keyfacts®

Standard Life
Part of Phoenix Group

Key features of the International Bond

Capital Redemption Option

This is an important document.
Please read it and keep for future reference

Helping you decide

This Key Features document will give you information about the main features, benefits and risks of the International Bond, where you have elected to set up your Bond on a capital redemption basis. Throughout this document, any reference to "International Bond" or "Bond" shall relate to International Bond – Capital Redemption Option.

When we refer to 'Standard Life' we mean Standard Life International dac.

You should also ensure that you read your personal illustration, the Key Information Document (KID) for your Bond and where relevant, depending on the investments you select, the Key Investor Information Document (KIID) or the Supplementary Information Document (SID). These should be provided to you by your adviser. The personal illustration will show you how much you may get in the future; there is no guaranteed return. It is no more accurate than the KID. However, it is based on your actual payment and on growth rates that we feel are most suitable for your investment choice, rather than projections prescribed by legislation. This Key Features document and your personal illustration should be read together.

This document is for UK, Channel Islands and Isle of Man residents only.

The International Bond is administered in Ireland.

You can only buy this product through a financial adviser or intermediary. They will give you advice and answer any questions you may have.

Throughout this document 'you' is defined as either you the individual or you as trustee(s).

Our customer service teams will always be happy to answer any of your questions or give you more information, but they can't give you any financial advice. Our contact details can be found in section 6 – 'How to contact us'.

Full details of the terms and conditions that apply to your Bond can be found in 'Policy Provisions for the International Bond – Capital Redemption Option' IB62CRB.

Further information can be found in our guide, 'Offshore investing' (IB10).

You will find further information about using trusts in 'Protecting your assets' (IHTS10).

Trusts:

A trust is an arrangement where the owner of property (the settlor) instructs another person (the trustee) to hold and manage that property for the benefit of one or more persons (beneficiary(ies).

Before submitting the application form, please ensure the trust is registered on HMRC's Trust Registration Service (unless excluded) and the Irish Revenue's Central Registration of Beneficial Ownership of Trusts (CRBOT).

Please note, the CRBOT registration process is being updated and the Irish Revenue will update their website when it's available. There will be no penalty for non-registration whilst this work is carried out. If you have any questions about trust registration, please consult your professional adviser(s).

Holding a Bond in trust can help with wealth protection and inheritance tax planning.

If the International Bond is to be held in one of our trusts (Discounted Gift Plan, Gift Plan or Loan Plan), then this Key Features document is only suitable for use by trustees habitually resident in the UK.

The relevant Trust – Questions and Answers document should be read along with this Key Features:

Discounted Gift Plan (IBDGPQA)

Gift Plan (IBGPQA)

Loan Plan (IBLPQA)

Due to the technical nature of the trusts, it is important you speak to your adviser before making a decision.

1. Its aims

To give you capital growth in a tax-efficient way, over the medium to long term.

To give you access to your money by making tax-efficient, regular or one-off withdrawals.

To provide access to a wide range of investment options.

2. Your commitment

To make payments to your International Bond, within our product limits.

To view your International Bond as a medium to long term investment. This means that it should usually be held for at least 5 years. The Bond has a fixed term of 99 years, although it can be surrendered earlier.

To inform us if you become tax resident in Ireland.

To keep at least £10,000* in your International Bond if you wish it to stay open.

If you commit to making recurrent single payments the value of your Bond can be less than £10,000 for a period of time as long as you have a Direct Debit in place. If you cancel your Direct Debit and the value of your Bond is less than £10,000 we may close your Bond.

Trusts:

*This is not a requirement for the Discounted Gift Plan (during settlor's lifetime), or a Loan Plan (while there is still an outstanding loan).

If your Bond is part of a Discounted Gift Plan or Loan Plan the recurrent single payments option is not available.

3. Risks

At the start

If you change your mind and want to cancel the Bond you may get back less than you paid in. For more information see section 4.10 – 'Can I change my mind?'.

Trusts:

If the Bond is written in trust from inception, or assigned into trust at a later date the trust may continue if you cancel the Bond. Due to the legal framework of the trust once it has been set up it cannot be easily cancelled.

During Investment

Investments available under your Bond can vary in their level of risk. The value of your investment can go down as well as up, and may be worth less than what was paid in.

