

FREE

1.65/1.80*

2.20/2.50

5.25

TEAS

1.65/Pot 3.25

1.65/Pot 3.25

1.65/Pot 3.25

Pot 5.25

ICED

Iced Cocoa 2.75

Cocoa 2.75

Cider 2.75

3.30/3.55

3.30/3.55

2.25

* BLENDED

Vanilla Caramel

Mocha Frappe

Almond Joy

Heath Bar Frappe

Maui Mocha Frappe

BLENDED W/O COFFEE

Strawberry Creme

Vanilla Creme

Mango Creme

Chocolate Creme

ICED COFFEE

Iced Latte 3.15

Caramel Latte 3.15

Mocha Latte 3.15

Key Features



Key Features of the Flexible Asset Bond from Cardif Pinnacle.

The Financial Services Authority is the independent financial services regulator. It requires us, Cardif Pinnacle, to give you this important information to help you decide whether our Flexible Asset Bond 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.

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

It provides information such as:

- The minimum and maximum amounts you can invest
- The types of income options available
- The fund choices available
- The switching options available

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Its Aims

- To provide you with **capital** growth over a flexible investment period of your choice. Annual or monthly income options allow you to make withdrawals from your Bond on a regular basis.
- To provide you with a choice of **low-risk** funds that suit your current requirements.
- To provide an accessible tax-efficient investment vehicle that may suit both short and medium term needs.

Your Investment

You can invest a lump sum between £100,000 and £10 million. Larger investments may be accepted at the Company's discretion. The investment period is open-ended so you can invest for the period of your choice.

Risk Factors

- The effects of inflation may reduce the future real value of your investment. If you take a regular income from your Bond that is higher than the growth rate of the fund your **capital** may be eroded.
- If you cancel your Bond you may get back less than your original investment.
- The security of your investment and any returns are dependent on the assets purchased by the Fund(s) of your choice. While the Funds invest in a diversified portfolio there is a risk that a chosen institution may default on any obligation.
- The value of your investment can go down as well as up and you may get back less than you put in.
- The Company may take up to 14 days to process your instruction to surrender your Bond or partially withdraw from your Bond where in the Company's reasonable opinion, it is in the best interests of Bond Owners in general to do so. During this time the value of your units may increase or decrease.

QUESTIONS AND ANSWERS

What Is the Flexible Asset Bond?

It is a single premium life assurance plan which offers a choice of unit linked funds that invest in a range of assets in order to provide you with **capital** growth on your original investment. A regular income, either annually or monthly, can be taken from your Bond.

The Bond is open-ended and therefore has no fixed maturity date. The term of the Bond is entirely your choice and will remain in place until it is surrendered or on the death of the life(s) assured.

How does it work?

The Flexible Asset Bond provides you with a choice of funds which offer variable levels of potential return for different notice periods. Your investment is used to purchase **units** within selected funds. Your Bond Schedule will show which unit class you have invested in. All unit classes are based on a single **unit price** to allocate or cancel **units**.

On a daily basis the **units** are valued and the value is directly linked to the value of the assets within the funds.

You can calculate the value of your Bond by simply multiplying the number of **units** that you hold in each fund by the appropriate **unit price**. The **unit price** is published daily at: www.cardifpinnacle.com/investments

For the purpose of tax efficiency your Bond is subdivided into 200 identical **policies**.

Who can invest in a Flexible Asset Bond?

Anyone aged between 18 and 80 can invest in a Flexible Asset Bond. Applications by investors over 80 years of age may be accepted at the Company's discretion.

How much can I Invest?

The minimum investment for the Flexible Asset Bond is £100,000 and the maximum is £10million. However, larger investments may be accepted at the Company's discretion.

All investments received before 10am will be processed on the same working day, however, units will only be allocated on cleared funds.

Which funds can I place my investment in?

The choice of funds is entirely up to you. There are currently three funds available:

Variable Rate Fund: This is a no-notice fund where the **unit price** will normally increase each day in accordance with the customer rates published by Cardiff Pinnacle. These rates can be changed at any time.

