



**CARDIF
PINNACLE**

A BNP PARIBAS company

Guaranteed Bond





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Key Features of the Guaranteed Bond

This Key Features document provides you with the information you need to know about the Guaranteed Bond. Please read it carefully before you invest.

It provides information such as:

- The minimum and maximum amounts that you can invest
- The investment periods available
- The types of income options available
- The amount you may receive if you surrender your Bond

IT'S AIM

To provide you with an annual or monthly income or capital growth over a chosen investment period of either 1, 2, 3, 4 or 5 years (1 to 5 years).

OR

Capital growth over a chosen investment period between 6 months and 2 years.

AND return of your original investment in full at the end of the chosen investment period.

YOUR INVESTMENT

You can invest a lump sum between £5,000 and £250,000 over a fixed period of 1 to 5 years. However if you choose to receive monthly income the minimum investment is £25,000.

OR

You can invest a lump sum of at least £100,000 over a fixed investment period between 6 months and 2 years.

RISK FACTORS

- If you cash in your Bond before the end of your chosen investment period, the amount you get back may be less than your original investment.
- A rise in interest rates may make the fixed rate of return seem less attractive.
- If you use your right to cancel your Bond, you may not get a full refund of the money you have paid. This may happen if the value of your investment falls before we receive your cancellation form.

QUESTIONS & ANSWERS

The following questions and answers provide details about the main features of the **Guaranteed Bond**. The example illustrations show the possible future values of the Bond and the affect of any charges applied.

What is the Guaranteed Bond?

It is a single premium life assurance plan which can provide you with either:-

A guaranteed annual or monthly income over your chosen investment period of 1 to 5 years plus the return of your original investment at the end of your chosen investment period.

OR

A guaranteed level of capital growth plus the return of your investment at the end of your chosen investment period of 1 to 5 years.

OR

A guaranteed level of capital growth plus the return of your original investment at the end of your chosen investment period between 6 months and 2 years.

How much can I invest?

The minimum investment for the annual income or growth option over a chosen period of 1 to 5 years is £5,000 and the maximum is £250,000*.

The minimum investment for the monthly income option over a chosen period of 1 to 5 years is £25,000 and the maximum is £250,000*.

*Larger investments may be accepted at the Company's discretion.

The minimum investment for periods between 6 months and 2 years is £100,000.

Additional funds cannot be added to your Bond, but you can have more than one Guaranteed Bond with us.

What is the Guaranteed Income option?

This provides you with either a guaranteed level of annual or monthly income throughout your chosen investment period. You must choose your income option at the start of your bond and you cannot change the way you receive your income payments during your chosen investment period.

What is the Guaranteed Growth Option?

This provides you with a guaranteed level of capital growth, which you will receive at the end of your chosen investment period.



Are my Income or Growth payments and return of my Capital guaranteed?

Your income or growth payments and return of your capital are guaranteed provided you do not cash in your Bond before the end of your chosen investment period.

What happens if interest rates change?

The rate of interest applicable to your Bond is fixed at outset and will not change if interest rates rise or fall during your chosen investment period.

Who can invest in a Guaranteed Bond?

Anyone aged between 18 and 80 years of age can take out a Guaranteed Bond. Applications by investors over 80 years of age may be accepted at the Company's discretion.

Can I invest with another person?

You can take out a Guaranteed Bond with someone else, usually a spouse or partner. Please refer to the guidelines on the application form for joint applications.

What is the death benefit payable during my chosen investment period?

If the life assured is aged 80 or younger when the Bond is taken out, and the investment amount is less than or equal to £250,000, the amount payable on the death of the life assured will be the greater of either: -

- The original investment amount **OR**
- 101% of the surrender value at the time of death.

If the life assured is over 80 when the Bond is taken out, or the investment amount is greater than £250,000, the amount payable on the death of the life assured is 100.1% of the surrender value at the time of death.

The limit of £250,000 applies to the total investment amount of all bonds held with Pinnacle Insurance plc.

For Bonds written on a joint life basis the death benefit will be payable after the death of the second life assured and the age of that person when the Bond was taken out will apply.



Can I cash in my Bond early?

You may surrender your Bond for a cash value before the end of your chosen investment period.

The surrender value will be calculated by us according to market conditions at the time of surrender and may be less than the amount you originally invested.

What is the extension option?

This option is only available if you have a Growth Bond.

