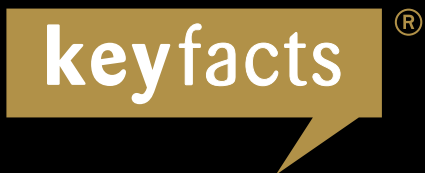


EVOLUTION TION

KEY
FEATURES



A WEALTH *of* DIFFERENCE

utmost™
WEALTH SOLUTIONS



Utmost Wealth Solutions is the brand name used by a number of Utmost companies.

Evolution is issued by Utmost Limited.

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The Financial Conduct Authority is a financial services regulator. It requires us, Utmost Limited, to give you this important information to help you to decide whether Evolution is right for you.

You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.

BEFORE YOU BEGIN

Please read this document together with the enclosed illustration. We have highlighted in bold the documents that contain additional information about the risks and features associated with this bond. Please ask your financial adviser if you need copies of these documents. You need to be comfortable that you understand the benefits and risks of this bond before deciding whether to invest.

The purpose of this document is to help you to make an informed decision. However, you are required to seek professional financial advice before you decide to purchase this bond.



Wherever you see this icon it highlights that further information on the subject can be found within the **Product Guide**. The **Product Guide** will also show this icon in the relevant section for your ease of reference.

IMPORTANT INFORMATION

WHAT IS EVOLUTION?

It is an international single premium investment bond that can be set up on either a capital redemption or life assurance basis.

Your investment purchases units in funds linked to the stock markets and deposits and combines your investment with that of investors who have similar objectives.

WHO SHOULD CONSIDER EVOLUTION?

Evolution should be considered if you can afford to meet the minimum premium amount for investment and are aged 18 years or over.

Residents of the UK and Channel Islands are able to invest, but residents from other countries and territories should consult their financial adviser to ensure they can invest outside of their country of residence and are not prohibited or otherwise affected by exchange controls, insurance or other legislation.

ITS AIMS

- › To increase the value of your investment, by allowing your funds to be placed into a wide range of assets linked to stock markets and other investments over the medium to long term.
- › To allow you to take single or regular withdrawals of capital, and make additional investments during the term of the bond.

YOUR INVESTMENT

If you are investing in the guided architecture investment range you must invest at least £15,000 (US\$30,000 or €22,500).

If you are investing in the open architecture investment range you must invest at least £50,000 (US\$100,000 or €75,000).

The bond should be viewed as a medium to long term investment (meaning 5 to 10 years or longer). Whilst there is no fixed term, you should consider maintaining the investment for at least five years.



If you ask us to pay an initial charge for advice before the premium is invested, the amount you send must total at least the minimum investment amount as stated on this page, plus any agreed charges for advice.

Please see the 'What charges for advice will I pay?' section on page 6 for more information about the different types of charges we can facilitate.



Please read the 'What is Evolution?' section of the **Product Guide** for further information.

RISKS

When considering applying for an Evolution bond, it is important to bear in mind the following risks:

- › The funds available under the bond are linked to stock markets and other investments. Their value will fall and rise in line with these markets. The surrender value of the bond is not guaranteed and you may get back less than you originally invested.
- › The tax treatment of the bond could change in the future and depends on your individual circumstances.
- › If the bond invests in a fund denominated in a different currency from the bond, a currency conversion charge will apply. All costs and exchange risks associated with currency conversion will be charged to the bond. You should bear in mind that currency fluctuations may affect the value of your bond.
- › If the growth of your selected fund(s) does not cover the charges, then this will reduce the value of your investment.
- › Inflation will reduce the value of what can be bought in the future with the proceeds of the bond.
- › The bond's charges may increase in the future beyond those shown in your personal illustration.
- › Withdrawals, including any charges for advice, may reduce the value of your investment below its original value, especially at times when investment growth is low or when the level of withdrawals is higher than growth of your chosen investments after charges. In addition the potential for growth may be lower than that indicated in your personal illustration.
- › You are only covered by a compensation scheme if we become insolvent. In other circumstances, such as when a fund manager or a deposit taker (bank or building society) fails, our policyholders will not normally be covered by a compensation scheme. Please see the 'Compensation' section in this document for further information.
- › Some of the funds in which you can invest may carry additional risks because of the types of asset they hold - here are a few examples:
 - The value of funds that invest overseas may fall and rise due to changes in exchange rates.
 - Funds that invest in emerging markets may show greater performance volatility due to the nature of the assets held by the fund.
 - There may be a delay in accessing your money if you invest in property.

