



Key Features

Key Features of the LMEP TOBCO Offshore Investment Bond

This key features document provides an overview of the main features of your Offshore Investment Bond. It should be read with your personal illustration which gives details of the benefits you may receive in the future. Please read these carefully and keep them for future reference.

The bond aims

- To provide growth on your lump sum investments by investing in a range of investment funds which grow in a tax-efficient environment.
- To offer a tax-efficient TOBCO of making withdrawals on a quarterly, half-yearly or yearly basis. One-off withdrawals are also available.

Your investment

- You can invest a cash sum of £5,000 or more.
- Premiums can be paid by bank transfer or cheque.
- Premiums can be paid in any currency for which La Mondiale Europartner can obtain a commercial conversion rate.
- The Investment Bond should be viewed as a medium to long-term investment.
- It has no fixed term.
- The Investment Bond is invested in investment funds detailed in your personal illustration of the Key Features. The number of Units of each investment fund determines the value of your Investment Bond

Risk factors

- What you get back cannot be guaranteed and depends on the performance of the funds in which you have invested. Investment performance may fluctuate.
- Your return may be less than the amount illustrated if, for example:
 - Investment growth is less than illustrated
 - Withdrawals are greater than illustrated
 - Fluctuations in exchange rates affect the performance of the funds chosen
- If the value of your underlying investment falls before notice of cancellation is given, you may not receive back the full amount you contributed at the start.
- As the bond is valued on a weekly basis, please note that there may be a delay for cashing in your bond until the next weekly valuation date.

Eligibility and restrictions

- You must be UK resident
- Your minimum over 18 years of age

Questions and answers

What is an Investment Bond?

It is a single premium investment bond, issued as a number of identical policies ("segments") for flexibility and tax efficiency. Your money is invested in a range of funds from which you have selected.

The Investment Bond can be set up by up to six individuals, the trustees of a trust or by a company. By setting up the Investment Bond with multiple lives (up to six lives), it can continue even after your death. Life cover will be paid out on the death of the last person covered; known as the last life assured.

This Offshore Investment Bond is issued by La Mondiale Euro-partner S.A. which is based in the Grand Duchy of Luxembourg.

How flexible is it?

- You can add additional amounts at any time. This is subject to a minimum of £1000
- You can split your policy up into 100 segments with a minimum of £250 per segment.
- You can have access to any investment funds allowed under Luxembourg insurance regulation and the Personal Portfolio Bond tax rules.
- You can make withdrawals at any time, providing you leave at least £250 in each segment of your Investment Bond.
- You can may cash in your investment at any time

What might I get back?

The amount you get back is not guaranteed and will depend on several factors, such as:

- How much you invested.
- The length of time it was invested for.
- The performance of the chosen investment funds.
- Our charges and any surrender penalties which may apply.
- The amount of any withdrawals.

Your personal illustration gives you an indication of potential returns.

Can I make withdrawals?

You may take money out at any time, but this will lower the value of your Investment Bond. You can make regular withdrawals on a quarterly, half-yearly or yearly basis. The minimum regular withdrawal is £250. Payment will be made direct into your bank account.

The minimum one-off withdrawal is £250. The maximum you may withdraw depends on the value of your Investment Bond at that time. You must leave at least £250 invested in each segment of the Investment Bond if you wish it to remain in force.

When a withdrawal across all segments is requested then the penalty-free allowance will be 5% of the total premiums invested. If, however, a surrender is requested with the total encashment of one or more segments then the penalty free allowance will be 5% of the value of the segment(s); the rest of the value of the encashment will be subject to penalties (see your personal illustration).

What is an Independent Financial Adviser?

Your Independent Financial Adviser is the person who will provide the support needed throughout the duration of your Investment Bond, whether it be for the Bond Application, investment management or any eventual modifications to the policy. The Independent Financial Adviser's remuneration is outlined in your personal illustration of the Key features as well as in the endorsements where applicable.

Where is my money invested?

The Investment Bond allows you and your Independent Financial Adviser to select and actively manage the investment portfolio in order to maximise investment opportunities presented by the in-





Key Features

ternational markets. The list of investment opportunities is available in your personal illustration of the Key Features.

What happens to my investment if I die?

