



Veritas**life**

# Veritas Life Investment Bond

**Personalised Capital Redemption Policy**

A goal without a plan is just a wish



## Veritas Life Investment Bond

This is important information to help you decide whether the Veritas Life Investment Bond, Personalised Capital Redemption Policy is right for you.

The contract is set up for 99 years upon establishment and issued by Veritas Cell. The policy will naturally mature at the end of the 99 year term if not instructed to do so earlier.

### Objectives

- To allow your investment the opportunity to grow over the medium to long term
- To allow you to take advantage of investment opportunities from the world's leading fund managers
- To allow you to take regular or one-off withdrawals.
- To provide a guaranteed maturity value when surrendering the investment at the maturity date.

The Veritas Life Investment Bond is subject to Veritas Cell's Terms and conditions of issue.

### Not sure about something?

Please read this document carefully so that you understand what you are buying, and then keep it safe for future reference. If there is anything you don't understand or are not sure about, please contact your Financial Adviser. You should feel comfortable that you understand the features of the Veritas Life Investment Bond before deciding to invest.

This Key Features brochure should be read in conjunction with the Veritas Life Investment Bond "Brochure", "Application", "Illustration", "Key Information Document" and "Terms and Conditions" documents.

## Why the Veritas Life Investment Bond might be right for you if you:

- Are an expatriate or local, company or trust
- Are aged between 18 and 89
- Are you looking to invest at least £/\$/€ 50,000 or equivalent
- Want to invest for a medium to long term
- Are seeking to maximize the tax benefits of an offshore investment
- Want to achieve investment growth aligned to your attitude to risk
- Seeking ways to take regular or one-off withdrawals
- Want a guaranteed maturity value when surrendering the policy at the maturity date
- Are wrapping the policy with a pension and/or trust structure as it often preferred due to the options available upon death of the underlying plan holder/beneficiary.
- Looking for ways to pass on your wealth to your future generations by using appropriate nominations or trust structures

## Risks:

- The investment return may be lower than shown in the illustration and the benefits you receive may be less than you expected.
- The future return depends on the performance of the underlying investments within the policy.
- Your withdrawals will reduce the amount you get back from your investment which may cause you to get back less than you originally invested.
- The value of the policy can go up as well as down depending on the assets it is linked to. It is possible that you could get back less than your initial contribution.
- If you surrender your investment, particularly during the early years, the effect of fees and charges could mean that you get back less than you invested.
- Veritas Life Investment Bond fees and charges may be higher than expected.
- If you or your investment adviser deal excessively and your portfolio value is relatively small, then the value of your policy may be eroded and the costs may be disproportionately high.
- Where the base currency of the policy differs to the assets held, exchange rates may impact the value of the policy.
- Some assets carry a higher level of risk than others and may be subject to sudden and large falls in value or even total loss. Your appointed financial or investment adviser can help guide you as to which assets are suitable to meet your objectives and risk appetite.
- If the policy is surrendered or encashed, the amount that you will receive will be the balance of the assets held in the policy minus any fees and charges due.
- If you become resident or citizen in certain jurisdictions, the tax treatment of your Veritas Life Investment Bond may change.



## What is the Veritas Life Investment Bond?

- The Veritas Life Investment Bond is an investment linked capital redemption policy issued by Veritas Cell. Veritas Cell is authorised as a long-term Life Insurer/Re-insurer under the Insurance Business (Bailiwick of Guernsey) Law, 2002, as amended, by the Guernsey Financial Services Commission.
- It is an investment product that allows you to access to the world's investment markets through unit trusts, investment trusts and open-ended investment companies that suit your investment needs.
- It is an international lump-sum product that offers potential for growth over the medium to long term (ten years +)
- It is a policy that can be divided into segments between 1 and 100. This added flexibility may provide you with tax advantages in certain jurisdictions. Unless you confirm otherwise, your plan will be set up with 100 segments.
- It can provide you with easy access to your money through regular or one-off withdrawals.
- It runs for a fixed term of 99 years and has no lives assured. At the maturity date, the contract pays a guaranteed maturity value or, if greater, the surrender value.