There are other risks which could affect the performance of the funds that you invest in.

For more details please discuss with your financial adviser and refer to the **Fund Specific Risks** document.

- › There are risks associated with Drip-feeding and Portfolio Rebalancing. Please see the **A guide to your investment options with Utmost** brochure for more details.

QUESTIONS AND ANSWERS

1. CAN I CHANGE MY MIND?

You currently have 30 days to cancel the bond. The 30 days begin on the day you receive the **Your Right To Change Your Mind** form. If for any reason you decide that you do not want to take out this bond, return the form within 30 days to our address detailed on page 12 and we will give you your money back minus any amount relating to any charges for advice already paid. If necessary, you will need to reclaim any refundable payments in relation to these charges directly from the relevant party.

Please note that if the value of the investment falls before we receive your cancellation form, an amount equal to the fall in value will be deducted from any refund you receive. However, if the value of the investment has increased you will only get back the amount of your initial investment, minus any charges for advice already paid.

If the bond is linked to assets which cannot be cashed in easily, such as fixed-term deposits or funds with infrequent dealing days, it may be some considerable time before the asset can be sold or redeemed and your money returned to you. If there are any penalties imposed by the deposit taker or fund manager for early cancellation these will be passed on to you.

If you do not exercise your right to cancel within the 30 days cancellation period your bond will continue in accordance with the policy terms and conditions.

2. WHAT CHARGES DO YOU APPLY?

The current charges we take for the administration of the bond are shown in your personal illustration. More detailed information on charges can be found in our separate **Charges Guide** available from our website www.utmostwealth.com or from your financial adviser on request. It is important that you read the personal illustration and Charges Guide together with this Key Features Document.

Summaries of the charges applicable are below:

- › **Standard Product Charges** - We apply these charges (Administration and Flex-Charge) to the bond to cover the set up and administration of the bond.
- › **Conditional Charges** - Whether or not you pay these charges depends on the options you choose when managing your investment.
- › **Investment Charges and Costs** These charges are for the investment and fund choices you make. They depend on the funds and investment services chosen, and include any charges made by the underlying fund manager for administering the fund.

There may be factors which result in changes to our costs, for example if tax rules change. We'll tell you if this happens.

However, dealing, payment and additional valuation charges will be increased on 1 January each year in line with the UK Retail Prices Index without any notification.

It's important to note that charges reduce the value of the bond and its growth potential.

3. WHAT CHARGES FOR ADVICE WILL I PAY?

We can facilitate charges for advice provided by an appointed financial adviser, investment adviser or External Manager and/or Custodian in the following ways:

- › **Outside of the bond** - For advice provided by the financial adviser, an initial adviser charge can be facilitated by us outside of the bond before your premium is invested. If you would like us to facilitate an initial charge outside of the bond, you will need to complete the relevant section within the application form.
- › **Inside of the bond** Initial, ongoing or ad hoc charges can be facilitated as a payment from the value of bond after the premium is invested. If you would like us to facilitate charges from inside the bond please complete the relevant sections within the **Adviser Charges pack**.

Further details on charges for advice can be found in our **Charges Guide**.



If you choose to pay any charges for advice from the value of the bond, then depending on the type of advice provided, the charge may form part of your 5% annual tax-deferred entitlement. Therefore, it is important you discuss the tax consequences of your chosen method of payment with your financial adviser before your investment is set up. For further details about the different types of advice and the tax implications, please see the charges for advice section of our **Charges Guide**.

4. HOW DO I INVEST?

You can make an investment by BACS, CHAPS, telegraphic transfer, banker's draft or cheque. Your bank may charge you for some of these services.

