

Information disclosure template for guaranteed funds in principal brochure

[Name of investment portfolio]

Quick facts

Product provider:	[●]
[Trustee/Insurance company:]	[●]
[Management company:]	[●]
<i>[specify name and location of delegate and whether delegation is internal or external]</i>	
Guarantor:	[●]
Base currency:	[●]
Dealing frequency:	[●]
[Distribution policy:]	[●]
[Minimum investment:]	[●]

Objectives and investment policy

Objectives

- *[Include details]*

Investment policy

- *[Disclose the type of intended underlying investments, and the relative proportions/range (if any) of the components in the investment portfolio] (if the investment portfolio solely invests in an insurance policy, please provide further details of the type of intended investments, and the relative proportions/range (if any) of the components in the insurance policy]*

Investment and borrowing restrictions

- *[Include details]*

What [is/are] the [capital and/or interest] guarantee mechanism [and the discretionary benefits]?

[The following information should be disclosed where applicable (the list is not exhaustive):]

- *Key terms and conditions of the guarantee*
- *The guaranteed amount (fixed and/or variable) that will be paid to scheme participants of the guaranteed fund*
- *[Details of any smoothing or other reserve mechanism and the relevant factors taken into account]*
- *[The product provider or guarantor], at its sole discretion, has the right to retain investment income of the investment portfolio in excess of that required to be set aside to meet the guaranteed benefits under the investment portfolio]*
- *[Discretionary benefits will be distributed to scheme participants if the investment income of the guaranteed fund (net of fees, charges, smoothing and other reserves) is in excess of the guaranteed amount]*
- *[How and by whom such discretionary benefits are determined and the extent of any discretion that may be exercised in making such determination]*
- *[The rate of return declared for the last five years]¹*

¹ As an alternative, the relevant rates may be published on the website of the scheme.

What are the key risks?

[Include a description of the key risk factors associated with the investments, including:]

- *[a statement to the effect that the amount of discretionary benefits could be nominal];*
- *[a statement to the effect that due to the guarantee structure, there will be a dilution of performance];*
- *[a statement to the effect that potential returns in excess of the guaranteed amount are subject to investment risk and are not guaranteed];*
- *a statement to the effect that the investment portfolio is subject to the credit risk of the guarantor [and the issuers of the underlying investments];*
- *a warning statement in relation to all material conditions which affect the scope or validity of the guarantee including, where relevant, the condition that the guarantee only applies to scheme participants who hold their investment until the date specified in the guarantee and that termination or withdrawal before such date are fully exposed to fluctuations in the value of the assets comprising the guaranteed fund and/or subject to penalties;*
- *[the mechanism of any up-front charging fee structure and the cost implication to scheme participants]; and*
- *[Insert any other relevant risk factors]*

What are the fees and charges?

Charges which may be payable by you

You may have to pay the following fees and charges when dealing in the investment portfolio.

Fee	What you pay
[Subscription fee]	[Up to [●] % of the amount you buy]
[Switching fee]	[●]
[Redemption fee]	[●]

[Note: If there are other fees that scheme participants have to pay, please also state here, using the same format.]

Ongoing fees payable by the investment portfolio

The following expenses will be paid out of the investment portfolio. They affect you because they reduce the return you get on your investments.

Fee	Annual rate (as a % of the investment portfolio's net asset value)
[Management fee]	[●]
[Trustee fee]	[●]
[Guarantee fee]	[●]

[Note 1: If there are other types of ongoing fees payable by the investment portfolio, please also state here, using the same format, where applicable.]

[Note 2: If the current and maximum annual rates are disclosed, please add a note stating that the current annual rate may be increased up to the specified maximum level by giving [period] prior notice to the scheme participants.]

Valuation, pricing and dealing arrangements

- *[Include details]*

Additional information

- *[Insert other material disclosures]*

Important

- *[Insert other important disclosures]*