## Your Commitment

You agree to invest a single lump sum of at least GBP/USD/EUR 50,000 to start your Veritas Life Investment Bond

You intend to invest for at least 10 years as the product has been designed as a medium to long-term investment solution (although you can surrender the policy whenever you need to, early encashment penalties may apply)

You are obliged to notify Veritas Cell of a change of address, residence or citizenship.

## Who can apply?

The Veritas Investment Bond can be owned on a single or joint basis. It can also be owned by companies, partnerships and trustees. Applicants must be aged 18-89 years. Up to ten lives assured can be named.

## How can I apply?

Investors should complete the application form and return it to their financial adviser along with the required documents. For the required documents, please see the 'Veritas Life Investment Bond – application form' which can be obtained from your financial adviser.

## How much can I invest?

- The minimum initial payment is GBP/USD/EUR 50,000.
- The minimum top up amount is GBP/USD/EUR 5,000.
- There is no maximum amount contribution.

## What are my payment options?

We will accept the following methods of payment:

- Telegraphic Transfer
- Cheque
- Asset Exchange – this is when you may hold existing assets and wish to transfer them into your new policy.

## Where and How can I invest my money?

Veritas Life Investment Bond allows access to a wide range of funds that enables you to build a portfolio that matches your risk profile and investment strategy:

- UK authorised investments trusts or an overseas equivalent [excluding warrants, within the meaning of section 842 ICTA 1988, and any subsequent amendments.
- UK investment trusts, excluding warrants, within the meaning of section 842 ICTA 1988, and any subsequent amendments.
- UK RE IT or an overseas equivalent
- Open-ended investment companies within the meaning of section 236 of the UK Financial Services & Markets Act 2000, and any subsequent amendments
- An interest in an overseas collective Investment scheme (as defined in section 235 of the UK Financial Services & Markets Act 2000 and any subsequent amendments that is structured as one of the following:
  - An Open-ended investment company
  - A unit trust
  - Offshore reporting and non-reporting funds
  - Hedge funds and exchange-traded funds providing they comply with one of the structures above, Cash, including bank and building society deposits

Before you invest in any assets you should make sure that you understand the fees and risks associated with it.

Make sure that you are comfortable with the possibility that you may not get back your initial investment and in extreme circumstances, you may get nothing back at all.

We cannot provide you with any advice in relation to which assets may be suitable to meet your investment goals. You or the individual you appoint is responsible for the assets selected for your plan.



## When thinking about how to invest in assets you have several options:

### Self-Investment

You may decide to buy and sell assets within your plan by conducting your own research and selecting your own assets. If you ask us to invest into an asset we do not already offer, we must review it against our acceptance criteria to ensure we can accept it before we can allow you to invest.

### Investment Platform

You may decide to appoint an external investment platform to hold your assets in their custody. You or your appointed investment adviser will instruct the investment platform to buy and sell assets on your behalf. We will not charge dealing or custody charges to your plan if you appoint an investment platform.

### Investment Adviser

You may decide to appoint an investment adviser to identify investment opportunities who will then instruct us to buy and sell assets on behalf of your plan. Your investment adviser will normally charge a fee for providing any advice and you should discuss this with them before deciding whether this facility is suitable for you. We will deduct Dealing and Custody charges every time your Investment adviser instructs us to buy or sell an asset on behalf of your plan, subject to any conditions explained in the "What are the Veritas Life Investment Bond fees and charges?" section.

### Discretionary management

By appointing a discretionary Investment manager to manage the assets within your plan. You are providing authority for them to make investment decisions on your behalf without discussing them with you first. The discretionary Investment manager will buy and sell the assets on your behalf and will hold the value of your plan in their bank accounts or custody accounts, which allows them complete control over what to buy and sell.

We will not charge dealing or custody charges to your plan if you appoint a discretionary Investment manager or investment platform, but they may apply additional fees every time they buy or sell on behalf of your plan.