We will write to you a month before your Bond is due to mature and offer you the option to extend the investment period of your Bond. Provided you are aged 80 or younger, the Bond can be extended for a further 1, 2, 3, 4, or 5 years, or, if the value of the policy is at least £100,000 for a fixed period between 6 months and 2 years. The rate of interest applicable for the extension will be based on the rates applicable at the date the option is exercised. We will retain the maturity value of your Bond and send you a revised Bond Schedule showing the revisions to your Bond.

What about tax?

- The proceeds of the Bond are paid free of any personal liability to Income tax at the Savings Rate.
- Any payments from the Bond are payable free of any personal liability to Capital Gains tax.
- Some additional tax may be payable if you pay Income tax at the higher rate or the payments from your Bond take you into the higher rate tax band.
- Entitlements to Age Allowance may be affected by any taxable gains arising from regular, surrender or maturity payments.
- Tax cannot be reclaimed by lower rate or non-taxpayers.
- If you die before the end of the chosen investment period some tax may be payable.

Please consult your Independent Financial Adviser for any further information. Tax assumptions are those currently applicable and are subject to change at any time. The value of the tax relief will depend on your individual circumstances.

All printed materials reflect information as at the time of print and are based upon Cardif Pinnacle's understanding of current tax levels, bases and reliefs, all of which are subject to change at any time.

How much will advice cost?

Your adviser will give you details about the cost. The amount will depend on the size of the investment. It will be paid out of deductions.

Annual Income and Growth Bond

An Example Illustration of what you might get back

This illustration is an example only.

Example Investment Details

Original Investment	£20,000
Investment Term	1,2,3,4, or 5 years
Guaranteed Rate	3% p.a.

What will I get back?

The amount you will get back will depend on the amount you invest, the investment period you select and the guaranteed rate applicable at the time.

Based on the above example:

If you choose an **Income Bond** you will get back:

£600 at the end of each year of the investment period plus £20,000 at the end of your chosen investment period.

If you choose a **Growth Bond** you will get back:

Chosen Term	Investment Returned
1 Year	£20,000 plus £600 growth at the end of one year
2 Years	£20,000 plus £1,218 growth at the end of two years
3 Years	£20,000 plus £1,854 growth at the end of three years
4 Years	£20,000 plus £2,510 growth at the end of four years
5 Years	£20,000 plus £3,185 growth at the end of five years

- Do not forget that inflation would reduce what you could buy in the future with the amounts shown.

Annual Income and Growth Bond

What you might get back if you cash in your Bond early

The tables below show what you might get back based on an original investment of £20,000, a guaranteed rate of 3% p.a. and assumes there will be no change in interest rates throughout the investment period. In practice, interest rates may vary and what you get back if you cash in your Bond early will depend on interest rates at the time.

WARNING: If you cash in your Bond early you could get back less than you paid in.

If you choose an **Annual Income Bond** you will get back:

Term of Bond	At the end year	Total paid to date	Income Withdrawals	What you might get back
2 Years	1	£20,000	£600	£19,800
3 Years	1	£20,000	£600	£19,700
	2	£20,000	£1,200	£19,800
4 Years	1	£20,000	£600	£19,700
	2	£20,000	£1,200	£19,700
	3	£20,000	£1,800	£19,800
5 Years	1	£20,000	£600	£19,600
	2	£20,000	£1,200	£19,700
	3	£20,000	£1,800	£19,700
	4	£20,000	£2,400	£19,800

If you choose a **Growth Bond** you will get back:

Term of Bond	At the end of year	Total paid to date	What you might get back
2 Years	1	£20,000	£20,400
3 Years	1	£20,000	£20,300
	2	£20,000	£21,000
4 Years	1	£20,000	£20,300
	2	£20,000	£20,900
	3	£20,000	£21,600
5 Years	1	£20,000	£20,200
	2	£20,000	£20,900
	3	£20,000	£21,600
	4	£20,000	£22,300

- The figures in the above tables are examples only and are not guaranteed. What you get back will depend on the level of interest rates at the time of surrender and on the tax treatment of your investment.
- You could get back more or less than this.
- Do not forget that inflation would reduce what you could buy in the future with the amounts shown.

Monthly Income Bond

An Example Illustration of what you might get back

These illustrations are examples only.

Example Investment Details

Original Investment	£25,000
Investment Term	1, 2, 3, 4 or 5 years
Guaranteed Rate	2.9% p.a

What will I get back?

The amount you will get back will depend on the amount you invest, the investment period you select and the guaranteed rate applicable at the time.