To spread your risk, you should consider investing in different investments and asset classes.

Each fund is split into units. The price of units depends on the value of the fund's assets after charges.

Some funds invest in overseas assets. This means that exchange rates and the political and economic situation in other countries can significantly affect the value of these funds.

Standard Life International will probably be one of many investors in the fund(s) you direct us to invest in. Sometimes, in exceptional circumstances, we may wait before we carry out your request to transfer or switch out of a fund. This is to maintain fairness between those remaining in and those leaving the fund.

This delay could be for up to a month. But for some funds, the delay could be longer:

- It may be for up to nine months if it's a fund that invests in property, because property and land can take longer to sell
- If our fund invests in an external fund, the delay could be longer if the rules of the external fund allow this
- For all mutual funds, the delay could be longer

If we have to delay a transfer or switch, the fund prices on the day the transaction takes place will be used – these prices could be very different from the prices on the day you made the request.

Some funds invest in property. The valuation of property is generally a matter of a valuer's opinion rather than fact.

You can change the mix of your investments as it suits you. You can invest in up to a maximum of 20 different funds over the life of the plan. But you can't invest in more than 12 funds at one time. In some situations there may be a delay in carrying out your fund switch requests.

Transaction costs may apply when you switch in and out of funds. These will be taken into account in the price used to calculate the value of the funds on the day you switch and will vary depending on the type of fund. For example, a typical transaction cost for an equity fund is between 0.20% and 1.20% of the price you receive. But for property funds they can be much higher – up to 7% of the price you receive, or even higher in exceptional circumstances. This is because of the additional costs involved in buying and selling property, such as stamp duty.

Some funds invest in funds managed by external fund managers. In these cases, the description of the fund is provided by the external fund manager so Standard Life can't guarantee that it's accurate.

External fund managers are in charge of managing their own funds including what they invest in. This means that Standard Life is not responsible for these funds' performance or continued availability.

The investment performance of the Standard Life version of a fund will be different from what you would see if you invested in the underlying fund directly. There can be several differences, due to charges, cash management, tax and the timing of investing.

Some fund managers may look to get a better return by lending some of the assets to certain financial institutions. This involves some risk, and in certain circumstances, the fund could suffer a loss – for example, if the institution encountered financial difficulties and was unable to return the asset. The fund manager will use some controls to manage this risk, such as obtaining security from the borrower and monitoring their credit rating.

Funds can sometimes use derivatives to improve portfolio management and to help meet investment objectives. A derivative is a financial instrument – its value is derived from the underlying value or movement in other assets, financial commodities or instruments, like equities, bonds, interest rates, etc.Standard Life International is not responsible for the performance or solvency of the providers of the investments available through the International Bond.

Standard Life International will not be held liable for any loss suffered by you if a deposit account provider backed by a government guarantee fails and that government is unable to meet its guarantee.

It is important to understand that your Bond is not protected by the UK Financial Services Compensation Scheme (FSCS) if we are unable to meet our liabilities to you. There is no access to the FSCS if you have a pre-existing International Bond or plan to take out an International Bond in the future. See 'Compensation' under section 5 for more detail.

When taking withdrawals out of your International Bond

If you take withdrawals that are greater than any capital growth on your Bond, the capital value of your Bond will fall.

The Guaranteed Maturity Value (GMV) will be reduced in proportion to the level of any withdrawal from the Bond. We explain what the GMV is on the next page – page 4.

We consider the term "withdrawal" to include regular withdrawals, partial cash-in of the Bond and/or any adviser charges taken from within the Bond.

Trusts:

If your Bond is held in a Discounted Gift Plan regular withdrawals must be taken from outset and cannot be changed during the settlor's lifetime.

If your bond is held in a Loan Plan, and the trustees want to make a withdrawal to pay to a beneficiary or assign segments to a beneficiary whilst there isan outstanding loan, it is important to ensure that there is sufficient funds to repay the loan to the Settlor. Please refer to the trust deed before taking action.

When cashing in your Bond

What you get back depends on the performance of the investments you choose, and any charges.

