

NUCLEUS  
OFFSHORE  
BOND

**TERMS AND  
CONDITIONS**

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## **CONTENTS**

1. Introduction	1
2. Your Policy and Premium	2
3. Additional Premiums	2
4. Linked Investments	2
5. Linked Investment Charges	2
6. Cash Account	3
7. Discretionary management	3
8. Valuing Your Policy	3
9. Policy charges	3
11. Surrendering Segments	3
12. Surrendering Your Policy in full	3
13. Benefit on death	4
14. Payments from Your Policy	4
15. Changes to Your personal situation	5
16. Tax	5
17. Allowable deductions	5
18. Law	5
19. Force majeure	5
20. Changes to the Terms and Conditions	5
21. Rights of third parties	5
22. Contact details	5
23. Important notes	5

# SECTION A

## INTRODUCTION

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### 1. INTRODUCTION

1.1 This document sets out the terms and conditions of Your Policy – how it works, what You can expect Us to do, and what We expect You to do.

1.2 These terms and conditions are part of the contract between You and RL360 Insurance Company Limited. The contract is governed by the following documents:

- a) Your Application Form
- b) these Terms and Conditions
- c) Your Policy Schedule
- d) any Endorsements to Your Policy Schedule
- e) any other document that evidences a change in the contract between You and Us.

Some aspects of Your Policy will operate as defined in the Nucleus

Terms and Conditions. This will be detailed where appropriate.

1.3 All of these documents are proof of the terms of the contract and are important. Please keep them in a safe place.

1.4 We give this document to everyone when they take out the Personal Investment Management Service. Not only does it give You all the details about Your Policy, it will also give You important information about what to do if You want to make a change to it.

1.5 In this document We highlight important words with capital letters; these are defined in the glossary of terms in Section D. Words in italics show that this is the name of another document within the Personal Investment Management Service literature suite.

1.6 The expression ‘person’ shall mean any natural person, partnership, joint venture, corporation (wherever incorporated), trustee, firm, association, government, governmental (or supra-governmental) agency, authority or department, or any other entity, whether acting in an individual, fiduciary or other capacity.

1.7 If there is a conflict or ambiguity between these Terms and Conditions and the Personal Investment Management Service literature provided, these Terms and Conditions shall take precedence.

# SECTION B

## THE POLICY

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### 2. YOUR POLICY AND PREMIUM

2.1 Your Policy will begin on the Start Date shown in Your Policy Schedule. We will apply Your Premium at the Allocation Rate shown in Your Policy Schedule and then divide it between the Cash Account and any Linked Investments that You or Your adviser have asked for.

### 3. ADDITIONAL PREMIUMS

3.1 Subject to the minimum amount (see the Key Features), You can pay an additional Premium into Your Policy at any time. We will issue an Endorsement to Your Policy Schedule, this will detail the Policy charges and Allocation Rate relating to Your additional Premium.

### 4. LINKED INVESTMENTS

4.1 Your Linked Investments, including the Cash Account, will be used to determine Your current Policy Value, its Surrender Value and Death Benefit.

4.1.1 You must place a minimum amount into each Linked Investment. The provider of Your chosen Linked Investment may also apply a minimum amount, this may be above Our own.

4.1.2 Your Policy can hold any number of Linked Investments at one time. Any income or capital will be credited to the Policy Cash Account.

4.1.3 If any Linked Investment is valued in a currency other than the Policy Currency, its value will be converted into the Policy Currency at a rate determined by us, based on those commercially available in the market.

4.1.4 Where a Linked Investment is bought or sold in a currency other than the Policy Currency, a foreign exchange transaction will

take place at a rate determined by us, based on those commercially available in the market.

#### 4.2 Acceptability

4.2.1 We will have the right, at all times

- a) to determine the acceptability of investments being linked to Your Policy;
- b) to refuse an instruction from You or Your appointed advisers to buy any Linked Investment which We consider to be unacceptable under law or to Us;
- c) to sell any Linked Investment which We consider has become unacceptable under law or to Us;
- d) to take an amount from the Cash Account that is equal to any charges or other costs, including but not limited to currency conversion costs, that We are charged as a result of buying, selling, or valuing investments linked to Your Policy.

4.2.2 Where We accept a Linked Investment, We only consider its acceptability, We do not check to see if it is suitable to meet Your needs. We will not provide You with any investment advice at any time.

4.2.3 We will not be responsible for the loss of an investment opportunity as a result of Our decision not to accept a Linked Investment. In addition We will not be responsible for any monetary loss which may occur as the result of a delay whilst We consider whether a Linked Investment is acceptable.

4.2.4 No investment shall be linked to the Policy where the consequences of its inclusion would result in a tax charge under the Income Tax (Trading and Other Income) Act 2005 section 515 (or any statutory re-enactment thereof).

