includes single country, regional and industry fund links, Deposit fund links and Fixed Interest fund links.

Hansard International Limited has also built an enviable reputation for innovation in the design of fund links. Available exclusively to Hansard contract holders, our range of Protected fund links offer actively managed exposure to global stock markets. A continuous profit lock-in feature ensures that the unit price of any investment will always be at least 80% of the highest value reached by the fund link at any point over its life, regardless of market performance.

Pinnacle contributions can be split among the fund links available. At the outset of the contract, contract holders can choose a maximum of 20 funds links; afterwards there is no limit. Furthermore, the investment strategy can be changed either by switching existing holdings from one set of fund links to another or by directing future contributions to a new choice of fund links.

The performance of a Pinnacle contract is determined by the performance of the investments underlying the fund links chosen. This performance is measured by the unit price; unit prices can fall as well as rise.

Further information regarding all fund links available can be obtained from your independent financial advisor. A careful review of the fund links available should always be carried out before a choice of fund links is made.





Pinnacle and Tax

Hansard International Limited is zero-rated for Isle of Man tax. Client funds therefore grow free of Isle of Man income, corporation and capital gains tax and proceeds are paid without deduction of Isle of Man tax.

Some of the available fund links invest in countries that apply withholding tax on investment income. This tax is deducted at source and cannot be reclaimed. Clients are always encouraged to seek professional advice on tax matters.

Currencies and Pinnacle

Pinnacle contracts may be denominated and contributions made in one of a number of major currencies, including US dollars, Pound sterling, Swiss francs, Japanese yen, Swedish krona and euro.

Fund links for Pinnacle are also available in a number of major currencies and can be selected from the full Hansard International Limited fund link range.

Where the contract currency differs from that of the contributions or the fund links chosen, Hansard International Limited will arrange the currency conversion at the exchange rates then prevailing. Details of these rates are available on request. Clients should note that losses or gains can arise as a result of exchange rate fluctuations.





Pinnacle and Protection

In the event of death, the standard sum assured payable is 101% of the value of the units allocated to the contract, calculated at the appropriate unit bid prices.

Guaranteed Minimum Sum Assured Option

Pinnacle offers a highly flexible range of options that enables you to select a level of cover to meet specific needs. The basis on which the sum assured is calculated is up to you.

It may be a particular monetary amount. Alternatively, it can be an amount based on an agreed multiple of the total scheduled contributions or on an agreed multiple of the illustrated maturity value of the Pinnacle contract.

You will be able to discuss with your independent financial advisor the various options to create the most appropriate solution.

If at the time of death, the Pinnacle contract is already worth more than the minimum sum assured selected, the higher amount will be paid. For a Pinnacle contract in joint names, the payment will be made on the qualifying death.

The level of benefit must be chosen at outset. The charge is based on the chosen level of benefit less the current value of the contract. Consequently you pay each month only for the exact amount of benefit that would be due.



Optional Benefit – The Waiver of Contribution Benefit

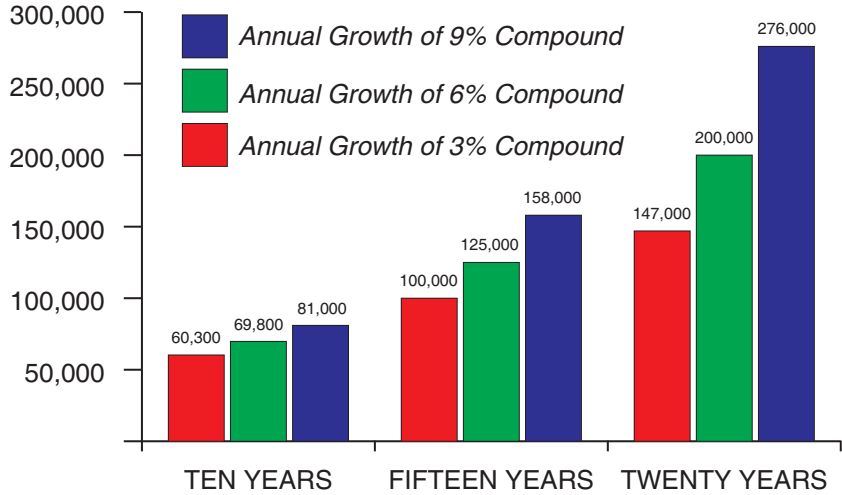
You may be concerned that you could have difficulty in maintaining regular contributions should illness or an accident render you unable to work. Hansard International Limited has recognised this concern by offering the optional Waiver of Contribution Benefit. This benefit ensures that, in the event of inability to work due to illness or accident, contributions will continue to be credited to the contract.