Can more money be invested in the bond?

Yes. Further lump sum investments can be made at any time, and will attract their own charges at the rates applicable at the time they are made. The current minimum is £5,000 (US \$10,000 or €7,500).

We reserve the right to change these minimum amounts in the future.

5. HOW DOES MY BOND WORK?

Where will my money be invested?

You can choose funds from:

- › Tailored Selection funds which mirror certain underlying funds from a range of investment houses.
- › Utmost Fund Collection.
- › External funds available from a wide range of investment management groups.
- › Cash deposits available from a range of banks and building societies.

If you have asked us to link the value of the bond to investments in external funds, or bank or building society deposits, we will set up a dealing account. Where a dealing account exists, Tailored Selection funds and some Utmost Fund Collection funds are not available.

We set up a dealing account so that money can be held ready for investment or withdrawal. It can become overdrawn, possibly due to product charges or charges for advice being taken, and in such instances interest charges will be applied on this debit balance.

Once a dealing account has been set up, it will remain in force and a higher quarterly administration charge will apply.

There is a minimum investment of £2,500 per fund for our Tailored Selection and Utmost Fund Collection ranges. For external funds and cash deposits, the minimum will be determined by each investment manager.



Further information can be found in the 'What are my investment options?' section of the **Product Guide**.

You can find prices for funds within our Tailored Selection or Utmost Fund Collection ranges on our website at www.utmostwealth.com or you can phone us on +44 (0)1624 643 345.

Full details regarding external funds can be obtained from the relevant fund manager.

Can I change the investments linked to the bond?

Yes, we will accept instructions from you or an appointed investment adviser.

Fund switches for funds within the Tailored Selection or Utmost Fund Collection ranges are currently free of charge. However, some of the underlying funds that we 'mirror' carry a charge on investing in the fund.

There is a charge for each sale and purchase of external funds or cash deposits. Please see your personal illustration for details of the current charge.

You can find further information in our separate **A guide to your investment options with Utmost** brochure.

What are Drip-feeding and Portfolio Rebalancing?

Where you are invested in funds within the Tailored Selection or Utmost Fund Collection ranges, and there is no dealing account, you can add either Drip-feeding or Portfolio Rebalancing to your bond without further charge.

› Drip-feeding

The money invested into your chosen fund is transferred to another selected fund at **pre-selected intervals**. This aims to reduce the effect of potential market fluctuations when switching funds.

› Portfolio Rebalancing

You will give each fund a target percentage amount of your investment. The funds are then maintained at this level through either monthly, quarterly, half-yearly, or annual adjustments to maintain your preferred level of risk.

These automated options do not need to be chosen at outset but can be started and stopped at any time. Please note that Portfolio Rebalancing and Drip-feeding cannot be used together.

QUESTIONS AND ANSWERS CONTINUED

Can I nominate an Investment Adviser or an External Manager and/or Custodian (EMC)?

Yes. With our agreement you may ask us to take instructions from your nominated investment adviser on the initial fund choice and subsequent fund switches. All charges applied by an investment adviser will be treated as a charge for advice.

If we are asked to appoint an EMC the standard quarterly administration charge, that we apply for EMC cases, will be applicable to each EMC appointed. In cases where the EMC is able to provide electronic valuations, in a format acceptable to us, the administration charge may be reduced. The applicable administration charge will be shown in your personal illustration. Please see our **Charges Guide** for details of our current administration charges. In addition to the charges we apply, the appointed EMC will also charge for their service.

Charges applied by an investment adviser or EMC for investment advice, can be paid in a number of ways as described on page 6.

If you choose to pay any charges for advice from the value of the bond, then, depending on the type of advice provided, the charge may form part of your 5% annual tax-deferred entitlement. Please speak to your financial adviser for more information.

The appointment of an investment adviser or EMC is subject to our agreement.

Please see **A guide to your investment options with Utmost** brochure and our separate **Charges Guide** for more information.

How will I know what my Bond is worth?

