

Flexibility and freedom

*Use the Managed Capital Account
to create your own individual
savings plan*



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Taking control of your savings

*Would you like to be able to
invest on terms that suit you?*

You could have:

- ▶ freedom to choose when to make regular payments or add lump sums*
- ▶ the ability to unlock the earnings potential of many of the world's leading fund managers
- ▶ flexibility to move freely between funds as you save for your chosen goals
- ▶ access to one-off or regular withdrawals when required**
- ▶ choice of how long you invest for*** – though we normally suggest a minimum of five years.

The Managed Capital Account (MCA) from Quilter International Isle of Man Limited (Quilter International) can offer you all of this – and much more. It's a highly flexible solution that lets you invest in the way you want and then withdraw your money to suit your needs.**

Your account is set up so that it offers you access to a far greater range of funds than many other investment accounts offer, so you benefit from a wider choice and extra versatility. Although you could invest directly in some of these funds, the MCA gives you the convenience of viewing all your investments in a single account.

Planning for a brighter future

Thanks to its flexibility, your MCA can become an integral part of your overall financial planning, as you can use it in so many different ways. You can adapt it to suit your lifestyle, changing the way you pay in or withdraw your money, and switch funds whenever you want. You can set up your account in US dollars, euros or sterling and, as there's no fixed term***, you can save for as long as you want – or stop at any time.

Some possible ways you could use the MCA include:

Providing for your children's education

Because you can build up a substantial fund and then arrange regular withdrawals to pay school fees**.

Saving for your retirement

The flexibility of this account means you can tailor your investments to create the kind of retirement fund you want, and then take withdrawals as and when it suits you**.

The MCA can be used as an investment vehicle for an approved pension, such as a Self Invested Personal Pension (SIPP), or a Qualifying Recognised Overseas Pension Scheme (QROPS). QROPS are pension schemes established outside of the UK which, by meeting certain UK HM Revenue & Customs requirements, can receive transfers from a UK registered pension. Your financial adviser will be able to give you more information about these options and help you decide whether they're right for you.

Generation planning

You can place your MCA in trust and make sure your money is used as you wanted, both before and after your death. Ask your financial adviser whether this would benefit you and your family.

Different versions of the MCA are available (Life Assurance or Capital Redemption) depending on your country of residence and your investment needs. Please see the relevant 'At a Glance' flyer which should accompany this brochure, for more information about the version that may be suitable for you. Alternatively, please ask your financial adviser for a copy.

* Subject to our acceptance.

** Early encashment charges may apply, please speak to your financial adviser for more information.

*** The Capital Redemption version is subject to a maximum term of 99 years. The Life Assurance version ends on the death of the last life assured.

The Managed Capital Account offers a choice of ways to pay in

With the MCA, you can set up regular monthly or quarterly payments, and then increase or decrease your payments whenever you like. Alternatively, you can start with a lump sum investment.*

You can also pay in one-off lump sums* as and when you receive them – such as ad hoc payments for freelance or short-term work, bonuses or even an inheritance.

* Increases to regular premiums are subject to a minimum premium level and payments of one-off lump sum premiums are subject to our acceptance.

If your circumstances change, you can also stop your regular payments for a while if you want, as long as your balance doesn't fall below US\$15,000 (€15000/£10,000) – and then restart them.

and a choice of easy ways to access your money

- ▶ You can withdraw lump sums at any time. The minimum withdrawal is US\$750 (€750/£500).
- ▶ Each year for the first five policy years after a contribution is made, you can withdraw a 'charge-free allowance' of up to 10% of the value of that contribution. If you exceed this charge-free allowance, you will be subject to a charge on the excess amount. The charge is 8% for excess withdrawals taken during the first policy year, reducing to nil after five complete years have passed. Please refer to your financial adviser for further details.
- ▶ As long as you're only paying lump sum premiums, you can also use your MCA to provide an income (which can be annual, half yearly, quarterly or monthly) now or in the future if you need it. This gives you more flexibility and also an alternative source of funding.

Taking money out of your account, especially in the early years, will dramatically reduce the potential for your investments to perform – so we strongly believe you should stay invested for at least five years.

Leaving your money invested for at least five years will also help to mitigate the effect of the charges made when you set up your account.



Case study:
Chris, aged 38

Chris has been living in the Middle East for a couple of years, earning more than he would be able to in his home country. While he is earning this tax-free money, he wants to put some aside as he knows he won't be living in the Middle East forever. The Managed Capital Account enables him to save a regular amount each month and add in a portion of any bonuses that he receives.