If there are additional lives assured, the Investment Bond can continue until the death of the last life assured. It will be an asset of your estate unless the Investment Bond is in trust.

If you are the last life assured, a cash sum will be paid out to your estate on your death. The table of death benefit is displayed in the policy conditions.

If the Investment Bond is set up under a trust, the Investment Bond will continue under the ownership of, or the payment will be made to, the trustees.

What are the charges?

Expenses are incurred for the management and administration of the Investment Bond. These and any other charges are recovered by making deductions from the Investment Bond, and are detailed in your personal illustration.

Administration charges are taken weekly by reducing the number of units of your invested funds.

Further charges will be incurred from any underlying investments in which you choose to invest. However, we may negotiate special dealing terms or initial charges for you. These charges can be explained further by your IFA.

An early surrender penalty may apply in the six initial years of your bond. These are shown in your personal illustration.

Any currency conversions will take place at the official Paris Stock Exchange rate and will include a charge of 0.035%. The first 2 switches effected in each annual year will be free of charge. Further switches will be charged at a rate of 0,30%, with a minimum of £10.

What about tax?

Any growth or income achieved within your Investment Bond will not be subject to income tax or capital gains tax in Luxembourg. Dividends received on any underlying assets may suffer tax. The Investment Bond will therefore grow virtually tax free.

Income tax may apply if a chargeable gain arises on your investment. Generally this will occur when the Investment Bond is cashed in or when you have withdrawn more than the tax-deferred annual allowance of 5% of the amount invested. If you do not use your full allowance one year, you can carry the remainder forward for use in following years.

Current legislation may change and this may affect the tax status of the Investment Bond. Any reference to taxation in this key features document is based on our understanding of current taxation laws and practices in the Grand-Duchy of Luxembourg and in the UK. Our current understanding is that the Inland Revenue will recognise that the returns on investment bonds issued by La Mondiale Europartner will be subject to the taxation applicable in Luxembourg and will not be taxed on the UK standard basis.

The assumed basic rate of income tax is 20% and the higher rate is 40%. Please contact your IFA for more information.

Can I change my mind?

After you have invested, you will receive a notice detailing your right to change your mind and how to cancel. You will have 30 days to cancel your investment. If you decide to cancel, we will give you your money back. If, however, during these 30 days, the value of your underlying investments has fallen, you may not re-

ceive back the full amount invested.

How will I know how my Investment Bond is doing?

We will send you yearly updates on the value of your Investment Bond. You may request more regular valuations if you wish.

How to contact us

If you require further information regarding your Investment Bond, please contact us at:

La Mondiale Europartner
Client services department
B.P. 2122

L-1021 Luxembourg

Tel.:0808.234.66.07, Fax: 00352.45.87.18

E-mail:client-services@lamondialeuropartner.lu

If you wish to make an additional investment, one-off withdrawal or switch funds or cash in your portfolio, please contact us through your IFA or Investment Adviser.

Other Information

How to complain

If you wish to make a complaint about any aspect of the service you have received, please contact us in the first instance. Making a complaint does not affect your statutory rights.

Any complaints can be made to the Luxembourg insurance authority at :

Commissariat aux Assurances,

7, Boulevard Royal, L-2449 Luxembourg.

Terms and conditions

This key features document is only a summary. Full details of your Investment Bond can be found in the Policy Conditions booklet. Should there, at any point in the future, be any changes to the current terms and conditions of your Investment Bond, you will be notified in writing by La Mondiale Europartner.

Law

Your Investment Bond will be set up under, and governed by, the laws and jurisdiction of the Grand Duchy of Luxembourg.

Protection

Holders of policies issued by La Mondiale Europartner will not be protected by the Financial Services Compensation Scheme. However, under Luxembourg insurance law, a Luxembourg-based life assurance company must have sufficient assets deposited with an independent custodian bank to meet 100% of its liabilities to policyholders. The assets of the bank are under the supervision of the Luxembourg Insurance Authorities. This approach provides an outstanding level of protection and security for your investment.





Policy Conditions

Policy Conditions of the LMEP TOBCO Offshore Investment Bond

Introduction

These policy conditions set out the terms on which La Mondiale Europartner issues the Policyholder(s) with a Contract of Life Assurance. The terms of this booklet should be read in conjunction with the Policy Schedule, the Key Features and any subsequent endorsement to the Policy. Each Policy Schedule issued by La Mondiale Europartner forms part of a separate Contract of Life Assurance.