We will send you an annual valuation statement on each policy anniversary. You can register for our logged-in service at www.utmmostwealth.com where you can obtain valuations online at any time. If you ask us to send an additional paper valuation statement in any policy year there will be a charge. For details of the current rate please contact us on +44 (0)1624 643 345.

6. CAN I TAKE WITHDRAWALS OR SURRENDER THE BOND?

Yes. The following options are available to you:

- › Regular withdrawals of capital, you must take at least £200 (US \$400 or €300) per payment.
- › Single withdrawals of capital of at least £500 (US \$1,000 or €750) per payment can be requested.
- › Surrender of individual segments within the bond, the payment must be at least £500 (US \$1,000 or €750).
- › Full surrender of your bond.



- › There is a dealing charge for the sale of any external funds or withdrawals from cash deposits.
- › There may be a charge for breaking a fixed deposit early or not providing the required notice. Some external assets may carry exit charges.
- › If you surrender one or more segments within your bond, any applicable charges for advice will be redistributed to other segments in your bond, where appropriate.

Are there any restrictions?

We reserve the right to delay payment indefinitely under certain circumstances. This may be for example, where we have to sell assets held in the funds linked to your bond and we are unable to do this immediately.

- › If you fully surrender your bond and are paying charges for advice from the bond, any outstanding or further charges due on or after the day of surrender will be stopped. Where applicable, you will be responsible for paying your adviser and/or EMC directly.
- › A minimum balance of £10,000 (US \$20,000 or €15,000) must remain in the bond. If the bond falls below the minimum amount required to keep the bond in force, any charges for advice agreed to be paid from the bond will be stopped. If any amount requested to be paid to cover charges for advice would take the bond below this minimum, then the request will not be processed and we will write to you and tell you. In both these instances, you will need to pay any outstanding charges for advice directly to your adviser and/or EMC.



Please read the 'Getting money from the bond' section of the **Product Guide** for more information.

7. WHAT ABOUT TAX?

Is there any tax on the funds?

We do not pay Capital Gains Tax or income tax in the Isle of Man on investments held on behalf of our investors, so any investment gains in these funds are allowed to grow free of these taxes. The only tax to which funds may be liable is that which is deducted at source and which cannot be reclaimed. This is known as Withholding Tax. Tax rules can change and this position may alter in the future.

Will I have to pay tax?

Under current legislation, you could have a personal income tax liability on any gains if you are resident in the UK for tax purposes when benefits are taken. Income tax on the gain will depend on your rate of tax and individual circumstances.

For UK resident policyholders we will notify HM Revenue & Customs about any proceeds if this creates a chargeable gain. We strongly recommend that you consult your financial adviser to discuss your personal tax position.

If you are a UK tax resident, for each investment you make, you are currently entitled to withdraw 5% of the original investment amount each policy year for 20 years and defer any income tax payable.

If you do not take your full 5% annual entitlement in any policy year, the unused amount is carried forward for use in future years.

If you withdraw more than 5% of the original investment in any policy year then the excess will give rise to a chargeable gain, and may be liable to income tax.

Any withdrawal in excess of the 5% annual entitlement may also affect the availability of any age-related allowances you may be entitled to.



Any adviser charges paid to a financial adviser (on any matters not relating to investment advice), which you have agreed with them to be paid through the bond, will be treated as a withdrawal and will form part of your 5% annual tax-deferred entitlement.

The information contained in this document is based on our interpretation of current law and taxation practice in the Isle of Man and the UK, as at 1 July 2016. Tax treatment is subject to change and individual circumstances.



Please read the 'How is my bond taxed?' section of the **Product Guide** for further information.

8. WHAT HAPPENS TO THE BOND WHEN I DIE?

If you choose a capital redemption bond, it doesn't end on death. Ownership passes to the surviving policyholders or to your personal representatives.

If you choose a life assurance bond, on the death of the last life assured the bond ends. If you are the last life assured, the proceeds are paid out to your personal representatives.



If the bond is brought to an end, any outstanding payments in relation to charges for advice that are due to be paid from the bond to your adviser and/or EMC may still need to be settled. Any remaining policyholders, or if none, your estate will need to settle any outstanding charges for advice directly with the relevant party.