Based on the above example:

If you choose a **Monthly Income Bond** you will get back:

£60.42 each month during the investment period plus £25,000 at the end of your chosen investment period.

What you might get back if you cash in your Bond early

The table below shows what you might get back based on an original investment of £25,000, a guaranteed rate of 2.9% p.a. and assumes there will be no change in interest rates throughout the investment period. In practice, interest rates may vary and what you get back if you cash in your Bond early will depend on interest rates at the time.

WARNING: If you cash in your Bond early you could get back less than you paid in.

Original Investment	At the end of year	Total paid to date	Income Withdrawals	What you might get back
2 Years	1	£25,000	£725	£24,800
3 Years	1	£25,000	£725	£24,600
	2	£25,000	£1,450	£24,700
4 Years	1	£25,000	£725	£24,600
	2	£25,000	£1,450	£24,700
	3	£25,000	£2,175	£24,800
5 Years	1	£25,000	£725	£24,500
	2	£25,000	£1,450	£24,600
	3	£25,000	£2,175	£24,700
	4	£25,000	£2,900	£24,800

- The figures in the above table are examples only and are not guaranteed. What you get back will depend on the level of interest rates at the time of surrender and on the tax treatment of your investment.
- You could get back more or less than this.
- Do not forget that inflation would reduce what you could buy in the future with the amounts shown.

Growth Bond Extension Option

An Example Illustration of what you might get back

This illustration is an example only.

Example Investment Details

Original Investment	£20,000
Revised Investment Term	2 to 10 years
Guaranteed Rate	3% p.a

What will I get back?

The amount you will get back will depend on the value of your bond immediately before extension, the revised investment period you select and the guaranteed rate applicable at the time. Based on the above example you will get back.

Original Investment Period	Extension	Revised Term	Investment Returned
1 Year	1 Year	2 Years	£20,000 plus £1,218.00 growth at the end of 2 years
2 Years	2 Years	4 Years	£20,000 plus £2,510.00 growth at the end of 4 years
3 Years	3 Years	6 Years	£20,000 plus £3,881.00 growth at the end of 6 years
4 Years	4 Years	8 Years	£20,000 plus £5,335.00 growth at the end of 8 years
5 Years	5 Years	10 Years	£20,000 plus £6,878.00 growth at the end of 10 years

Do not forget that inflation would reduce what you could buy in the future with the amounts shown.

Growth Bond Extension Option

What happens if I need my money before the extended bond matures?

The table below shows what you might get back based on an original investment of £20,000, a guaranteed rate of 3% p.a. and assumes there will be no change in interest rates throughout the Bond term. In practice, interest rates may vary and what you get back if you cash in your Bond will depend on interest rates at the time.

WARNING: If you cash in your Bond early you could get back less than you paid in.

Original Investment	Extension	Revised Bond Period	At the end of year	Total paid to date	What you might get back
2 Years	2 Years	4 Years	3	£20,000	£21,600
3 Years	3 Years	6 Years	4	£20,000	£22,200
			5	£20,000	£23,000
4 Years	4 Years	8 Years	5	£20,000	£22,800
			6	£20,000	£23,600
			7	£20,000	£24,400
5 Years	5 Years	10 Years	6	£20,000	£23,400
			7	£20,000	£24,200
			8	£20,000	£25,000
			9	£20,000	£25,900

- The figures in the table above are examples only and are not guaranteed. What you get back will depend on the level of interest rates at the time of surrender and on the tax treatment of your investment.
- You could get back more or less than this.
- Do not forget that inflation would reduce what you could buy in the future with the amounts shown.

FURTHER INFORMATION

Cancellation rights/Can I change my mind?

We will send you notice giving you 30 days in which you can change your mind and cancel your Bond. This notice will be sent to you once your proposal has been accepted.

Charges and Expenses

Administration and other costs are taken into account when calculating the interest rate of the Bond.

An additional charge may be applied if the Bond is surrendered before the end of the chosen investment period and the amount payable will depend on market conditions at that time. This may result in the amount payable on surrender being less than the amount originally invested.

Law

The parties to this contract are free to choose the law applicable to it, but without an agreement to the contrary English Law will apply unless you live in Scotland, Wales or Northern Ireland when you will be entitled to commence legal proceedings in your local courts.

Queries and Complaints

If you require copies of the full terms and conditions of the Bond or any further information please contact The Investment Department, Cardiff Pinnacle, Pinnacle House, A1 Barnet Way, Borehamwood, Herts WD6 2XX.

