



HANSARD INTERNATIONAL LIMITED

Capital Builder

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, Lord Street, Box 192, Douglas, Isle of Man, IM99 1QL, British Isles.

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. In particular, please satisfy yourself that under such legislation in your current country of residence, you are allowed to effect this contract, an offshore, recurrent single contribution unit-linked life assurance policy. Such legislation may affect the amount or form of benefits received. Please note, legislation may change between the start of the contract and its encashment. The effect of such changes, if any, cannot be predicted.

This brochure contains detailed information about Capital Builder 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 the Capital Builder provided to you by any third party.

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 Profiles for the Capital Builder and Income Builder contracts.

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 contract holders 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 contract holder funds growing free of corporation, income and capital gains tax on the Isle of Man. In addition, no Isle of Man tax is deducted when money is withdrawn from a Hansard International Limited contract. 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 the only statutory compensation scheme of any offshore centre, incorporated in the Life Assurance (Compensation of Policyholders) Regulations 1991. These regulations provide for contract holders 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 contract holder affairs to third parties.



Capital Builder

Key Features of Capital Builder



- ❑ Capital Builder grows virtually tax free
- ❑ Withdrawals and full surrenders are free of Isle of Man tax*
- ❑ Additional contributions may be made at any time
- ❑ All units are allocated at bid price
- ❑ Capital Builder proceeds can be accessed at any time
- ❑ A wide range of currencies for both contributions and benefits
- ❑ The fund link choice may be reviewed and altered at any time
- ❑ Access to over 100 professionally managed investment fund links
- ❑ Competitive charging structure
- ❑ Capital Builder can be held in trust
- ❑ Enjoy the security of a major international financial institution
- ❑ Award-winning fund links available
- ❑ Regular withdrawal facility available once £10,000 has been contributed

**does not apply to Isle of Man residents*

For the International Investor

The investment world has changed radically in recent decades. The removal of exchange controls and the computerisation of trading has transformed investors' horizons and expectations. Investors are no longer restricted to dabbling in a few shares on the largest stock exchanges. Instead, we live in a truly international investment world.

Investment in international markets can provide the opportunity to create a diverse portfolio of assets. However, to achieve positive returns, investors have to conduct careful research and analysis, company by company, sector by sector and country by country. Few private individuals have the time or resources to commit to such a task – yet they would like to participate in this potential.

Hansard International Limited is proud to introduce Capital Builder. Capital Builder provides access to a wide range of professionally managed fund links, each with a specified investment objective. Contract holders can vary the mix of fund links they invest in over time to suit their particular circumstances and outlook. The value of Capital Builder will reflect the performance of the fund links chosen by you.

Capital Builder from Hansard International Limited

Capital Builder reflects Hansard International Limited's ideal – to provide flexible, convenient investment products which are good value to contract holders. For example, Capital Builder has no high up front charge nor bid/offer spread. Contract holders can decide to make just one contribution, to contribute on a regular basis, or to contribute 'as and when'. However contributions are made, the capital invested begins to work immediately on its receipt by Hansard International Limited.

Capital Builder contracts may be denominated and contributions made in any one of a wide range of currencies, including US dollars, UK sterling, Swiss francs, Japanese yen and euros. There are a number of ways to make contributions, including by International Direct Debit, Automatic Bank Transfer and Credit Card.

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. Applicants should note that gains or losses can arise as a result of exchange rate fluctuations.





Tax and Capital Builder

Hansard International Limited is zero-rated for tax in the Isle of Man. Contract holder funds thus accumulate free of Isle of Man income, corporation and capital gains tax, and should enjoy faster growth than similar taxed investments. In addition, all benefits are paid out without deduction of Isle of Man tax.

Some of the available fund links invest in countries that levy withholding tax on investment income. This tax is deducted at source and cannot be reclaimed.

Applicants are always encouraged to seek professional advice regarding tax matters before investing.

The Investment Opportunity

The opportunity to invest in a Capital Builder is open to anyone who can commit to investing at least £10,000 over a three year period as a lump sum, as fixed amounts at regular intervals or on an ad-hoc basis.

Having decided to establish a Capital Builder contract, the fund links should be chosen. Hansard International offers a range of over 100 fund links, chosen to cover the majority of the world's investment markets and asset types.