## Investor Status

Your Investor status is used by us to understand what types of asset you wish to invest in. You should let us know whether you wish to hold retail or non-retail assets. If you do not tell us, we will assume you are a retail investor and wish to hold retail assets only.

It is your responsibility to obtain and read the prospectus and/or offering documents of any assets that you wish to hold in your Reserve. This will help you decide whether the asset is suitable for you.

## How will I know how my Veritas Life Investment Bond is performing?

Over time you may wish to change your investment strategy, therefore it is important that you keep track of your plans performance. Our Online Service Centre allows you to log in and monitor your plan from the very beginning. You will have the ability to view your plan details along with the ability to print valuations, both current and historic, review important documents such as your Application Form, Illustration or Key Information Document, research assets through the dedicated Research Centre or request to change investments. We recommend you take advantage by signing up for this service at outset. Keeping a copy of your original Illustration is a reassuring way of confirming that your plan is performing in line with your expectations.

## Can I take money out?

- You can surrender your policy in part or take withdrawals provided the cash-in value left isn't below GBP/USD/EURO 10,000 or, if greater, 10% of the original investment or additional investment(s) which is still within its initial charging period.
- If you have made a withdrawal and wish to reinvest it, you can and no additional Initial Period Charge will apply to the amount reinvested. Only one additional payment may be reinvested in respect of each withdrawal and the additional payment amount cannot be more than the amount withdrawn. The additional payment is subject to the minimum additional payment limits.
- If you surrender in part, we'll surrender one or more segments to make the payment. We'll make the payment from your General Transaction Account.
- If you take withdrawals, they will be taken proportionately across all segments. We'll make the payment from your General Transaction Account.
- If you take regular withdrawals, you choose how much (minimum GBP 250 each payment) and how often (every month, quarter, half-year or year) you want us to pay the money into your bank account. We reserve the right to stop the withdrawals if the cash-in value left falls below the minimum allowed.
- If you take money out in excess of the rate at which your investment grows, the value of your policy will reduce.
- We give example cash-in values in your illustration.
- You can surrender your policy in full.

## What might I get back if I surrender my Veritas Life Investment Bond?

- You will receive the surrender value of your policy after all assets have been sold and all outstanding fees have been deducted.
- The surrender value will depend on the amount you have invested, the performance of the assets of funds you have chosen over the lifetime of your policy and, in addition, the fees and charges and any withdrawals you may have taken.

## What happens if I die?

As there are no lives assured, the contract is set up for 99 years upon establishment. Upon death of the policyholder the contract continues until it is fully surrendered, or until it matures at the end of the 99-year term.

Following your death, the contract may be assigned to the beneficiaries or surrendered by your personal representatives, or by the trustees if the contract is written in trust. If surrendered, the surrender value of the contract will be paid out.

## Tax

The tax status of the policy is dependent on current law and regulation of Guernsey and the law governing the tax status of the policyholder, both of which are subject to change. Any legislative change in Guernsey or the policy holder's country of tax residence may remove or undermine any tax benefit obtained from the policy. We recommend that policyholders consult their legal, tax or financial adviser regarding their own position, as Veritas Cell does not provide legal, taxation or investment advice. Veritas Cell cannot be held responsible for any tax benefit which the policyholder may or may not obtain under the policy. Veritas Cell will not be liable for any personal tax that the policyholder is required to pay in relation to the policy or the tax treatment of a policyholder. Please note that tax legislation may change.

Veritas Cell is not liable to tax on the income or gains arising within the funds that made available under the Veritas Life Investment Bond. However, withholding tax may be deducted at source on income arising from investments held in some jurisdictions. This tax may not be recoverable.

Where a policy holds personalised assets, it is regarded as a Personal Portfolio Bond (PPB) as defined by section 517 of the Income Tax (Trading and Other Income) Act 2005. Under the PPB regulations, an annual tax charge is imposed on UK residents. The PPB tax charge assumes a deemed gain of 15% of the lump-sum investment and the cumulative deemed gains for each year your policy has been in force.