30 Day and 90 Day Notice Funds: These are similar to the Variable Rate Fund but require the appropriate notice for withdrawals and switches. In return for the **notice periods** the rates offered are usually higher than the Variable Rate Fund. Regular withdrawals are not available from these funds.

You may choose to invest in any number of the above funds subject to a minimum balance of £50,000 in each fund chosen and a minimum total investment of £100,000.

The diversified portfolio in which the funds are invested may include deposits, certificates of deposit, fixed and floating rate bonds and other money market instruments. Information regarding the actual investments is available on request.

Can I add additional investments to my Bond?

You can top-up your Bond at any time providing the product is open to new business. The minimum top-up is £50,000. There is no maximum top-up, however, if after your top-up your total investment is over £10million this will only be accepted at the Company's discretion.

Can I make withdrawals from my Bond?

You can make withdrawals from your Bond at any time by simply completing a withdrawal form. The minimum withdrawal is £25,000 subject to a remaining minimum balance of £50,000 in the fund from which the withdrawal is made.

- The minimum withdrawal can be made from more than one fund provided that the minimum taken from each of your chosen funds is £10,000 and the remaining balance in each fund is £50,000.
- There is no maximum limit to withdrawals although we require 5 business days notice for withdrawals of £10million or more from the Variable Rate Fund.
- You are entitled to one free withdrawal per **policy year**. For any further withdrawals during this period there will be a charge of currently £30 per withdrawal.

- The appropriate **notice period** will be required to make withdrawals from the **Notice Funds**.
- All withdrawal requests received before 10am will be processed and the same working day. All other requests will be processed on the following working day. Payments will normally be made to your Bank account in 4 working days.

Can I take an income from my Bond?

You can take regular withdrawals on either a monthly or annual basis from the Variable Rate Fund. You can choose to receive either a percentage of your **in force premium** or a fixed sum.

The minimum regular withdrawal is 1% of your **in force premium** or £1000 per year and the maximum withdrawal is 5% of your **in force premium**. However, if you choose a level of withdrawals that is higher than the growth rate of your Bond your original **capital** will reduce.

Can I switch my investment between funds?

You can switch between funds at any time. The minimum switch is £25,000 subject to a remaining minimum balance of £50,000 in the fund from which the switch is made.

- A switch into a fund can be made from more than one fund provided the minimum switched from each fund is £10,000 and the remaining balance is £50,000.
- You are entitled to 3 free switches per **policy year**. Any further switches will be subject to a charge of currently £20 per switch.
- If you are switching from a **Notice Fund** then the appropriate notice will be required to make the switch.
- All switch requests, from the Variable Rate Fund, received before 10am will be processed on the same working day. All switch requests from the Variable Rate Fund received after 10am will be processed the following working day.

Can I Invest with another person?

You can take out a Flexible Asset Bond with your spouse or partner. The death benefit will be payable on the last death of the lives assured. Please refer to the guidelines on the application form for joint applications.

Can I assign my Bond?

Assignment of the Bond will be permitted to a spouse, civil partner, common-law partner OR any third party by way of gift. It may also be assigned by way of mortgage or charge. Procedures for requesting an Assignment are set out in the Terms and Conditions.

What Is the death benefit?

The benefit payable is 100.1% of the unit value of the Bond calculated at the next **valuation date** following receipt by Cardiff Pinnacle of notification of death.

For Bonds written on a joint life basis the death benefit will be payable after the death of the second life assured.

What are the charges and fees?

Charges are reflected in the customer rates quoted and in the published **unit prices**. These charges may vary and include the expenses of managing your Bond, commission payable to Financial Advisers, a deduction for actual or potential tax liabilities and profit.