The investment strategy for Capital Builder can be reviewed at any time. Switches between fund links are generally free of charge once £10,000 has been invested and all switches are effected on a bid-to-bid basis. If switching from fund links denominated in one currency to fund links denominated in another, Hansard International Limited will arrange the currency conversion at the prevailing exchange rates.

Units of the fund links chosen will be allocated to Capital Builder for 100% of all contributions received. The units are allocated at bid price, which means no bid/offer spread, unlike many similar contracts.

The actual value of Capital Builder will depend upon the performance of the funds linked to the contract. Fund link performance is measured by the progress of the unit price; unit prices can fall as well as rise.

Award-winning Fund Links and Service

Hansard International Limited has won a number of awards for both its fund links and its service.

Hansard International Limited is committed to providing investors with access to the world's leading fund managers who are carefully selected for their proven track record and expertise in their chosen field.

We follow a rigorous selection process which is carried out by the Hansard International Investment Committee. This process takes full advantage of our status as a thriving international life assurance company which provides us with unfettered access to fund managers.

Our chosen fund managers are supported by teams of analysts who constantly research and assess investment opportunities in their specialist sectors. This proprietary information enables the fund manager to decide which assets to buy, which to sell and which to hold in expectation of higher growth within the fund link.

Hansard International Limited has also built an enviable reputation for innovation in the design of investment offerings. Available exclusively to Hansard contract holders, our range of Protected Fund Links offers actively managed exposure to global stockmarkets. 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.

Capital Builder contributions can be split among the available fund links, chosen to cover the majority of the world's investment markets and asset types. At the outset of the contract, contract holders can choose a maximum of 20 fund 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 Capital Builder 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 the 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.





Investing for Income

Capital Builder can be used to provide an automatic regular withdrawal (to provide an income) in any freely convertible currency of your choice; alternatively, ad-hoc withdrawals can be made. Both regular and ad-hoc withdrawals are made without deduction of tax by the Isle of Man authorities. The amount to be withdrawn can be fixed or can be a percentage of the contributions received.

Income withdrawals are provided by surrendering sufficient units from Capital Builder to provide the sum required. All such surrenders are subject to the standard surrender rules and charges described in the Product Profile.

There is a payment charge for each surrender, which is waived for certain withdrawals depending on the contributions received and the frequency of withdrawals in accordance with the table below.

For those who know that they will require an income during the first five years of investment, Income Builder, a variant of Capital Builder, is available, which allows withdrawals of up to 10% per year of the contributions received to be made without being subject to a discontinuance charge. More details can be found in the Income Builder Product Profile.

TOTAL CONTRIBUTIONS RECEIVED	REGULAR WITHDRAWAL FREQUENCY
£10,000 - £24,999	Annually or half-yearly
£25,000 - £49,999	Annually, half-yearly or quarterly
£50,000 and above	Annually, half-yearly, quarterly or monthly

Taking the Profit

Withdrawals from Capital Builder can be made at any time. Units are surrendered at bid price and once the related contribution has been invested for more than seven years are not subject to a discontinuance charge.

There is a discontinuance charge levied when units are surrendered in respect of contributions invested for less than seven years. This charge is 7% of the amount surrendered when the related contribution was made in the previous 12 months, reducing by 1% for each of the following six years of investment.

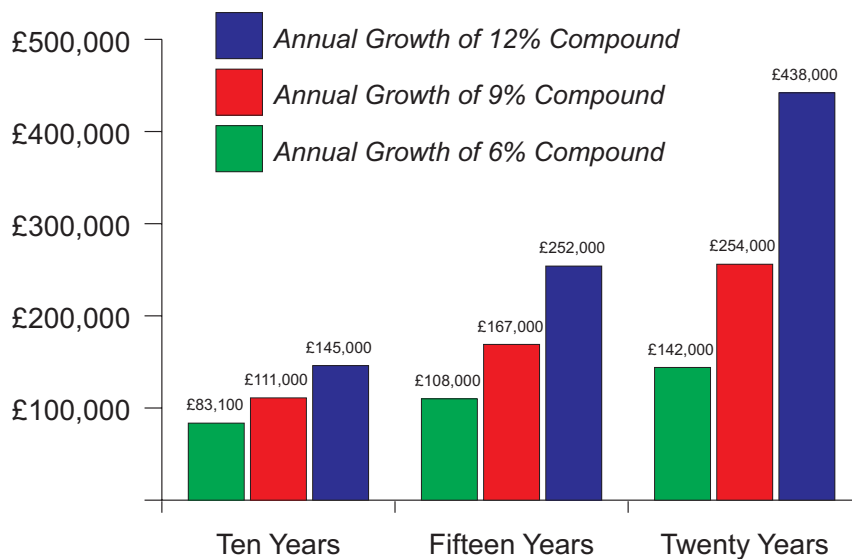
The discontinuance charge is waived on surrender of units relating to contributions made between five and seven years previously, provided the amount surrendered is less than 10% of the sum of those contributions.