For full details of charges and benefits, please refer to the Pinnacle Product Profile which must be read in conjunction with this brochure.



Possible Returns from Pinnacle

For an investment of just £500 per month, you could receive



The graph above indicates the possible maturity benefits from investing £500 per month in a regular contribution Pinnacle with alternative terms of ten, fifteen and twenty years. The compound accumulator unit price growth rates used of 3%, 6% and 9% are net of fund link-related charges.

You are advised to obtain from their independent financial advisor a personal illustration which relates to their own circumstances. Such illustrations include important explanatory notes concerning the basis used. Please note that the price of units can fall as well as rise. The figures shown are correct at the date of publication of this brochure.

Monitoring the Performance of Your Investment

Keeping track of your investment is simple. Reports will be sent on an annual basis, but the easiest way to keep in touch with the progress of your investment is via a secure Internet facility that enables you to view key information on it virtually 24 hours a day, 7 days a week.





Description

Regular Contribution

Pinnacle is a unit-linked contract for contract holders who wish to invest on a regular basis. Once contributions have been made for two years, future contributions may be increased, reduced or waived. Any increase in contribution will be directed to a new contract.

Single Contribution

The Single Contribution Pinnacle is a whole of life unit-linked contract for contract holders who wish to make large one-off investments. It also permits additional lump sum contributions to be made to a Regular Contribution Pinnacle contract.

Eligibility

Applicants must be 18 years of age or older. Pinnacle can be written on a single-life or joint-lives first-death or second-death basis. We cannot accept contributions from residents of the United States of America and most European Union member states.

Minimum Contributions

Regular contributions may be made at any level from £150 per month or £1,200 per year. Regular contributions can be made quarterly or half-yearly if desired. The minimum single contribution is £10,000, or £1,000 if a Regular or Single Contribution Pinnacle contract has already been established. You may make contributions in most freely convertible currencies, with the minimum contribution level being set at the date the contract is put into force by converting the sterling limit to the chosen contract currency.

Currencies

Pinnacle contracts are available in any one of a number of major currencies. You may change the currency denomination of the contract at any time, at the exchange rate then prevailing.

Fund links

Units may be allocated from your choice of fund links from the full Hansard International Limited range.

The maximum number of fund links available to you under any one contract when it is taken out is 20, thereafter there is no limit.

Term

The term of a Regular Contribution Pinnacle contract (in complete years) must be agreed when the first contribution is made. Typically the term is between ten and 20 years; however, terms are available for shorter periods. Regular Contribution Pinnacle contracts cannot extend beyond a contract holder's 65th birthday. The Single Contribution Pinnacle is a whole of life assurance contract, and the proceeds may be taken at any time.

Standard Sum Assured

Regular Contribution

On the death of the life assured (or the first life assured to die for a joint-lives first-death contract, second life assured to die for a joint-lives second-death contract) before the end of the agreed term, the standard sum assured is 101% of the value of the initial, accumulator and bonus units. The value is calculated using the applicable unit bid prices.

Single Contribution

On the death of the relevant life assured before the Single Contribution Pinnacle has been surrendered, a benefit of 101% of the value of the units allocated to the contract at the date of notification of death will be paid. The value is calculated using the applicable unit bid prices. Where the life assured (the younger life assured under a joint-lives second death contract or either life assured under a joint-lives first-death contract) was age 75 or over on the date the contract was put in force, the sum assured is an amount equal to 101% of the surrender value, calculated using the applicable unit bid prices.



Guaranteed Minimum Sum Assured Option

This optional facility enables contract holders, subject to satisfactory underwriting of the life assured, to fix the minimum return on a Regular Contribution Pinnacle contract in the event of a valid death claim before the end of the term.

A range of guaranteed minimum sum assured options is available. The sum assured can be expressed as

- a multiple of the total contributions payable
- a multiple of the projected maturity value of the contract, or
- it can be a specific monetary amount.

The level of cover can be altered at any time. Any increase will be subject to satisfactory underwriting at the time of alteration. The cost of any life cover is met by a monthly charge based on the difference between the agreed minimum sum assured and the contract value. The benefit payable on death is the greater of the standard sum assured and the guaranteed minimum sum assured.

You can select the guaranteed minimum sum assured most suited to your particular needs.

If this option is not selected, the standard sum assured will apply.

Waiver of Contribution Benefit

This optional benefit is only available for Regular Contribution Pinnacle contracts, where the contract holder is also a life assured.

In the case of a joint-lives contract the benefit can only apply to one life assured, and selection of the relevant life assured must be made at outset.

