

For Immediate Release  
20<sup>th</sup> August 2002

## **EXPATS TURN TO TRADED ENDOWMENTS DURING MARKET TURMOIL**

With world markets in turmoil, Policy Portfolio, founder of the traded endowment market, is seeing a significant increase in enquires from overseas investors. For a free guide to traded endowments and information regarding their benefits for overseas investors, call Policy Portfolio on +44 (0)20 8343 4567 or visit [www.policyportfolio.co.uk](http://www.policyportfolio.co.uk).

Brian Goldstein, Managing Director of Policy Portfolio says: "Traded Endowment Policies (TEPs) offer a number of appealing features for both expatriates and overseas nationals. The original owner has already paid most of the upfront charges and there is a guaranteed minimum payment, the basic sum assured. In addition, bonuses have been allocated to the policy and once given cannot be taken away. In fact investors purchasing a TEP find that in many cases the in built value exceeds the purchase price.

"TEPs ideally suit the needs of investors who require safety and security accompanied by growth, for whom the performance of direct stock market investments is too unpredictable. Overseas investors often find it easier to elect to pay all the premiums upfront. Policy Portfolio offers a discount if they do so and ring fences the account so their money is safe."

Gearing a portfolio of TEPs is becoming increasingly popular as it enables investors to get more TEPs for their money. UK and Offshore banks will often lend up to 90% of the surrender value, enabling investors to combine their investment capital with a bank loan, secured against the TEP portfolio. The investor can buy a larger number of policies than would otherwise be possible and therefore has the opportunity to build greater wealth over a shorter period of time.

The average annualised growth for all TEPs bought from Policy Portfolio that matured during the twelve months ending June 2002 was over 8%.

-ENDS-

For further information, please contact:

Brian Goldstein  
Managing Director  
Policy Portfolio  
Tel: 020 8343 4567

or

Georgina Dunlop  
Lansons Communications  
Tel: 020 7294 3693

## **NOTES FOR EDITORS**

### **Key features of TEPs:**

- Combines: flexibility, low risk with potential for high returns.
- No set up costs: As policy set up costs have been paid by previous owner, TEP investors derive full benefit from the high growth rate of the policy during its final years.
- Strong stable growth: Achieved through bonus payments accrued by life offices investing premiums in shares, property, fixed interest securities and cash.
- Guaranteed minimum: A fixed amount of money which has been determined at the outset – the sum assured – is guaranteed and will be paid at maturity.
- Bonuses: Life companies declare an annual bonus, which is added to the accumulated bonuses. Once given these cannot be taken away.
- Flexibility: Investors choose how much to invest and when they want the policy to mature. A TEP can be sold prior to maturity.
- Tailor-made: Investors choose the balance they require between capital investment and ongoing premiums.
- Cash for future needs: Since the maturity date is known in advance TEPs are an ideal way to plan for retirement, university costs, school fees, paying off a mortgage, wedding expenses etc.
- Tax: Policies are available as either Qualifying or Non Qualifying, each having a different tax treatment. Investors are able to choose a policy which is most appropriate for their particular circumstances.
- Charges: No additional costs to initial purchase price and future premium payments.

### **Policy Portfolio plc**

Launched in 1988, Policy Portfolio was the first market maker in the Traded Endowment Policies (TEPs) market, is regulated by the Financial Services Authority and was a founder member of the Association of Policy Market Makers (APMM). For those wishing to sell, Policy Portfolio pays on average 10% to 15% more than Life Companies surrender values, sometimes up to 30% and in some cases even more. Policies must be with profits endowments or whole life which are at least 6 years old and have a surrender value greater than £2,000. Alternatively for those wishing to invest in a traded endowment, Policy Portfolio has available one of the largest and most comprehensive ranges of policies.