We will have the right, at all times to determine the suitability of investments being linked to the Policy; to refuse an instruction from You or Your appointed adviser, to buy any Linked Investment which We consider to be unsuitable for the Policy; to sell any Linked Investment which We consider is, or has become, unsuitable for the Policy; to debit the cash account by an amount equal to any charges or other liabilities (including the cost of currency conversion) that may be incurred as a result of the purchase, valuation, sale or switching of investments linked to the Policy.

#### 4.3 Risk

4.3.1 All Linked Investments will have some form of risk attached to them. We will not be responsible for the performance of Your Linked Investments and We will not pay any compensation to You should they fall in value, or have no value at all. Where the provider of an investment linked to Your Policy becomes Insolvent or is unable to meet its liabilities for any reason, Your Policy will suffer the loss.

#### 4.4 Terminating a Linked Investment

4.4.1 If We need to terminate an investment linked to Your Policy, We will add its sale value less any charges, to the Cash Account.

### 5. LINKED INVESTMENT CHARGES

5.1 The charges that apply will depend on the Linked Investments chosen for Your Policy, the Investment Manager, their valuation currency, country of origin and dealing requirements. Charges can include, but are not limited to, initial and annual management charges, performance fees and exit fees. Any charges are determined by the Investment Manager and will be deducted directly from the value of Your Linked Investments. Please see

Condition 7.1 for details about the Discretionary Manager charges.

5.2 Charges will be taken in accordance with the Nucleus Terms and Conditions.

## **6. CASH ACCOUNT**

6.1 Your Cash Account will be operated in accordance with the Nucleus Terms and Conditions.

## **7. DISCRETIONARY MANAGEMENT**

7.1 You may appoint a Discretionary Manager to be responsible for selecting Your Linked Investment. This will be done in accordance with the Nucleus Terms and Conditions.

## **8. VALUING YOUR POLICY**

8.1 You will be able to obtain valuations of Your Policy online from Your own secure Nucleus Wrap Account.

8.2 In the situation where a Linked Investment is suspended, for any reason, it may have no value within Your Policy until such a time as it is no longer suspended.

## **9. POLICY CHARGES**

9.1 The charges that apply to Your Policy are shown in Your Policy Schedule. They will also be shown in Your Valuation Statement.

### **9.2 The Initial Fee**

9.2.1 This fee is taken from the Cash Account on Your Policy Start Date and will be shown in Your Policy Schedule.

### **9.3 Fee (Annual)**

9.3.1 This is a percentage which is accrued daily and taken from the Cash Account each month. The percentage to be taken will be shown in Your Policy Schedule. If this fee applies to an additional Premium it will be accrued daily and taken from the Cash Account each month and will be detailed in Your Endorsement.

### **9.4 Adviser Fee (Initial)**

9.4.1 The fee as agreed between You and Your Adviser for the initial

advice. The Adviser Fee (Initial) is taken from the Cash Account.

### **9.5 Adviser Fee (annual)**

9.5.1 The fee as agreed between You and Your Adviser for ongoing advice. The Adviser Fee (annual) is taken from the Cash Account.

### **9.6 Adviser Fee (ad-hoc)**

9.6.1 The fee as agreed between You and Your Adviser for specific advice. The Adviser Fee (ad-hoc) is taken from the Cash Account.

### **9.7 All Other Charges**

9.7.1 All other charges in relation to Your Policy will be detailed in the Nucleus Terms and Conditions.

## **10. Taking withdrawals from Your Policy**

10.1 You can take regular or one-off withdrawals from Your Policy at any time by telling Us in writing. Withdrawals will always be paid in the form of a cash amount.

10.2 We pay withdrawals from the Cash Account. This means You must hold an amount in the Cash Account that is large enough to cover the payment of Your withdrawal. Where the amount is not large enough to cover the withdrawal Nucleus will ask You which Linked Investments You would like to sell in order for Us to pay the withdrawal.

### **a) Regular withdrawals**

You may take regular withdrawals on a monthly, quarterly, or yearly basis.

We will not allow You to take regular withdrawals below a minimum amount. The minimum amount is detailed in the Key Features document, but may change in the future. You can ask Us for details of the minimum regular withdrawal allowable at any time.

We will stop a regular withdrawal from being paid where it would take Your Policy Value below the minimum allowed at the time of the withdrawal. The minimum allowable Policy Value is detailed in the Key Features document, but may change in the future. You can ask Us for details of the minimum Policy Value at any time.

### **b) One-off withdrawals**

We will not allow You to take a one-off withdrawal below a minimum amount. The minimum amount is detailed in the Key Features document, but may change in the future. You can ask Us for details of the minimum one-off withdrawal allowable at any time.