Full details of all the charges, including those on surrender and withdrawal, are given in the latest edition of the Capital Builder Product Profile, which your independent financial advisor should give to you.

Monitoring the Performance

Keeping track of your investment is simple. Statements 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.

Illustrative Returns from Capital Builder



The bar chart above shows the possible benefits from an investment of £50,000 in Capital Builder. The compound accumulator unit price growth rates used of 6%, 9% and 12% are net of fund-related charges.

Contract holders 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.





Capital Builder – Technical Guide

Description

Capital Builder, available from Hansard International Limited, is a unit-linked investment contract for single, regular or ad-hoc contributions.

Eligibility

Applicants must be at least 18 years of age at the time of application. Capital Builder can be written on a single or joint-lives second-death basis. Applications cannot currently be accepted from residents of the United States of America and most European Union member states.

Minimum Contributions

The minimum contribution is £300 per month or £3,500 per year. Alternatively ad-hoc contributions may be made subject to a minimum total contribution of £10,000 being made within three years of commencement of the contract. Contract holders 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

Capital Builder may be denominated in one of a number of major currencies. Contract holders may change the currency denomination of the contract at any time, at the prevailing company exchange rate.

Unit Allocation

Accumulator units are allocated at bid price for 100% of all contributions received. The units allocated are directly related to specific contributions.

Fund Links

Units may be allocated from your choice of fund links selected 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.

Switching

Once £10,000 has been contributed to Capital Builder, switches will normally be free. A switching charge may be levied by Hansard International Limited in exceptional circumstances. Future contributions can be directed to a different set of fund links at any time without charge.

Please refer to the current Capital Builder Product Profile for the current switching charges.

Withdrawals

Withdrawals may be made on an ad-hoc basis or automatically to provide an income, subject to normal surrender rules and charges, and provided contributions totalling at least £10,000 have been received. There is a charge per withdrawal, which is waived depending on the amount of the total contributions paid and the frequency of withdrawal payment, in accordance with the table below:

Total Contributions Received	Regular Withdrawal Frequency
£10,000 - £24,999	Annually or half-yearly
£25,000 - £49,999	Annually, half-yearly or quarterly
£50,000 and above	Annually, half-yearly, quarterly or monthly

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



Surrender and Withdrawal Values

Withdrawals can be made at any time, for the value of the surrendered units less the balance of the year's management charge (on the amount realised) subject to the notes below. The value is calculated using the appropriate unit bid prices. The minimum surrender at any time is £100.

Units relating to contributions which have been invested for less than seven years are subject to a discontinuance charge on surrender. This charge is 7% of the amount surrendered if the related contribution has been invested for less than 12 months, reducing by 1% for each year of investment of the related contribution.

This discontinuance charge is waived when units are surrendered which relate to contributions which have been invested for between five and seven years, provided that the amount surrendered does not exceed 10% per year of the sum of the current value of those contributions.

On full surrender, the balance of the year's service charge and any establishment charges due but not yet applied to the contract will be levied.

If the minimum contribution of £10,000 in total is not received within three years of the commencement of the contract, or if the contract is fully surrendered within that period and the minimum contribution has not been received, an additional charge is levied by cancellation of units. For information on the additional charge at the time you apply for a Capital Builder contract, please refer to the Capital Builder Product Profile which must be read in conjunction with this brochure.

Where a withdrawal takes place within that period and before the minimum contribution has been received, if the value of the units remaining allocated to the contract after the withdrawal will be less than the

additional charge, then that charge will be deducted from the withdrawal amount.

Sum Assured

The benefit payable on the death of the appropriate life assured is 101% of the value of units allocated to the Capital Builder contract at the appropriate bid prices. Where the life assured (or, in the case of a joint-lives contract, the younger life assured) was aged 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 previously mentioned unit bid prices.