Further information can be found in the 'Getting money from the bond' section of the **Product Guide**.

FURTHER INFORMATION

AUTHORISED AND REGULATED

We are authorised by the Isle of Man Financial Services Authority.

We are not subject to the same regulatory system as the United Kingdom. In particular, we have different solvency, complaint and consumer protection rules.

Solvency is a measure of financial strength. Our solvency is regularly reviewed by the Isle of Man Financial Services Authority, who set minimum solvency margins to protect policyholders. However, this margin is lower than required in the UK.

COMPENSATION

We are covered by the Isle of Man Life Assurance (Compensation of Policyholders) Regulations 1991. If we cannot meet our obligations, the policyholders will be entitled to claim up to 90% of our liabilities to them as compensation from the Scheme.

If you are a UK investor, and we cannot meet our obligations, you may in some cases be able to claim cover for 90% of the value of the bond from the UK Financial Services Compensation Scheme.

However, as we are not subject to the same regulatory system, this position could change in the future. We understand that any claim to the UK Scheme will take into consideration any payment from the Isle of Man Scheme. Please speak to your financial adviser for further information on eligibility.

Please note that, as the assets to which the value of the bond is linked are held in our name, you do not have any automatic rights to compensation should the underlying fund manager or deposit taker fail. In these circumstances our liability to you will be limited to such amounts, if any, that we can recover from any third party.

LAW AND LANGUAGE

The bond is governed by Manx Law. The Isle of Man Courts shall have exclusive jurisdiction to decide any disputes that arise in connection with any such bond. Any waiver of such exclusive jurisdiction shall be at the discretion of the Company, such discretion to be exercised reasonably.

Your contract documents will be in English and any communications we send to you will be in English.

FINANCIAL ADVISERS

Your financial adviser will provide you with information regarding their identity, the capacity in which they are acting and their address for future communications.

If you have any questions regarding Evolution, please contact your financial adviser.

KEY FEATURES DOCUMENT & PERSONAL ILLUSTRATION INFORMATION

If the personal illustration you have been given contains an expiry date and you wish to make an application after this date, please ask your financial adviser for a new personal illustration and Key Features Document.

If you are intending to ask us to deduct an advice charge payment on your behalf, either from your payment to us or from the value of the bond, please ensure the details of the charge match those shown on the personal illustration provided to you by your financial adviser.

This Key Features Document was produced in July 2016. If you are not sure if you have the most up to date version, please ask your financial adviser.

VISUAL IMPAIRMENT

Large text, Braille and audio versions of this guide are available on request.

TERMS AND CONDITIONS

These Key Features give a summary of Evolution. They don't include all the definitions, exclusions, and terms and conditions. These are shown in the Policy Schedule and Policy Conditions.

If you would like a copy please contact us or your financial adviser.



Please read the 'About us and how we work' section in the **Product Guide** for more information.

COMPLAINTS

We will do everything in our power to prevent a complaint and in many cases can resolve the issue direct with our client

If, for any reason, you are dissatisfied with our service, please address your complaint to our Customer Experience Manager. Our details are in the 'Contact us' section.

Complaints we cannot resolve can be referred to The Financial Services Ombudsman Scheme for the Isle of Man. You are not eligible to make a complaint against us to the UK Financial Ombudsman Service.

The Scheme is specifically aimed at individuals which means that complaints from companies (including corporate trustees) are excluded.

Making a complaint will not affect your right to take legal proceedings during mediation. However, if you elect to have your case referred to the Ombudsman then, other than on a point of law, their decision is binding on you and Utmost.

The Ombudsman's contact details are:


Post: The Financial Services Ombudsman
Scheme for the Isle of Man
Thie Slieau Whallian
Foxdale Road
St John's
Isle of Man
IM4 3AS
British Isles

Tel: +44 (0)1624 686 500

Web: www.gov.im/oft/ombudsman


CONTACT US

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Telephone calls may be recorded.

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WEALTH SOLUTIONS

A WEALTH *of* DIFFERENCE

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