The benefit ensures that in the event of the relevant life assured's inability to work due to illness or accident, regular contributions continue to be made. The benefit begins once the relevant life assured has been unable to work for 180 continuous days following the incidence

of the qualifying disability and continues until the earliest of regaining the ability to work, the relevant life assured attaining the age 60 or the contract ceasing due to either maturity or a death claim.

If the waiver of contribution benefit is selected, the cost is met by a monthly charge based on the age of the life assured and the amount of the contributions being protected.

Unit Allocation

Regular Contribution

100% of contributions made will be allocated to units at the applicable offer price. Once contributions have been made at a constant level for a continuous ten-year period, units are allocated for 105% of future contributions made at this level. For an initial period, initial units are allocated. Initial units have no monetary value except on maturity or prior death. This initial period, in months, is calculated as $(0.6n + 9)$ rounded up, where 'n' is the Pinnacle term in years. The minimum initial period is 15 months and the maximum is 21 months. Accumulator units are allocated thereafter.

Single Contribution

100% of contributions made will be allocated to accumulator units at the applicable offer price. This allocation rate rises to 101% for contributions of £50,000 and over.

Bonus Units

On Regular Contribution Pinnacle, bonus accumulator units are earned at the rate of 0.75% per year for all accumulator units allocated to the contract and previously allocated bonus units, provided that contributions are maintained. Bonus units are allocated at each anniversary, and have no monetary value until maturity or on prior death.



Clustering

Increased flexibility can be achieved by issuing a Pinnacle contract in a cluster. With a clustered contract, the contributions received are split equally among a number of identical, legally free-standing contracts. Regular Contribution Pinnacle contracts can consist of up to ten such 'mini-contracts', provided that a contribution of at least £20 per month (£200 per year) is made to each mini-contract. For Single Contribution Pinnacle, at least £200 must be directed to each mini-contract. The clustering facility must be chosen at outset, if required.

Switching

A switch transaction is the exchanging of units in one or more fund links for units in one or more other fund links. Fund link switching is possible at any time on a bid-to-bid basis. For Regular Contribution Pinnacle the first five switch transactions in any contract year are free; subsequent switches attract a charge. For the purpose of calculating this charge, the number of switches per transaction will be the higher of either the number of fund links switched out of or the number of fund links switched into. Future contributions may be directed to a different choice of fund links at any time without charge.

For Single Contribution Pinnacle, all switches are currently free of charge. Hansard International Limited reserves the right to impose a charge in certain circumstances.

For information on the switch charges at the time you apply for a Pinnacle contract, please refer to the Pinnacle Product Profile which must be read in conjunction with this brochure.

Maturity Value

At the end of the selected term, the proceeds of a Regular Contribution Pinnacle contract will be the value of the initial, accumulator and any bonus accumulator units allocated, calculated at the applicable unit bid prices.

Early Surrender and Withdrawal Values

You can receive payments in several ways. If you elect to receive payments via telegraphic transfer, a charge of currently £15 will apply where the withdrawal amount is to be paid into a bank account outside the UK (£10 for GBP payments to UK accounts). This charge is based on bank and administrative costs. If the currency of the payment is other than sterling, a different charge may apply. For further information please contact Hansard International Limited.

Regular Contribution

On early withdrawal from, or full surrender of, a Regular Contribution Pinnacle contract after payment of the first two years' contributions, the appropriate number of accumulator units are surrendered at their full unit value using the applicable unit bid prices. Following a withdrawal the contract must have an accumulator unit value of not less than £2,500. Initial and bonus units have no monetary value except at the maturity date or prior death.

Single Contribution

Withdrawals can be made at any time, for the value of units sold, less the balance of the year's management charge (on the amounts realised). The value is calculated using the applicable unit bid prices. Units relating to contributions which have been invested for less than three complete years are subject to a discontinuance charge on withdrawal or full surrender. This charge is 3% of the value of units sold where the related contribution has been invested for up to one year, reducing by 1% for each complete year of investment.

The minimum withdrawal at any time is £500. On full surrender, the balance of the year's service charge and annual management charge will also be applied.

Paid-Up Value

A Regular Contribution Pinnacle contract can be made paid-up (ie. contributions to date remain invested but no further contributions are made) at any time after two



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years, provided that the contract has an accumulator unit value of not less than £2,500. In this event, the sum assured reverts to the standard level, and the service charge increases. For information on the service charge increase please refer to the Pinnacle Product Profile.

Contributions may be resumed at any time subject to the agreement of Hansard International limited.