Charges

There is an establishment charge of 0.6% of each contribution levied quarterly in advance for four quarters. An annual service charge is deducted monthly. For information on the service charge at the time you apply for a Capital Builder contract, please refer to the Capital Builder product profile which must be read in conjunction with this brochure. There is a management charge, deducted continuously throughout the year, currently 1% per year of the value of the units allocated to the contract. Where fund links use the services of external managers, these fund managers levy their own charges in addition, which may vary at any time. The management charges are taken into account in the unit price.

Terms

The terms on which future contributions may be invested are not guaranteed and may change at any time. To confirm that these are the current terms, the Product Support Department should be contacted by telephoning +44 1624 688000.



Income Builder – Technical Guide

Income Builder is a version of the Capital Builder with the following differences.

Description

Income Builder, available from Hansard International Limited, is a unit-linked investment contract for single contributions.

Minimum Contributions

The minimum contribution is £10,000. Contract holders 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 minimum to the chosen contract currency. Additional contributions from £10,000 may be made at any time.

Withdrawals

Withdrawals may be made on an ad-hoc basis or automatically to provide an income, subject to normal surrender rules and charges. There is a charge per withdrawal, which is waived for certain withdrawals, depending on the amount of the total contributions paid and the frequency of payment, in accordance with the table shown.

Total Contributions Received	Regular Withdrawal Frequency
£10,000 - £24,999	Annually or half-yearly
£25,000 - £49,999	Annually, half-yearly or quarterly
£50,000 and above	Annually, half-yearly, quarterly or monthly

For information on the withdrawal charges at the time you apply for an Income Builder contract, please refer

to the Income Builder Product Profile which must be read in conjunction with this brochure.

Withdrawals, of up to 10% per year of the total current value of contributions made within the previous seven years, are not subject to the discontinuance charge described in the Surrender and Withdrawal Values section of the Capital Builder Technical Guide. Any unused portion of this 10% allowance may be carried forward and used in future years.

Charges

There is an establishment charge of 0.6% of each contribution levied quarterly in advance for eight quarters. An annual service charge is deducted monthly. For information on the service charge at the time you apply for an Income Builder contract, please refer to the Income Builder Product Profile which must be read in conjunction with this brochure. There is a management charge, deducted continuously throughout the year, currently 1% per year of the value of the units allocated to the contract. Where fund links use the services of external managers, these fund managers levy their own charges in addition, which may vary at any time. The management charges are taken into account in the unit price.

Terms

The terms on which future contributions may be invested are not guaranteed and may change at any time. To confirm that these are the current terms, the Product Support Department should be contacted by telephoning +44 1624 688000.



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 links appropriate for your circumstances.

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

Written illustrations of indicated 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.

How Do I Establish A Capital Builder Contract?

Having decided that Capital Builder is a suitable and appropriate contract for your requirements, you should:

- Decide the amount you wish to contribute, remembering that if you do not contribute the agreed minimum amount within the first three years, your benefits may be significantly reduced
- Choose your fund links (initially a maximum of 20 applies), and decide how your contributions are to be split among the chosen fund links
- Choose the currency in which your contract should be denominated

Then, complete the application form and send it to your independent financial advisor, or to Hansard International Limited, together with your preferred method of contribution, made payable direct to "Hansard International Limited".

Hansard International Limited is required by law to ensure that it does not receive money connected with any illegal activity. Certain enquiries may therefore be necessary to ascertain the source of funds and the identity of applicants.

Can I Exchange My Current Investments?

If you hold shares or other assets that can readily be sold on an exchange, Hansard International Limited may be able to arrange to sell them on your behalf at the rates available to institutional investors. Once sold, the proceeds received will be invested in your Capital Builder 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.



Capital Builder – 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.

This brochure should be read in conjunction with the Capital Builder Product Profile. The Product Profile 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 nor be bound by any contradictory or supplementary information provided by any third party about this product.

Hansard International Limited does not give advice on the suitability or otherwise of its products for individual applicants. Hansard International Limited products are available only through independent financial advisors and on the basis that the independent financial advisor is, in all respects, acting on behalf of the contract holder.

If a contract holder 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 contract holder 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 contract holder and Hansard International Limited. Copies of the Terms and Conditions are available on request.

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.

To verify the 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 Capital Builder.

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.

HANSARD INTERNATIONAL LIMITED

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A Member of the Association of International Life Offices
Regulated by the Isle of Man Government Insurance and Pensions Authority
Policyholders are protected by the Isle of Man Life Assurance (Compensation of Policyholders) Regulations 1991

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