Definitions

In this policy, unless the context sets out otherwise:

(1) Words implying the masculine include the feminine, and vice versa.

(2) Words in the singular include the plural, and vice versa.

(3) Where an amount is stated in Pounds sterling it shall also be deemed to refer to an equivalent amount in any other Authorised Payment Currency.

(4) The following terms and expressions have the following meanings :

- ‘Administration Charge’ shall mean the charge that is applicable to the Policy; described in Condition XI.
- ‘Allocation Rate’ shall be as described in Conditions IV and XI.
- ‘Authorised Payment Currency’ shall mean Pounds sterling, Euro, US dollar, Canadian dollar, Swiss Franc and any other currency which La Mondiale Europartner deems to be an Authorised Payment Currency.
- ‘Business Day’ shall mean any day during which banks and insurance companies in Luxemburg are normally open for business.
- ‘Contract of Life Insurance’ shall mean and comprise:
 - a. the Policy
 - b. the Application made by the Policyholder for the Policy
 - c. the acceptance by La Mondiale Europartner of the Application.
- ‘Custodian Bank’ shall mean the Bank of Luxembourg or any such other entity as determined by La Mondiale Europartner at its absolute discretion.
- ‘Investment Fund’ shall mean one of the funds as described in Condition V.
- ‘Key Features’ shall mean the Key Features issued together with these Policy Conditions.
- ‘Life Assured’ shall mean the Life or Lives Assured named on the Policy Schedule.
- ‘Policy’ shall mean and comprise:
 - a. A Policy Schedule which refer to the Policyholder
 - b. These Policy Conditions
 - c. Any endorsement to these Policy Conditions and / or to the Policy Schedule.
- ‘Policyholder’ shall mean the Policyholder or Policyholders named in the Policy Schedule or his or their absolute assignees.
- ‘Policy Schedule’ shall mean the Policy Schedule issued together with these Policy Conditions.
- ‘Portfolio’ shall comprise all assets of the Portfolio.
- ‘Related Policies’ shall mean all policies issued on the same day

as the Policy, bearing the same policy number. These Related Policies shall be identical to each other. The number of Related Policies is referred to in the Policy Schedule.

- ‘Remittance Premium’ or ‘Premium’ shall mean an amount paid to La Mondiale Europartner.
- ‘Unit’, in relation to an investment Fund, shall mean one of the notional units into which such Investment is divided.
- ‘Unit Price’, in relation to a Unit of an Investment Fund, shall mean the Unit Price as determined in accordance with condition V.
- ‘Weekly Valuation Date’ shall mean the Friday of each week of the year (or the preceding day if the Friday is not a Business Day).

Discretionary Powers

(1) Application

The following documents must be transmitted to the company :

- Fully completed and signed application form
- Fully completed and signed confidential report
- Copy of a valid passport (or driving license)
- Copy of the signed Key Features

(2) Currency Conversion

(a) In cases where it is necessary to convert either a Premium or Units being switched from one Investment Fund to another, or Units being cancelled to provide for a surrender or withdrawal, or an amount of the Portfolio being encashed to provide for a surrender or withdrawal into another currency, then La Mondiale Europartner will carry out the conversion as soon as it is reasonably practicable to do so.

(b) The cost of currency conversion is fixed at 0.035% of the official rate of conversion on the day when the conversion is done. The cost of conversion will be borne by the Policyholder and will be reflected in the Premium or a reduction in the value of a surrender or a reduction in the amounts of Units to be allotted (where a switch is taking place), as appropriate and as further described in these Policy Conditions.

(3) Evidence of Age and Other Information

(a) The provision of benefits or cover under the Policy depends on, among other things, La Mondiale Europartner’s getting proper evidence and information (e.g. evidence of the age of the Life Assured, the occurrence of the event or contingency on which the benefits are to become payable and the title of the person claiming the benefits).

(b) La Mondiale Europartner shall ask for such evidence in good faith and in a reasonable manner. The evidence or information asked for shall not be unreasonably excessive or unreasonably onerous bearing in mind the underlying need for the information.