Chris is thinking of moving to Asia in the future, if the right opportunity arises. If his circumstances change, he knows that he will be able to access his money easily but also continue to contribute to the account as he does at the moment. ***'I'm saving some of the tax-free money I earn, while I can.'***

Case study:
Krishnan, aged 50

Krishnan saves regularly in a Managed Capital Account, and tops up his account from his annual bonuses. Last year he decided to take advantage of a sabbatical from work and fly his wife and children to meet their relatives in India. He stopped making payments into his account, and used some of his balance to fund the trip.

Before he left, he switched his investments, free of charge, into funds with a more conservative profile, as he wouldn't be able to keep as close a watch on them as usual whilst he was away. Krishnan is now paying into his account again, but at a lower level than before because, due to his sabbatical, he won't qualify for a bonus this year.

'I promised my children I'd take them to the place where I was born.'

Please note: The quotations and case studies are fictional and used purely to illustrate possible real-life scenarios.

Investment choices to help meet your goals

The sheer number of investment choices available in the market can be confusing. Even very knowledgeable investors can find choosing funds time-consuming and stressful.

With the Managed Capital Account you choose where your money is invested, enabling you and your financial adviser to create an investment portfolio for the funds linked to your policy that matches your investment objectives and attitude to risk.

Building your investment portfolio

Depending on your goals, you and your financial adviser may decide to create a portfolio from our selection of international investment funds. These unit-linked funds are provided by leading fund managers and give access to a broad selection of asset classes, sectors, specialisations and currencies.

You'll also benefit from Quilter International's global buying power, which means we can often negotiate significant savings on initial fund charges for you, so more of your money is invested right from the start.

Alternatively, your financial adviser may recommend our Researched Fund Range. This range of high quality hand picked funds lets you and your financial adviser build and manage a portfolio that can help meet your needs with precision. Our investment research specialists constantly monitor our range of funds. This can help give you additional peace of mind that, if any funds in this range fail to meet our exacting standards, they are removed from our list and replaced with a more suitable alternative.

Or you may find that one of our pre-packaged multi-asset portfolios, such as a Compass Portfolio, is more suitable for you, meaning you can leave day-to-day portfolio management to our sister company Quilter Investors, the multi-asset business of Quilter.

Multi-Asset Portfolios

The Compass Portfolios are available to invest in through the Managed Capital Account. They are a range of risk-targeted, multi-asset portfolios and their main objective is to generate a long-term total return whilst effectively managing downside risks.

The portfolios are truly diversified and can include global collectives and direct equities. By adopting a risk-targeted approach, with defined volatility parameters for each portfolio, investors can have a better idea of how their investments are likely to perform over the long-term, throughout various market conditions.

Each of the portfolios matches a different risk profile, with Compass Portfolio 2 intended for clients with a lower risk profile and Compass Portfolio 5 intended for clients with a higher risk profile. Your financial adviser can help you assess your risk profile.

The value of investments can fall as well as rise and is not guaranteed. You may not get back what you invest. Because of the short-term volatility of investment markets and the effect of the charges made when you set up your account, we believe strongly that you should remain invested for at least five years. Taking money out of your account early may also incur withdrawal charges.



The Researched Fund Range

Our Researched Fund Range offers you funds from leading well-known global fund management companies.

The funds are:

- ▶ researched and selected by our investment experts together with the expertise and experience of Quilter Investors, the multi-asset business of Quilter.
- ▶ hand-picked from the wide universe of funds available on the market

- ▶ continuously assessed and monitored, giving you peace of mind that your investment portfolio is being quality controlled by our investment professionals.

The Researched Range is built upon the solid foundation of our experience and heritage in fund manager research and monitoring. It can help you build a globally diverse investment portfolio without the potential for complexity that can come with it.

BLACKROCK

J.P.Morgan
Asset Management

Janus Henderson
INVESTORS

Schroders


BNY MELLON

 **COLUMBIA
THREADNEEDLE**
INVESTMENTS


ARTEMIS
The PROFIT Hunter

Aberdeen

 **Fidelity**
INTERNATIONAL


Invesco


Merian
GLOBAL INVESTORS

Quilter
Investors

Whichever investment option you choose, we've done our best to make investing in the MCA as simple and convenient as possible for you.

- ▶ Once you've chosen your portfolio, we do all the daily work and administration for you.
- ▶ Even if you choose many different funds, you will have minimum paperwork, and it's easy to keep track of your investments as you can view them all together in a single account.