While it is always our intention to provide a first class standard of service, if you have any concerns about any aspect of the service you have received please address them to the Customer Relations Department at Cardiff Pinnacle. Should you remain dissatisfied with the outcome of any internal enquiries, you have the right to refer your complaint to the Financial Ombudsman Service (FOS), South Quay Plaza, 183 Marsh Wall, London E14 9SR. Telephone 0845 080 1800. However there are some instances when FOS cannot consider complaints. This procedure will not prejudice your right to take legal proceedings.

A leaflet describing our full complaints / appeals process is available from Pinnacle on request.

Compensation

The Bond is underwritten by Pinnacle Insurance plc (Pinnacle). Pinnacle is covered by the Financial Services Compensation Scheme (the Scheme). You may be entitled to compensation from the Scheme if Pinnacle cannot meet its obligations. This depends on the type of business. Most types of insurance business are covered 100% for the first £2000 of a valid claim and 90% of the remaining amount of the loss. Further information about compensation arrangements is available from the Financial Services Compensation Scheme telephone 020 7892 7300 or www.fscs.org.uk.

Recording of Telephone Calls

We may record telephone calls for reasons of security, to resolve complaints and to improve the quality of our service. Any personal details or other information that you discuss with us over the telephone will be treated as completely confidential.

Investment Details

When you invest your money in a Guaranteed Bond you will receive a Bond document, which is a legally binding contract between you and Pinnacle.

Pinnacle reserves the right to refuse an application.



Cardif Pinnacle is a trading style of Pinnacle Insurance plc.
Pinnacle Insurance plc is authorised and regulated by the Financial Services Authority.

Pinnacle Insurance plc
Pinnacle House, A1 Barnet Way, Borehamwood, Hertfordshire WD6 2XX
Tel: 020 8207 9007 Fax: 020 8207 4220 www.cardifpinnacle.com/investments

Registered Office as above. Registered in England and Wales Number: 1007798. A BNP Paribas Company.

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First Applicant/Life Assured

Title Forename(s)

Permanent Address

Postcode

Surname

Telephone No.

Date of Birth

ALL BOXES MUST BE COMPLETED

Second Applicant/Life Assured

Title Forename(s)

Permanent Address

Postcode

Surname

Telephone No.

Date of Birth

ALL BOXES MUST BE COMPLETED IF JOINT APPLICATION IS MADE

Investment Details (Please complete section A or B as applicable)

RATES CAN CHANGE FROM TIME TO TIME. SHOULD THE RATES HAVE CHANGED WHEN YOUR APPLICATION AND INVESTMENT ARE RECEIVED, WE WILL CONTACT YOU ON THE TELEPHONE NUMBER PROVIDED.

A. GROWTH AND INCOME BONDS

Type of Bond (please tick appropriate box)

Growth (minimum £5,000)

Annual Income (minimum £5,000)

Monthly Income (minimum £25,000)

Investment Details

I/We wish to invest £

Investment Period years

Rate applied for %

B. TAILORED GROWTH BONDS

Amount of investment (minimum £100,000)

Period of Investment Years Months Days

OR

Maturity Date:

PLEASE SELECT ONE OF THE FOLLOWING INVESTMENT METHODS

By Cheque: Please enclose your cheque for the investment amount payable to 'Pinnacle Insurance plc'. If your cheque is from a Building Society it should reference your name. (For example 'Pinnacle Insurance plc. Reference A. Johnson')

OR

Telegraphic Transfer Please arrange for the funds to be paid to Pinnacle Insurance plc's Account:
 Barclays Bank PLC
 Account Name: Pinnacle Insurance plc
 Sort Code: 20-74-09
 Account No.: 83591840

Payment and Banking Details

Please note the following **important** information:

Income and Maturity payments from your Bond will be made direct to **BANK ACCOUNTS** only. For those customers with Building Society Accounts payments will be made by cheque directly to your Building Society. If you choose Monthly Income, payments **must** be made direct to a **BANK ACCOUNT**.