(4) Alterations to Policy

If, during the term of the Policy, legislation or other circumstances make it impracticable or impossible to give full effect to these Conditions, or if the basis of taxation applicable to La Mondiale Europartner, to the Investment Funds, or to the assets of the Portfolio or to the Policyholder is altered or is otherwise than currently contemplated by La Mondiale Europartner then La Mondiale Europartner may make such alterations to the Policy as it deems appropriate in the circumstances.



Policy Conditions

Conversion of Remittance Premiums and Investment of Premiums

(1) Conversion of Remittance Premiums

(a) Where the Remittance Premium is given to La Mondiale Europartner in an authorised Payment Currency which is not the Denomination Currency of the Investment Fund in which Units are to be allotted then the Remittance Premium will, prior to Units being allotted (or prior to being applied to the Portfolio), be converted into the required Denomination Currency.

(b) The cost of conversion will be reflected in the number of Units, which is stated in the Schedule.

(2) Unit Allocation of investments

As at the next following valuation of funds, as described in condition VI, after which any Premium is deemed to be paid, the Allocated Value as more particularly described on the Policy Schedule or any endorsement to the Policy thereof shall be applied in allotting the Policy such number of Units of the relevant Investment Funds as can be allocated at the relevant Unit Price by the Allocated Value, and

(a) The date on which a Premium is deemed to be paid will be the date on which La Mondiale Europartner is in receipt of a fully-completed Application by the Policyholder which has been accepted by La Mondiale Europartner together with cleared funds in the appropriate Denomination Currency representing the amount of the Premium;

(b) (i) the relevant Investment Funds shall mean the Investment Funds in the proportion selected by the Policyholder.

(ii) the relevant Unit Price shall mean the Unit Price calculated at the next valuation following the deemed payment of the Premium;

(c) the Allocated Value of any Premium shall be determined by multiplying the Premium by the percentage Allocation Rate specified in these Conditions and/or the Schedule or such other Allocation Rate is confirmed by La Mondiale Europartner to the Policyholder in respect of any additional Premium paid after payment of the first Premium

The Investment Funds

The Investment Funds shall consist of any Investment Fund or Funds, which La Mondiale Europartner accepts to link to its policies. A list of and description of the Investment Funds (including the Currency of the Investment Fund) to which La Mondiale Europartner agrees that policies of the class of the Policy may be linked, can be obtained, on request by the Policyholder from the Registered Office of La Mondiale Europartner.

Closing of Investment Funds

La Mondiale Europartner will have the rights to close an Investment Fund on giving not less than three months' notice to the holders of Units of that Investment Fund. No further units may be issued in a Fund which is closed, but it shall remain in being until it is wound up or the last of its Units is cancelled.

Valuation of Investment Funds

(1) Time of valuation

On each Weekly Valuation date, a valuation of each of the In-

vestment Funds will be conducted as set out below in order to establish the Unit Price for Units thereof.

(2) Method of Valuation

(a) The value of any Investment Fund will equal the estimated market price at which it might be realised.

(c) For the purposes of valuation of any Investment Fund, the value of the assets quoted or listed on any recognised stock exchange shall be determined according to the latest published quoted prices (but subject to such adjustment as La Mondiale Europartner may consider equitable to reflect any subsequent change in the market, any current restrictions or difficulties in trading in such assets and any other circumstances likely to affect such valuation). The value of any Investment Fund will be assessed according to the acquisition costs thereof or, if available, subsequent valuations, adjusted to reflect any change in the market value which it is considered has taken place since the date of such acquisition or valuation

Switch of Investments

The Policyholder may request in writing to La Mondiale Europartner to cancel all or any of the Units allotted to the Policy in any Investment Fund and to allot in their place Units in any of the other Investment Funds to which Units of the Policy may be linked, on the following conditions:

(a) (i) Where the Units are to be allotted in an Investment Funds which has a denomination currency other than the Denomination Currency of the Investment Fund from which Units are being cancelled then, prior to the Units being allotted, the value of the Units being cancelled will be converted into the required Denomination currency.

(ii) The cost of conversion will be reflected in a reduced amount being applied to allot Units in the new Investment Fund.