Charges

Regular Contribution

All of the available fund links have a bid-offer spread of approximately 7.5%. There is an annual management charge, currently 1% for accumulator units plus an additional 7% per annum on initial units. Fund managers apply their own charges in addition, which may vary at any time. All management charges are taken into account in calculating the unit price. The allocation of bonus units effectively reduces the 1% annual management charge for accumulator units to approximately 0.25%. There is a charge for the Guaranteed Minimum Sum Assured Option and the Waiver of Contribution Benefit if selected, levied by unit deduction. An annual service charge is deducted monthly.

In the early years of a Regular Contribution Pinnacle contract, charges are carried forward, without interest, until there are sufficient accumulator units to meet them.

Single Contribution

All of the available fund links have a bid-offer spread of approximately 7.5%. There is a management charge, currently 1% per year. Fund managers apply their own charges in addition, which may vary at any time. These management charges are taken into account in calculating the unit price. An annual service charge is deducted monthly. The service charge is not applied when clients are already contributing to a Regular Contribution Pinnacle contract.

Monetary charges may be increased each year, normally in July, in accordance with the contract Terms and Conditions. For information on the charges at the time you apply for a Pinnacle contract, please refer to the Pinnacle Product Profile which must be read in conjunction with this brochure.

Lower Contribution Variant

Regular Contribution Pinnacle contracts can be established from as little as £100 per month (£600 per year) where the term of the Pinnacle contract is at least ten years.

Short-Term Contracts

Regular Contribution Pinnacle contracts can be agreed for terms of less than ten years with a reduced initial period, shown in the table below:

Term (Years)	Initial Period (Months)
5	7
6	7
7	8
8	8
9	9

Variation in Contract Conditions

The conditions under which single contributions are accepted under the single contribution Pinnacle may vary at any time.



Who will advise me before I invest?

Before investing, you should secure the services of an independent financial advisor who will discuss whether this product is suitable for your needs. Your independent financial advisor may also be able to provide advice on a contribution level and fund link selection appropriate for your circumstances.

Hansard International Limited products are available only through independent financial advisors and on the basis that the independent financial advisor is, in all cases, acting on your behalf and has no authority to make any statement binding on Hansard International Limited.

Written illustrations of indicative benefits are available which demonstrate the possible returns from this contract on specified assumptions. Your independent financial advisor will be able to provide such an illustration.

Can I exchange my current investments?

If you hold shares or other assets that can readily be sold on an exchange, Hansard International Limited can usually arrange to sell them on your behalf, at the rates available to institutional investors. Once sold, any proceeds received in excess of your stated investment can be returned to you, or added to your Pinnacle contract.

If you are considering surrendering existing life insurance/pension policies to effect this contract, you should discuss the implications – and in particular, any financial penalties – with your independent financial advisor before arranging the surrender.

Important Notes

This brochure does not constitute an offer.

The value of this contract depends on the performance of the fund links that are chosen. Fund link performance is measured by the progress of the unit price; unit prices can fall as well as rise. Unit price fluctuation may result in losses, especially in the short term, and gains or losses may arise as a result of exchange rate fluctuations.

The information provided in this brochure is based on Hansard International Limited's current understanding of legislation. No liability can be accepted for changes in the law, practice or tax regulations of any country.

The Technical Guide is a summary of specific parts of the Terms and Conditions for the product described, and this information can therefore be relied on. Hansard International Limited cannot, however, accept responsibility for or be bound by any contradictory or supplementary information provided by any third party about this product. This brochure must be read in conjunction with the Pinnacle Product Profile.

Hansard International Limited does not give advice on the suitability or otherwise of its products for individual clients.

Hansard International Limited products are available only through independent financial advisors on the basis that the independent financial advisor is, in all respects, acting on behalf of the client.

If a client becomes resident in the United States of America, Hansard International Limited may not be able to accept further contributions or instructions to vary the fund link choice until after the client subsequently ceases to be a resident of the United States of America.

The relevant Terms and Conditions set out the full details of the contract between the client and Hansard International Limited. Copies of the Terms and Conditions are available on request.

Monetary charges are expressed in Pound sterling and may be increased each year, normally in July, to reflect inflation, in accordance with the contract Terms and Conditions.

This contract is covered by the terms of the Isle of Man Life Assurance (Compensation of Policyholders) Regulations 1991.

Hansard International Limited reserves the right to adjust the returns from investments to cater for any levy or charge made on it under these Regulations or any similar legislation. The value you get back from the contract may be less than the value of contributions made.

Hansard International Limited is authorised by the Isle of Man Government Insurance and Pensions Authority.

Complaints: It is Hansard International Limited's policy to respond to and resolve all complaints promptly. Complaints we cannot settle can be referred to the Isle of Man Financial Services Ombudsman Scheme.

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