Please complete the following in order for us to make payments:

Bank/Building Society	<input type="text"/>	Account Holder(s)	<input type="text"/>		
Branch Address	<input type="text"/>	Sort Code	<input type="text"/>	<input type="text"/>	<input type="text"/>
	<input type="text"/>	Account Number	<input type="text"/>		
	<input type="text"/>	Building Society Roll No.	<input type="text"/>		

Please note: In order to comply with the provisions of the UK Money Laundering Regulation 2003, if the Bank account detailed above is different from the Bank account from which the original investment cheque is being paid, or if the original investment is made by telegraphic transfer, we require an original Bank document (i.e. bank statement/letter from Bank/cancelled cheque or paying in slip) confirming your new Bank details (account number, sort code and name of account holders). **If no documentation is received payments will not be made until we have received appropriate information regarding your Bank account.**

Declaration

I/We declare that to the best of my/our knowledge and belief all statements in this application form are true and complete. I/We understand that this application form, forms the basis of the contract between myself/us and Pinnacle Insurance plc (Pinnacle). I/We have read the description of the Bond and understand the nature and terms of this contract. I/We understand that the information provided will be held on computer and other files by Pinnacle for the purposes of administering the contract including carrying out customer surveys and fraud prevention. I/We understand that my/our information may be passed to regulatory bodies for authorised purposes. I/We have the right to access these records but may have to pay a fee. Pinnacle may make my/our details available to other companies within the Pinnacle group or to other Pinnacle approved organisations supplying goods, or services, to enable information about other products they provide to be sent to me/us. They may be offered to me/us by letter, telephone or other means of communication. This will not apply if at any time I/we inform them I/we do not wish to receive such information. Please tick this box if you do not want to receive such information.

Signed by First Applicant/ Life Assured	<input type="text"/>	Date	<input type="text"/>
Signed by Second Applicant/Life Assured	<input type="text"/>	Date	<input type="text"/>

Money Laundering

FINANCIAL ADVISER SECTION

In order to comply with the provisions of the UK Money Laundering Regulations 2003 and the Joint Money Laundering Steering Group Guidance for the financial sector as amended from time to time, a Money Laundering Identity Verification Certificate must be completed for all parties to the contract (e.g. joint applicants, trustees, settlers and third parties). Copies of Pinnacle's Regulated Intermediary Identity Verification Certificates are available upon request. Alternatively completed Identity Verification Certificates that comply with the Joint Money Laundering Steering Group Guidance notes will be accepted. Pinnacle may request additional documentation as required and may also carry out a search of an electronic database as an additional security check.

Adviser Name: _____
Adviser Email: _____
Adviser Contact Number: _____
FSA Individual Reference Number: _____
IFA Firm Name: _____
FSA Number (IFA Firm): _____
Commission Rate Applied for: _____

COMPANY STAMP

Please tick appropriate box:

Advice at point of sale:

Client Advised

Client not advised

APPLICATION FORM CONTINUES OVERLEAF

Insurable Interest Declaration (to be completed ONLY if applicants are not legally married to each other)

The law requires that if two people wish to effect a life policy then they must have a financial interest in each others lives. We confirm that we understand the above statement and as such submit evidence of insurable interest.

Please select:

Living together as legal partners (minimum 6 months shared residence NO PROOF REQUIRED)

OR

Other, submit details/proof of joint financial liability* (eg. contract or statement relating to a joint mortgage or loan).

*** Please note: joint bank accounts are not accepted as proof of joint financial liability. If there is no financial interest between the applicants a Pinnacle Guaranteed Bond cannot be effected.**

Signed by First Applicant

Date

Signed by Second Applicant

Date

A specimen of the policy containing full terms and conditions and a copy of the completed proposal form are available from Pinnacle Insurance plc upon request.

IMPORTANT INFORMATION - PLEASE READ

New Business Guidelines

To apply for a Guaranteed Bond, simply complete this Application form overleaf and send it, together with your cheque for the sum that you wish to invest, to Pinnacle Insurance plc at:

The Investment Department

Cardif Pinnacle, Pinnacle House, A1 Barnet Way, Borehamwood, Hertfordshire WD6 2XX

Please use our guidelines below to ensure quick and efficient processing of your application.

- 1) Are all sections of your application complete?
- 2) Is your cheque currently signed, dated and made payable to "Pinnacle Insurance plc"?
- 3) If your cheque is from a Building Society, does it reference your name? (For example "Pinnacle Insurance plc Reference A Johnson.")
- 4) Have you included your banking details to ensure income and maturity payments are paid direct to your bank account?
- 5) Have you included evidence in relation to the UK Money Laundering Regulations 2003?

If you have any queries relating to this application please contact our Investment Department on **020 8207 9007**.



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Pinnacle Insurance plc
Pinnacle House, A1 Barnet Way, Borehamwood, Hertfordshire WD6 2XX
Tel: 020 8207 9007 Fax: 020 8207 4220 www.cardifpinnacle.com/investments

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