(b) The transactions will be effected at the Unit Price of the Units cancelled and allotted, calculated at the next valuation thereof following receipt of such request. La Mondiale Europartner reserves its right to affect such transactions in the aforementioned manner, calculated at the second valuation following receipt of the Policyholder's request upon giving the Policyholder not less than 14 days' prior written notice.

(c) The value of the Units allotted to any Investment Fund (both existing and those resulting from any switch hereunder) or those which would be retained in any Investment Fund after cancellation of Units as a result of such Switch must not be less than £250 sterling.

(d) Unless otherwise agreed by La Mondiale Europartner, a request under this Condition will be applied proportionately to this Policy and all Related Policies.

Valuations and Communication of Unit prices

(1) Annual Valuations

La Mondiale Europartner will, within two months of the end of each year, provide the Policyholder with a valuation showing the number of Units held by the Policyholder in each Investment Fund, the Unit Price as at the date on which the valuation is produced, the value of the Units held in each Fund and the total value of Units held by the Policyholder

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(2) Valuations on request

Valuations as described in (1) above in relation to any specific period may also be provided to the Policyholder, at any time, on request with no additional cost.

(3) Transaction Reports

La Mondiale Europartner will, within two weeks of each transaction, provide the Policyholder with an endorsement to the Policy showing either the Premium received by La Mondiale Europartner, the switches between Investment Funds, the withdrawal or the surrender of the Policy. The report will also include details of Units bought and sold in respect of each reported transaction.

Portfolio Valuations

(1) Valuation Frequency

A valuation of the Portfolio, as set out below, will be conducted on every Weekly Valuation Date in order to establish the value of the Portfolio. Where a Weekly Valuation Date is not a Business Day then the valuation of the Portfolio shall take place on the immediately preceding Business Day.

(2) Method of valuation

(a) The value of the Portfolio will be determined by La Mondiale Europartner from the corresponding values of the Investment Funds, mentioned hereafter, under deduction, in each case, of the estimated cost of the liabilities of the portfolio (including actual or contemplated liabilities, provision for estimated taxation and other liabilities which would arise on the sale of the assets, and accrued or prospective charges) as determined by La Mondiale Europartner.

(b) The value of any Investment Funds will be the estimated market price at which it might be sold.

(c) For the purpose of valuation of assets, the value of assets shall be determined according to the latest published prices (but subject to such adjustment as La Mondiale Europartner may consider equitable to reflect any subsequent change in the market, any current restrictions or difficulties in trading in such assets and other circumstances likely to affect such valuation).

Surrender

(1) General

(a) The Policyholder may by written request to La Mondiale Europartner, using a form supplied for this purpose, surrender the benefit under the Policy in whole or in part by cancellation of all or some of the Units allotted to the Policy.

(b) All surrenders will be carried out at the Unit Price of Units, calculated at the valuation immediately following the time of receipt by La Mondiale Europartner, at its Registered Office in Luxembourg, of the duly completed request form.

(c) (i) Units will be cancelled from such Investment Fund or Funds as the Policyholder may select on the request form. If no selection is made by the Policyholder, then Units will be cancelled proportionately from each Investment Fund in which the Policyholder holds Units.

(ii) The above condition is subject always to a minimum value of Units, at Unit Price, in each Investment Fund in which the Policyholder holds Units at the time of surrender, of £250 sterling remaining at any time.

(d) The minimum amount of each surrender (with the exception

of regular withdrawals as described in (2) below) will be £250 sterling.

(e) If the value at the Unit Price of all Units allotted to the Policy and all Related Policy amounts, at any time, to less than £250 sterling, and remains less than £250 sterling on a date 28 days after falling below this level, La Mondiale Europartner reserves the right to deem the Policy and all Related Policies on that date to be fully surrendered. On receipt of the Policy and all Related Policies, La Mondiale Europartner will pay the amount due on full surrender in accordance with these Conditions.

(2) Regular Withdrawals

(a) (i) The Policyholder may choose to receive fixed regular withdrawals by way of regular cancellation of sufficient Units allotted to the Policy to provide the value to the chosen amount.

(ii) Units will be cancelled proportionately from all Investment Funds in which the Policyholder holds Units, as selected by the Policyholder, unless as otherwise agreed between La Mondiale Europartner and the Policyholder.