Case study: Olivia, aged 38

When her uncle left her £50,000 in his will, Olivia researched the most appropriate investment option and decided to deposit it in an MCA.

Olivia has always been interested in investments since she follows the financial pages, however work and other commitments meant she no longer had the time to participate in managing her investments.

So together with her financial adviser, after assessing her attitude to risk, they decided that investing in a risk-targeted multi-asset portfolio matched to Olivia's risk profile was the best way to deliver the outcomes she was comfortable with. By investing in one of the Compass Portfolios, Olivia and her adviser can

outsource the day to day management of the portfolio to investment experts and spend more time reviewing Olivia's overall financial plan.

Additionally, if her attitude to risk or her needs change, Olivia can change which Compass Portfolio she invests in or add other funds to complement her chosen Compass Portfolio.

Olivia has also placed the MCA in trust to ensure that, if she dies, the money she has put aside for her children's education is kept for that purpose.

'It's the perfect place for my uncle's legacy.'

Please note: this quotation and case study are fictional and used purely to illustrate a possible real-life scenario.



Investing for security and tax efficiency

Keeping your investments safe

The MCA is provided by Quilter International Isle of Man Limited. Quilter International Isle of Man Limited is based in an established international finance centre with a stable and independent legal, political and regulatory framework. This means your investment is held in a secure, offshore environment.

You will also be protected by the Isle of Man's policyholder protection scheme, which covers policies issued by an authorised life assurance company based on the island. This means you can claim for compensation in the unlikely event that Quilter International becomes insolvent.

Making the most of tax-saving opportunities

The Isle of Man is a tax-efficient environment and Quilter International is not currently liable to income tax, capital gains tax or corporation tax on funds linked to policies, so your MCA investment will be able to grow virtually tax free. Some dividends may be received net of withholding tax, deducted at source in the country of origin, but once inside your account they can accumulate free of Isle of Man tax.

If you wish, we can help with tax planning or trust services within your MCA, allowing you to manage your investments, tax and trusts in a single package.

Strength in numbers

Quilter International is a leading cross-border provider of wealth management solutions. Our aim is to help you, together with your financial adviser/financial adviser representative, manage and grow your investments; not just for your own future, but for your family and the generations to come.

We are one of the few financial service providers to operate in multiple global markets, offering effective financial planning solutions to expatriates and local investors across the world including Africa, Asia, Europe, Latin America, and the Middle East.

We recognise how important it is for you to know that your financial interests are being taken care of, and we take huge pride in the part we play in helping you to achieve this. We understand that each investor is an individual with bespoke needs and different goals – whether that be searching for tax-efficiency, saving for a future event, securing a regular income, or investing for a prosperous retirement. Quilter plc oversees USD 152 billion in customer investments*.

Our aim is to help create prosperity for the generations of today and tomorrow.

*As at 30 September 2019. Exchange rate sourced from the Bank of England. 1 GBP = 1.3041 USD as at 30 September 2019.

We're proud of our achievements and are grateful for the awards we've received over the years. These awards recognise the quality of our products, service and expertise, and further strengthen our reputation for providing market-leading financial solutions and excellent support.

International Investment – International Fund and Product Awards 2019

- ▶ Best International Platform - Wealth Interactive
- ▶ Excellence in Fintech - Wealth Interactive
- ▶ Best International Protection Plan (Life) - (product available in specific market only)


We were also highly commended for:

- ▶ International Campaign of the Year – Investing through volatile times
- ▶ Best International Trust and Estate Planning Product - (product available in specific market only)


International Adviser – Global Financial Services Awards 2019


- ▶ Best International Portfolio Bond - (product available in specific market only)

Previous award performance is not an indication of future company performance.



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Talk to your financial adviser about investing in the Managed Capital Account

Before investing in a Managed Capital Account, we would encourage you to consult your professional financial adviser and make sure this account fits with your overall objectives and plans for the future.

Your financial adviser will be able to answer any questions, recommend specific funds and fund managers, and provide you with full Terms and Conditions.



Clear, competitive charges and your right to cancel

All you need to know about our charges and those of the Fund managers

We make charges to cover our costs. However, we will always give you ample notice if we make any changes to the charges, so you won't get any unpleasant shocks.

Most importantly, we make sure the effect of our charges on your investment is consistently comparable to our competitors' charges.

One payment you can avoid, depending on how you use your account, is withdrawal charges. As long as your withdrawals are less than 10% of the contributions you make each year, you will not pay any charges. What's more, if you don't use your full 10% allowance in a year, it will be carried forward to the next year.