The tax charge is levied at the highest rate of tax you pay and top-slicing relief is not available.

### A tax charge may arise on one of the following events:

- Death of the policyholder
- Full assignment of a policy for consideration
- Full surrender of a policy (or full surrender of segments within a policy.)
- Asset exchanges may result in a personal tax liability, depending on your country of residence. Any liability must be met from your own resources.

**Tax rules are subject to change and the extent of your tax liability depends on your country of residence and personal circumstances. We recommend that you consult a financial or tax adviser for professional guidance. We do not condone tax evasion and our products and services may not be used for evading your tax liabilities.**

## What are the Veritas Life Investment Bond Fees and Charges?

Here is a summary of those plan charges and how they apply to you.

### Upfront Charge

The upfront charge option allows you to pay the full Initial Charging Period at the start of your plan. If you select this option, we will deduct the total Initial Charging Period from your initial lump sum payment, which will mean that the amount available to you to invest will be less than the amount you have paid.

If you choose this option we will apply 100% of your payment, minus the upfront charge, to your plan. In this instance, an early exit charge would not apply.

### Initial Charging Period

The initial charging period is based on the premium and paid monthly in arrears for a period of up to 10 years. If you cancel your plan before the end of the initial charging period, we will take the outstanding initial period charges as an early exit charge before paying the remaining plan value to you. The initial charging period exists in order to cover the set-up costs of your plan, including the payment of any commission or fees to your financial adviser.

### Policy Top-up Fee

The Policy Top-up Fee is a one off fixed fee that pays for the regulatory checks that Veritas Life is required to undertake prior to accepting the top-up payment and adding it to your Policy. The Policy Top-up Fee is deducted at from the value of your Policy.

### Transaction Fees

We will recover all transaction fees from your portfolio as they arise. Our aim here is to simply pass on costs incurred and aggregate costs to reduce your fees.

### Annual Management Fee

An annual management fee equal to a percentage of the policy, is taken at the end of each calendar month. Note this fee may be applied for the life of the policy.

### Investment Adviser Fee

This is an optional fee. If you choose to appoint an investment adviser, they may agree an ongoing fee with you for their services. You may pay the fee directly to your Investment adviser or alternatively, we can facilitate the payment from your plan.

### Financial Adviser Fee

This is also an optional fee. The amount of fee should be agreed between you and your financial adviser. The amount we deduct from your plan, if any, will be paid directly to your adviser.

### Custody Fee

We will charge a safe custody fee for each asset you hold in the policy and exists for the life of your policy.

### Stockbroker Fees

Where a chosen asset requires, it may be necessary to buy or sell the asset through a stockbroker, and any fees will be deducted from the Veritas Life Investment Bond cash account. The current stockbroker fees are available from us on request. Where a discretionary manager or investment platform has been appointed to your plan our stockbroker fees will not apply. You should ask any appointed discretionary manager or investment platform about their stockbroker's fees.

Your financial adviser will provide you with an Illustration and Key Information Document detailing the features specific to your plan including the payment allocation rate, the plan charges and any investment and/or financial adviser fees that may apply.

Other fees may also be applicable to your plan, although these are not necessarily charged by Veritas Life. You may incur fees for the payments made to your plan or for withdrawals taken by telegraphic transfer. Your bank will be able to explain these to you.

## What if I change my mind?

### During the cooling off period

If the Veritas Life Investment Bond does not meet your requirements, you may cancel it by notifying Veritas in writing within fourteen (14) days from the day the application is signed, and we will give you your money back, your premium will only be invested on 15th day following the date the application is signed.

Please remember to include your policy documents, full name and address and state that you wish to cancel your policy and sent it the address below.

### After the cooling off period

We will always assume that you intend to hold your plan for your intended investment term, however if you decide to cancel after the cooling off period and before any initial period charge has been paid in full, an early exit charge will apply which means you could get back less than you paid in. The potential impact of early exit charges are detailed in the Illustration and Key Information Document. We recommend that you always talk to your adviser first, before applying to make any changes to your plan.

