

# THE HEALTHY OPTION FOR ADVISERS?

At RL360 we love to make life simple for advisers. It's not always an easy task, but with the Regular Savings Plan, Quantum, Paragon, Oracle and LifePlan fund range we believe we have.

**When advisers ask us the question "Will my client be charged any entry or exit fees when buying, selling or switching funds?" our simple response is zero percent.**

And that's backed up by a fund range that includes:

<b>NO</b> mirror funds	<b>NO</b> custodian fees	<b>NO</b> switching or redirection fees	<b>NO</b> initial charges or bid/offer spreads
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Just a direct fund range that can be switched online by investment advisers and clients alike.

**However, have you asked other providers to clarify their position?**

If not, here are 3 good questions to ask:

## **1. IS EACH OF MY CLIENT'S PREMIUMS SUBJECT TO A POTENTIAL BID/OFFER SPREAD?**

If the answer is yes and your client has a regular premium policy with a provider that charges 0.5% on entry to each of the funds they have selected then:

<b>Premiums</b> USD 1,000 per month	<b>Term</b> 15 years	<b>Bid/offer spread deductions</b> USD 900
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At RL360 these charges do not apply.

## **2. DO EACH OF MY CLIENTS GET CHARGED A BID/OFFER SPREAD WHEN SWITCHING FROM THEIR EXISTING FUNDS INTO A NEW FUND?**

If the answer is yes, and your client switches out of their existing funds and into new funds which have a 0.5% charge on entry then:

<b>Switch out</b> Fund A	<b>Value out</b> USD 71,598	<b>Switch in</b> Fund B	<b>Value in</b> USD 71,240	<b>Bid/offer spread deductions</b> USD 357.99
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These figures assume a USD 1,000 per month premium, growing at 7% a year net of charges, with the switch taking place at the end of the 5th policy year.

**Again, with RL360 there are no such worries; all transactions are conducted on a bid-bid basis.**

### **3. ARE EACH OF MY CLIENTS CHARGED THE BID/OFFER SPREAD EVEN IF THEY ARE ONLY REBALANCING?**

If the answer is yes, and your client rebalances 50% of their portfolio each year throughout the term then:

<b>Rebalancing frequency</b> Yearly	<b>Premium and term</b> USD 1,000 per month 15 years	<b>Bid/offer spread deductions</b> USD 5,213
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These figures assume growth of 7% a year net of charges, with rebalances taking place at the end of each policy year. In this case these deductions amount to 2.9% of total premiums paid over the term.

**But again, with RL360 we don't apply these charges, so you can switch, redirect, rebalance and take advantage of opportunities for growth as often as you decide.**



**If the answer to any of these questions is yes, then your clients could be paying significantly more in fees for accessing funds that they wouldn't through an RL360 policy.**

Clearly some providers may apply charges in some instances but not in others and equally some may follow us and not apply charges under any of these circumstances. But whatever the answers at least you know that with RL360 the answer is simple.

This document only focuses on one aspect of a product's potential charging structure, and before making any recommendations to your client you should review and consider all aspects of a product's charging structure.

**Important notes:**

For financial advisers only. Not to be distributed or relied on by retail clients.