Once you've had your account for five years, you can withdraw any amount that has been in your account for five years with no charge.

1. We make an initial 'establishment' charge for each investment, to cover costs incurred in setting it up. Spread over five years, these charges work out at 1.6% each year.
2. We take 1% of the value of your fund each year to cover our ongoing management costs.
3. The fund managers of each fund you invest in will also make a charge. This is usually between 1% and 2.5% each year. It depends on the funds you've chosen, their managers and the type of investment.

Your financial adviser will alert you to the charges before you commit to the individual funds.

We will also take a maintenance charge unless either:

- ▶ the amount of the contributions paid to the account; or
- ▶ the value of the allocated units at their bid price
- ▶ are equal to or exceed US\$15,000 (€15,000/£10,000) at the transaction date.

Please refer to the relevant version of the 'At a Glance' flyer for a clear overview of the Managed Capital Account, including the charge details.

What these charges could mean for you

The following table shows how much your investment could be worth after 10 years, assuming an annual growth rate of 5% and taking our charges into account.

Your investment (US\$)	1,000 per month	15,000 lump sum
Term (Years)	10	10
Total investment (US\$)	120,000	15,000
Surrender Value After 10 years (US\$)	135,796	20,385

Source: Quilter International as at December 2019. The example shown assumes an annual growth rate of 5%. It includes all Old Mutual International charges. This does not include any external management charges. The actual return may be different as the value of units and their yield may go down as well as up due to the nature of this type of investment. The figures are for illustration purposes only and are not guaranteed.

Your right to cancel

You have the right to cancel your MCA and obtain a refund of any premium(s) paid, less any applicable charges* and any fall in the value of the assets linked to your MCA. You have 30 days from the date that you receive the Schedule to let us know you want to cancel. Further information on how to cancel can be found in the MCA Terms & Conditions.

*Where relevant, applicable charges include non-refundable fund charges, fees we have paid to your financial adviser on your behalf and bank charges.

Is the Managed Capital Account right for you?

The Managed Capital Account could be suitable if you:

- ▶ are an expatriate or local individual, company or trust
- ▶ are aged between 18 and 85 and want to have the option of paying regular premiums on a monthly or quarterly basis
- ▶ are looking to invest at least:
\$450/£300/€450 per month; or \$1,350/£900/€1350 per quarter; or \$15,000/£10,000/€15000 lump sum
- ▶ want to invest tax-efficiently over the medium- to long-term with the aim of achieving growth
- ▶ expect to have access to a range of Quilter International Isle of Man funds that enable you to build a bespoke portfolio
- ▶ are happy to accept more risk than saving into a bank account.

The Managed Capital Account might not be suitable if you:

- ▶ have no other savings or investments
- ▶ are new to investing and are not comfortable in making investment decisions
- ▶ are not happy to accept the risk of potential investment losses, and are looking for guaranteed investment growth
- ▶ require instant access to your money
- ▶ do not wish to use Quilter International Isle of Man funds
- ▶ wish to invest your money in cash.

This document was last updated in February 2020. Please confirm with your financial adviser that this is the most up-to-date document for your product or servicing needs.

The value of your account can rise or fall over time and there is no guarantee that your capital will be returned to you.

You should view your investment in the account as a long-term commitment. If you cash in your account in the early years, we may make a charge and the amount you receive may be less than the premiums you've paid.

You and your financial adviser should satisfy yourselves that any particular fund is suitably based on your needs, objectives and attitude to risk. You should also familiarise yourself with any particular risks associated with the funds in your portfolio.

There may be currency risks if funds are denominated in another currency, or liquidity and valuation risks for property funds, for example. The value of the assets linked to the account determines the value of the policy and can fall as well as rise.

This brochure should be read in conjunction with the Policy Terms and where appropriate any additional disclosure information.

This brochure is based on Quilter International's current understanding of relevant tax law. While we believe this interpretation to be correct, we cannot guarantee it. Tax relief and the tax treatment of investment funds may change.

www.quilterinternational.com

Calls may be monitored and recorded for training purposes and to avoid misunderstandings.

Quilter International Isle of Man Limited is registered in the Isle of Man under number 24916C.

Registered and Head Office:

King Edward Bay House, King Edward Road, Onchan, Isle of Man, IM99 1NU, British Isles.

Tel: +44 (0)1624 655 555. Fax: +44 (0)1624 611 715.

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