



Mirror funds. Maybe not so cool.

As you would expect, RL360° offers your clients a wide variety of funds from leading investment houses. What we don't do is offer 'mirror' funds.

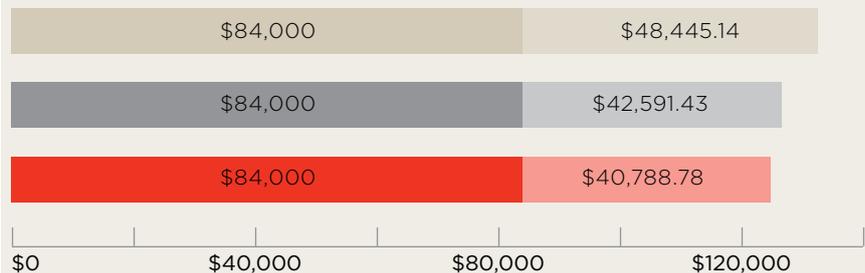
These are used by some other life companies to give access to third party funds through their life insurance policies. However, they typically involve extra fees. So while they are sold as reflecting the underlying performance, don't be fooled by the image. The likeness is far from true.

It's time to look behind the mirror

To shine a light on mirror funds, we took the case where a client invested \$1,000 a month into a specified fund (BlackRock World Gold) over 7 years (from February 2005 to February 2012). Here's the result.

To look at it the other way round, Life Company A would have underperformed by \$5,853.71 over the period - and Life Company B would have swallowed up \$7,656.36.

Bar chart showing regular savings of \$1,000 per month over 7 years



- BlackRock World Gold A2 USD GTR [\$132,445.14]
- Life Company A - BlackRock GF World Gold GTR [\$126,591.43]
- Life Company B - BlackRock GF World Gold GTR [\$124,788.78]

Data provided by Financial Express 2012

BlackRock World Gold Fund Investment return

57.67%

Life Company A Investment return

50.70%

Life Company B Investment return

48.56%

Gross Return Bid-Bid monthly line chart (from end February 2005 to end February 2012) from UK Offshore Insurance Universe and a monthly regular saving of \$1,000 invested on the 1st of the month, a total of \$84,000. Please note this chart only relates to the performance of the funds shown, inclusive of their associated charges, **and does not take account of any product related charges, which may be lower where mirror funds are accessed.**

At a time when fund information is freely available online, it could be difficult to look into a client's eyes and explain why a lagging mirror fund should be chosen over the real deal.

Fortunately, that's easily avoided. With our Paragon policy offering you only genuine third party funds, your judgement will always reflect well on you. Which is cool.

Important notes

For financial advisers only. Not to be distributed to, nor relied on, by retail clients.

RL360° is not authorised to provide investment advice and the inclusion of information in this leaflet relating to any fund or fund manager does not constitute a recommendation for investment.

Please remember that past performance may not be repeated and must not be used as a guide to future performance.

We know that mirror funds don't always show a true reflection... so we'd rather not use them.