



RLCIS PLATINUM PLUS ISA AND STAND-ALONE POLICIES

CURRENT CHARGES FOR LUMP SUM INVESTMENTS

This document shows the current charges that we take from your Platinum Plus policy in respect of any premiums you have paid into your policy by making lump sum investments. Please note that regular premiums paid into the same policies will be subject to different charges – these can be found on the website.

Each lump sum premium invested is treated individually for the purpose of taking charges. The premium is invested in our with-profits fund. We then deduct charges each year from the value of this invested premium as a percentage of its current value.

The annual charges that we make are dependent on when the lump sum was invested, and whether the investment was into an ISA element or a stand-alone/ISA overflow element. These differences are explained further below. The current charges are shown in Table 1.

Table 1

Date of investment of lump sum	Current charge on ISA elements (% per year)	Current charge on stand-alone and overflow elements (% per year)
Up to 2 years ago	3.00%	2.50%
Between 2 and 5 years ago	1.75%	1.50%
After 27/07/2003 but more than 5 years ago	1.10%	1.00%
Between 01/04/2002 and 27/07/2003	0.60%	0.50%
Before 01/04/2002	0.32%	0.25%

In other words, if you invest a lump sum in your ISA now, you will pay 3% on this premium each year for the first 2 years, then 1.75% for the next 3 years and then 1.1% in all subsequent years.

If you have a stand-alone investment (i.e. not an ISA), your current charges are those shown in the right-most column of Table 1.

If you have an ISA investment, any premiums you invest up to the ISA allowance for that year are put into the ISA element of the policy. The annual charges on this ISA part are shown in the middle column of Table 1. These are slightly higher than for other investments in this type of policy, due to the higher costs of compliance with government regulations. However, you also benefit from tax savings on the ISA elements. This should offset the higher cost, although there is no guarantee that this will be the case.

Any premiums that were previously paid above the ISA allowance could not be put into the ISA part of your policy, and were instead put into an overflow element. These overflow parts have the lower charges shown in the right-most column of Table 1, but do not benefit from having tax-free investment returns.

Example charge calculations

Example 1 – ISA investment

Mr A invested a single premium of £1,000 in his ISA in July 2002. This premium has been invested in the With Profits fund and has now grown to about £1,800*. His current charge is 0.6% (as this is an ISA investment made between 01/04/2002 and 27/07/2003). So the amount of charge taken from his ISA this year will be about 0.6% x £1,800 = £10.80

Example 2 – Stand-alone investment

Mr B invested a single premium of £1,000 in a stand-alone policy 3 years ago. This premium has been invested in the With Profits fund and has grown to about £1,100*. Table 1 shows that his current charge is 1.5%, which results in about 1.5% x £1,100 = £16.50 being taken from the value of his investment this year.

Example 3 – Multiple lump sum investments

Mrs C invested two lump sums of £1,000 in her ISA policy. Each of these lump sums will have charges applied individually. Table 2 splits out the amount Mrs C would be charged on her ISA this year.

Table 2

	Lump sum premium invested	Date of investment	Current value of premium* (1)	Current charge applied (%) (2)	Approx. charge removed (£) = (1) x (2)
Lump sum 1	£1,000	July 2001	£1,900	0.32%	£6.08
Lump sum 2	£1,000	July 2002	£1,800	0.60%	£10.80
Total value	£2,000		£3,700		£16.88

**Growth figures quoted are for illustration purposes only.*