We will stop a one-off withdrawal from being paid where it would take Your Policy Value below the minimum allowed at the time of the withdrawal. The minimum allowable Policy Value is detailed in the Key Features document, but may change in the future. You can ask Us for details of the minimum Policy Value at any time.

## **11. SURRENDERING SEGMENTS**

11.1 You can surrender Segments at any time by telling Us in writing.

11.2 We will stop a Segment surrender where it would take Your Policy Value below the minimum allowed at the time of the withdrawal. The minimum allowable Policy Value is detailed in the Key Features document, but may change in the future. You can ask Us for details of the minimum Policy Value at any time.

## **12. SURRENDERING YOUR POLICY IN FULL**

12.1 You can surrender Your Policy at any time by telling Us in writing. When We pay the Surrender Value of the Policy to You, the Policy will come to an end.

12.2 On receiving written notification of Your request to surrender Your Policy, We will

- a) Stop all regular withdrawals and any other actions due to take place;
- b) Advise Nucleus to sell all of Your Linked Investments and add the sale amounts to the Cash Account;
- c) Calculate the final Surrender Value of the Policy

12.3 We will not pay out the Policy Surrender Value until all Your



Linked Investments have been sold and the sale amounts have been added to the Cash Account. We must also receive the Policy Schedule and any additional Endorsements before We will pay out the Surrender Value.

### **13. BENEFIT ON DEATH**

**13.1** On receiving written notification of the death of the last Life Assured on Your Policy, We will

- a) Stop all regular withdrawals and any other actions due to take place;
- b) Advise Nucleus to sell all of Your Linked Investments and add the sale amounts to the Cash Account;

c) Calculate the final Death Benefit of the Policy

**13.2** We will only pay out the Death Benefit when We have received proof

- a) of the death of the last Life Assured; and
- b) that You, Your estate or someone else has the legal right to the Policy benefits

**13.3** We will not pay out the Death Benefit until all the Linked Investments have been sold and the sale amount has been added to the Cash Account. We must also receive the Policy Schedule and any additional Endorsements before We will pay out the Death Benefit.

### **14. PAYMENTS FROM YOUR POLICY**

**14.1** We will make all payments from Your Policy in the Policy Currency.

**14.2** We may delay making any payment to You from Your Policy if there are any Linked Investments to be sold in order to make the payment. We will do this if, for any reason, the Linked Investments cannot be sold immediately.

# SECTION C

## GENERAL

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### 15. CHANGES TO YOUR PERSONAL SITUATION

15.1 You must tell Us in writing about any changes to Your address, country of residence, citizenship or domicile as soon as possible after any change. You must also tell Us in writing about any of those same changes to the Lives Assured on Your Policy.

### 16. TAX

16.1 We will not be responsible for any tax liability that may arise as a result of your country of residence, citizenship or as a result of transactions that You may instruct Us to carry out. This includes, where appropriate, tax charges applied as a result of holding Linked Investments that are not allowable under the UK Income Tax (Trading and Other Income) Act 2005 section 515 (or any statutory – re-enactment thereof).

For further information please write to: Data Protection Officer, RL360, RL360 House, Cooil Road, Douglas, Isle of Man, IM2 2SP, British Isles.

### 17. ALLOWABLE DEDUCTIONS

17.1 If We are required by law to pay any amount concerning Your Policy to any government, statutory or regulatory agency or authority (including any levy imposed on Us as a result of the Isle of Man's Life Assurance (Compensation of Policyholders) Regulations 1991), We may deduct the amount to be paid from the Cash Account.

### 18. LAW

18.1 The laws of the Isle of Man govern this Policy and the Isle of Man courts will have exclusive jurisdiction in relation to all disputes.

### 19. FORCE MAJEURE

19.1 We will not be legally responsible should We be prevented from fulfilling Our obligations due to any event beyond Our control, including, but not limited to:

- a) any Act of God
- b) Pandemic
- c) War
- d) National emergency
- e) Fire
- f) Flood
- g) Strike
- h) Industrial action
- i) Telecommunications Failure

### 20. CHANGES TO THE TERMS AND CONDITIONS

20.1 If We need to alter the Terms and Conditions of Your Policy, for any reason other than those already explained in previous conditions, We will provide You with at least three months written notice before making the change.

20.2 If You are unhappy with any change We make to the Terms and Conditions You will be able to surrender Your Policy, by telling Us in writing that You wish to do so. You will receive the Surrender Value of Your Policy according to the existing Terms and Conditions of Your Policy.

20.3 Where there is a conflict between the terms and conditions detailed in the Nucleus Terms and Conditions and these Terms and Conditions then the Nucleus Terms and Conditions will take precedence.