(b) The minimum regular withdrawal is £250 sterling, regardless of the frequency of the withdrawal.

(c) Regular withdrawals will be made proportionately from across the Policy and all Related Policies.

(3) Currency Conversion

(a) Where the payment is being made in terms of this Condition and where such a payment is made in a currency other than the Denomination Currency of the Investment Fund from which Units are being cancelled to provide for the payment then, prior to making the payment, the value of Units being cancelled will be converted into the currency in which payment is to be made.

(b) The costs of conversion is reflected in the payment made to the Policyholder.

Charges

(1) Allocation Rate

The Allocation Rate defines your level of investment by multiplying your premium by the Allocation Rate.

(2) Administration Charges

On each Weekly Valuation Date, an Administration Charge will be calculated according to the rate stated on the Policy Schedule.

(3) Surrender charges

(a) Following any surrender in terms of Condition X., a Surrender Charge will be deducted by way of a reduction in the amount payable to the Policyholder as a result of the surrender.

(b) The Surrender Charge shall be deemed to be a percentage (as more particularly described in the Policy Schedule) of the amount of the surrender. In the case where there have been more than one premium paid, the surrender penalty shall be a weighted average calculated on the basis of when the premiums have been paid.

(4) Custodian charges

Custodian Charges levied by the Custodian Bank incurred by or on behalf of La Mondiale Europartner in holding, purchasing or selling the assets of the Portfolio shall be borne by La Mondiale Europartner.

(5) General

(a) All the charges and fees described above will be met by proportionately withdrawing Units from each Investment Fund in

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which the Policyholders holds Units.

(b) Where a Weekly Valuation Date is not a Business Day the value of the Portfolio, for the purpose of deducting charges, on a Weekly Valuation date shall be the value at the immediately preceding Business Day.

Death benefit

(1) In the event of the Death Benefit becoming payable, the assets of the Portfolio will be liquidated by La Mondiale Europartner as soon as possible after La Mondiale Europartner receives official notification of the relevant death.

(2) (a) The Death Benefit payable will, subject to (b) below, amount to the value of the Portfolio on the date at which all the assets of the Portfolio are liquidated.

(b) The sum calculated in (2) (a) above will then be multiplied by the factor, shown in the following table, appropriate to the age upon the death of the last of the Lives Assured to die (or in the event of joint Lives Assured, dying simultaneously, by reference to the age of the elder or eldest).

Attained Age On Death	Factor
74 or less	1.010
75	1.009
76	1.008
77	1.007
78	1.006
79	1.005
80	1.004
81	1.003
82	1.002
83 or more	1.001

Miscellaneous

(1) Notices

(a) La Mondiale Europartner will not accept or act upon any request or instruction validly made under these Conditions until it has received at his Head Office notification in writing thereof and any documents and information which La Mondiale Europartner may require.

(b) Where La Mondiale Europartner requires to give notice to the Policyholder in terms of these Conditions then notice will be deemed to have been received by the Policyholder five Business Days after posting of such notification addressed to the last known address for one or more of the Policyholders or to the last known address of the agent for any of the Policyholders.

(c) No third party is authorised to accept any such request, instruction or notification on behalf of La Mondiale Europartner.

(2) Termination

No further benefit under this Policy shall be payable after payment of the Death Benefit in terms of Condition XII or on the Policy being fully surrendered in terms of Condition X.

Law and Jurisdiction

(1) The contract of Life Assurance with La Mondiale Europartner of which these Conditions form part shall be governed by, and construed in accordance with the laws of Luxembourg.

(2) Any legal suit, action or proceedings arising out of or relating to this Policy and the Contract of Life Assurance of which it forms part shall be subject to the exclusive jurisdiction of the courts of law in Luxembourg.

(3) The Policyholder shall have no right in terms of these Policy Conditions or otherwise, to pursue by way of any legal suit, action or proceedings, any assets linked to policies that are owned by other policyholders of La Mondiale Europartner.

Authorised by the Commissariat aux Assurances (CAA) of Luxembourg and regulated by the Financial Services Authority (FSA) for the conduct of UK business.

LA MONDIALE EUROPARTNER

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TOBCo is the trading style of :

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