In addition to these charges there are also explicit charges and fees relating to the administration of certain activities which are currently as follows:

Switch Fee (after entitlement)	£20.00 per switch
Withdrawal Charge (after entitlement)	£30.00 per withdrawal
Surrender Charge	£30.00
CHAPS Fee (for any payment)	£10.00

These explicit charges and fees may change from time to time in line with salary inflation. You can find details of charges and fees, customer rates and unit prices at www.cardifpinnacle.com/investments.

What are the charges and fees for?

The charges and fees are to cover the cost of administering your Bond, taxes, expenses, commissions and profit. Some charges and fees are only paid if a particular activity takes place.

What about tax?

- The proceeds of the Bond are paid free of any personal liability to Income Tax at the basic rate, currently 20%.
- 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 if any payments from your Bond take you into the higher rate tax band. This will not be deducted by Cardiff Pinnacle as you will hold separate liability.
- Entitlements to **Age Allowance** may be affected by any taxable gain arising from a withdrawal.
- Tax cannot be reclaimed by lower rate or non-taxpayers.
- Some tax may be payable in the event of death.
- The Bond is separated into a number of individual **policies** to assist in tax efficiency. The tax due on a withdrawal is dependent on whether the withdrawal is taken across all policies or by selectively encashing full policies.

Please consult your Independent Financial Adviser for further information.

All printed materials reflect Information as at the time of print and are based on Cardiff 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?

If you have received advice, your adviser will give you details about the cost. The amount may depend on the size of your investment and may be paid out of deductions.

FURTHER INFORMATION

Cancellation Rights/Can I change my mind?

We will send you a notice providing you with 30 days in which you can change your mind and cancel your Bond. There is no charge if you decide to cancel; however, the value you receive may be lower than your original investment as we may need to sell, or cancel the Fund's assets at the prevailing market rate or at a loss.

This notice will be sent to you once your proposal has been accepted. This will apply to new Bonds and additional investments where the top-up is more than 25% of the original investment.

If you decide to exercise your right to cancel, please send your cancellation notice to: Investments Department, Cardiff Pinnacle, Pinnacle House, A1 Barnet Way, Borehamwood, Herts WD6 2XX.

Insurable Interest

The Flexible Asset Bond is a life assurance plan and as such, the Bond Owner must have an insurable interest in the life of the life assured. An individual has an insurable interest in themselves.

Law

The parties to this contract are free to choose the law applicable to it but without any agreement to the contrary, English Law will apply unless you live in Scotland or Northern Ireland where 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 Investments Department, Cardiff Pinnacle, Pinnacle House, A1 Barnet Way, Borehamwood, Herts WD6 2XX.

It is always our intention to provide a first class 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 issue legal proceedings.

A leaflet describing our full complaints/appeals process is available from Cardiff 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 claim. 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 confidential.

Investment Details

When you invest your money in a Flexible Asset Bond you will receive a Bond Document, which is a legally binding contract between yourself and Pinnacle Insurance plc.

Pinnacle Insurance plc reserves the right to refuse an application.

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Glossary/Jargon Buster

These definitions are provided for the purpose of enabling you to fully understand the contents of this Key Features Document and are not necessarily accepted as industry wide definitions.

Age Allowance	An additional personal allowance and additional married couple's allowance for people ages 65 to 74 which reduce their income tax. A further increase in age allowance is applicable for people aged 75 and over.
Capital	The amount you invest
Income Option	The option to take regular income from your investment by encashing units
In Force Premium	The sum of ALL investments made including initial investments and top-ups over all in force policies
Low-risk	A low risk investment has a high certainty of achieving target returns and a low likelihood of capital loss.
Notice Funds	Funds that require a notice period to be given to withdraw or switch monies
Notice Period	The time required for notification before withdrawal of funds
Policies	The subdivision of the Bond. Each Bond is split into a number of identical Policies
Policy Year	A period of 12 months from the start date of the Bond
Units	A portion of the investment fund which is notionally purchased by the investor
Unit Price	Value of each Unit which may vary on a daily basis
Valuation Date	The date on which Units are valued. Units are normally valued on each business day



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

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