### 21. RIGHTS OF THIRD PARTIES

21.1 No condition of this Policy is enforceable under the Contracts (Rights of Third Parties) Act 2001 by a person who is not party to this contract but this does not affect any right or remedy of a third party which may exist or be available otherwise than under that Act.

### 22. CONTACT DETAILS

22.1 RL360  
International House  
Cooil Road  
Douglas  
Isle of Man  
IM2 2SP  
British Isles

### 23. IMPORTANT NOTES

23.1 These Terms and Conditions have been drafted in accordance with Our understanding of the laws of the Isle of Man, those laws and regulations of England and Wales relevant to the provision of offshore bonds, and the rules, regulations, guidance and practice of HM Revenue and Customs as at December 2013. These Terms and Conditions, and the information contained within them, are not intended as a substitute for legal and taxation advice.



# SECTION D

## GLOSSARY

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### Act of God

Any kind of happening, occurrence or event that transpires due to natural causes. Such acts include earthquakes, storms, hurricanes and cyclones.

### Allocation Rate

When a Premium is paid into Your Policy it will be multiplied by an Allocation Rate of 100%.

### Application Form

The Application Form accepted by the Us which forms part of Your contract with Us.

### Cash Account

The Cash Account is used to buy or sell Linked Investments. We also use it to take charges and pay any withdrawals from Your Policy.

### Death Benefit

This is the value of Your Policy less any charges that apply.

### Discretionary Manager

Someone that You appoint to Your Policy, subject to Our acceptance that will manage the ongoing selection of Linked Investments for Your Policy.

### Endorsement

The document issued to You when a change has been made to Your Policy.

### Insolvent

When a company is unable to meet its liabilities.

### Investment Manager

The company that manages a Linked Investment, for instance JP Morgan or Fidelity.

### Key Features

The document given to You when You are applying for the Policy.

### Life or Lives Assured

The person or persons on whom the payment of a benefit on death from Your Policy is dependent. The Life or Lives Assured will be named in the Policy Schedule.

### Linked Investment

A Linked Investment can be any type of investment that is allowable under regulation Chapter 9,S.517 - S.521 ITTOIA 2005 (PPB Regulations). Only exceptions are Pension Scheme Applicants. The Linked Investment must also be acceptable to RL360. It is linked to Your Policy and used to determine its value. Linked Investments are owned by RL360, not You. A Linked Investment may be referred to as a Security or Fund under the Nucleus Terms and Conditions.

### Minimum Amount

The lowest amount allowed by Us at any given time.

### Nucleus Terms and Conditions

The document that details the terms of the service provided by the Nucleus Wrap, not Your Policy.

### Nucleus Wrap

The service provided by Nucleus Financial Services Limited as detailed in the Nucleus Terms and Conditions.

### Personal Investment Management Service

This is the product name of Your Policy.

### Policy

This consists of the contract between You and Us, as set out in the following documents:

- a) Your Application Form
- b) these Terms and Conditions
- c) Your Policy Schedule
- d) any Endorsements to Your Policy Schedule

e) any other document that evidences a change in the agreement between You and Us.

### Policyholder

Is the person or persons who own the Policy and are detailed in the Policy Schedule.

### Policy Currency

This is the currency in which Your Policy is issued and is detailed on Your Policy Schedule.

### Policy Schedule

The document issued to You on Your Policy Start Date. It details the Life or Lives Assured, Premium and charges that will apply to Your Policy.

### Policy Value

The value of Your Policy as determined by Us and calculated from Your Linked Investments and the Policy Cash Account.

### Premium

An amount of money (in the form of cash) which is payable by You and detailed in Your Policy Schedule and any future Endorsements.

### RL360

Means RL360 Insurance Company Limited.

### Segments

The number of Segments making up Your whole Policy is 100 which will be stated on Your Policy Schedule. Any whole sub-policies (Segments) surrendered will be stated on future Endorsements.

### Start Date

The date when Your Policy starts or an additional Premium is paid, which is shown in Your Policy Schedule or Endorsement.

### Surrender Value

This is the value of Your Policy less any charges that apply.

**Terms and Conditions**

Our standard terms and conditions which are set out in this document, together with any additional terms and conditions included in any other document forming part of Your Policy.

**Third Parties**

Any person or company providing data, information or services to Us.

**Valuation Statement**

A statement that is provided in accordance with the Nucleus Terms and Conditions.

**We or Us or Our**

Means RL360 Insurance Company Limited.

**You or Your**

Means the Policyholder or Policyholders as detailed in Your Policy Schedule.



RL360 Insurance Company Limited

**W** [www.rl360.com](http://www.rl360.com)

Registered Office: International House,  
Cooil Road, Douglas, Isle of Man, IM2 2SP,  
British Isles. Registered in the Isle of  
Man number 053002C. RL360 Insurance  
Company Limited is authorised by the  
Isle of Man Financial Services Authority.

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