## Where to find us

**Veritas Cell Guernsey,**  
c/o Artex Insurance (Guernsey) PCC Limited,  
Heritage Hall,  
Le Marchant Street,  
St Peter Port,  
Guernsey,  
GY1 4JH

## Language

All documentation and communications about your Veritas Life Investment Bond will be in English.

## Law

The Veritas Investment Bond is governed by Guernsey Law. This Key Features document is based on our current understanding and interpretation of relevant legislation as at November 2020. Whilst great care has been taken to ensure that the information is correct, we cannot accept any responsibility for its interpretation, or give legal advice. Full details of the investment are contained in the Veritas Life Investment Bond 'Terms and Conditions', which together with the 'Illustration' and completed 'Application' and 'Key Information Document' will form the legally binding contract between you and Veritas Guernsey.

## Role of Veritas Cell

Veritas Cell will not be providing you with any discretionary management service, any investment advice or any personal recommendation in respect of any investment option or otherwise and we do not provide any general financial planning services. It is the responsibility of your Adviser to discuss and agree with you which investment option is suitable for you.

## Data Protection Act

Pursuant to The Data Protection (Bailiwick of Guernsey) Law, 2017 (the “DP Law”) Veritas Cell may hold personal data (as defined in the DP Law) relating to past and present Policyholders, in particular:

- Information provided to Veritas Cell will be stored electronically and manually;
- For the purposes of the DP Law, Veritas Cell is required to specify the purposes for which it will hold personal data (including sensitive data). Veritas Cell will only use such Information for the purposes set out below (collectively, the “Purposes”), being to:
  - Process policyholder’s personal data (including sensitive personal data) as required by or in connection with their investment in the Veritas Life Investment Bond including processing personal data in connection with anti-money laundering checks on policyholders.
  - Communicate with policyholders as necessary in connection with managing and administering their affairs and generally in connection with their investment in the Veritas Life Investment Bond; Provide personal data to such third parties as Veritas Cell may consider necessary in connection with a policy holder’s affairs and generally with their investment in the Veritas Life Investment Bond or as the DP Law may require, including to third parties outside the Bailiwick of Guernsey or the European Economic Area;
  - Transfer personal data to other companies within the same group as Veritas Cell, including to any such companies which are outside the Bailiwick of Guernsey or the European Economic Area;
  - Process personal data for Veritas Cell’s internal administration;
  - Comply with the legal and regulatory obligations to Veritas Cell; and
  - For other legitimate business interest of Veritas Cell

By becoming a policyholder, a person becomes a data subject (as defined in the DP Law) and is deemed to have consented to the processing by Veritas Cell, or its affiliates, of any personal data relating to them in the manner described above. Under section 7(1) of the DP Law, you have the right to access information held by Veritas Cell about you. Your right of access can be exercised in accordance with the DP Law.

Your access request may be subject to a fee of up to GBP 10 to meet the costs in providing you with the details of the information Veritas Cell holds about you.

### How to contact us

Your financial adviser will normally be your first point of contact. If you have any questions you can phone, email or write to us:

Call us at: +44 (0) 1481 737100

Email us at: [support@veritaslife.org](mailto:support@veritaslife.org)

Or write to us at:

Veritas Cell Guernsey.  
c/o Artex Insurance (Guernsey) PCC Limited,  
Heritage Hall,  
Le Marchant Street  
St Peter Port  
Guernsey,  
GY14JH

### Complaints

If you wish to complain about any aspect of your Veritas Life Investment Bond, or the service you have received, please write to us:

Call us at: +44 (0) 1481 737100

Email us at: [support@veritaslife.org](mailto:support@veritaslife.org)

Or write to us at:

Veritas Cell Guernsey.  
c/o Artex Insurance (Guernsey) PCC Limited,  
Heritage Hall.  
Le Marchant street .  
St Peter Port  
Guernsey.  
GY14JH

**On receipt of a complaint you will be issued an acknowledgement together with a copy of the complaints procedure.**

**Veritas Cell will ensure each case is dealt with promptly and fairly.**