You may get back less than the amounts shown in your personal illustration because:

- The product charges could go up
- Adviser charges could go up
- We change the basis on which we set the price of an investment-linked fund
- The performance of the investments is lower than anticipated
- Tax rules and legislation could change
- You withdraw money from your Bond earlier or more frequently than anticipated
- You take regular withdrawals which are larger than any growth in your investments

If you are no longer a UK resident for tax purposes when you cash in your Bond it will affect the tax you pay.

4. Questions and answers

What is the International Bond – Capital Redemption Option?

The International Bond – Capital Redemption Option is provided by Standard Life International, an insurance company. It is a lump sum offshore investment linked insurance Bond, into which one-off, additional single or recurrent payments may be made.

Up to six people can jointly own the Bond, or it can be held under trust. The bond is made up of up to 9,999 individual policies "or segments" and we will set your bond up with the maximum number of policies applicable for your payment.You can request a different number if required.

You direct Standard Life International to invest in funds, via discretionary investment managers or an investment adviser, or in deposit accounts. We own all of the underlying investments – you do not and will not at any time own or hold any of the investments in your own name. However, the benefits you may receive under your Bond will be linked to the value of these underlying investments. Please see your Policy Provisions for more details.

While your money is invested in an International Bond, you normally won't pay tax on any growth. Instead, tax is paid when you take money out of the Bond, and will be based on your circumstances at that time. There may also be withholding tax payable on certain investment funds. See section 4.8 – 'What about tax?

The Bond has a fixed term of 99 years.

If the Bond is in force at the end of the fixed term then a maturity value is payable.

The Bond does not end on death but passes to the surviving bond owner(s) or to your personal representative(s).

You can make withdrawals or surrender your Bond at any time, subject to the terms of this Key Features Document and the Policy Provisions

Guaranteed Maturity Value (GMV)

If your Bond is not cashed in before the end of the 99 year term, we will pay the higher of the Bond cash-in value at the maturity date and the guaranteed maturity value. The GMV is equal to 20% of the total payments into the Bond, and is reduced proportionately in line with any payments out of the Bond. This includes regular withdrawals, partial cash-in of the Bond and/or any adviser charges taken from within the Bond.

When the Bond starts, the GMV is 20% of your initial payment. Any additional payment made into the Bond will increase the GMV. The increase will be 20% of the value of the additional payment. If you withdraw money from your Bond, the amount withdrawn, when expressed as a percentage of the Bond value at the date of the withdrawal, determines the percentage by which the GMV is reduced. For example, if you withdraw 10% of the Bond cash-in value, the GMV will be reduced by 10%.

If you transfer some of the polices in your Bond to someone else by assignment we will calculate the GMV at the point of the transfer. The GMV will then be divided proportionately, in line with the assignment.

Standard Life International provides a guarantee that as long as the Bond is in force on the maturity date, the maturity value will not be less than £100 (or currency equivalent).

If, during the life of the Bond, the value of the Bond falls to or below the GMV, we may decide to take control of the investment decisions. We will give you and your financial adviser reasonable notice of any such decision and we will proceed to move investments into the IB bank account and/or other low risk asset classes chosen at our discretion. We will not apply any charges for moving investments in this way, although there may be some transactional costs. These are not likely to be material. We will control the investment decisions until the Bond value reaches at least 125% of the GMV or is otherwise redeemed. Once the value of the Bond has increased to 125% of the GMV, we will notify you and your financial adviser so that we can once again invest according to your instruction. We will continue to control the investment decisions in the absence of any instruction from you or from your financial adviser. We shall have no liability to you for any loss suffered by you as a result of us choosing to exercise this right to control the investment decisions.

How the Guaranteed Maturity Value changes with Payments in and Payments out

The table below gives an example of how the GMV works in practice based on a notional new Bond being taken out with an initial investment of £100,000

- Initial lump sum payment of £100,000 is received and invested in the Bond
- GMV is 20% of amount invested, or £20,000
- After investment growth of 5%, the Bond value has grown to £105,000; GMV remains at £20,000 (note 2)
- A partial cash-in of £10,500 is requested by the bond owner. This equates to 10% of the value of the Bond at the date of the withdrawal. The GMV is accordingly reduced by 10%, resulting in a new GMV of £18,000

- An additional lump sum payment of £20,000 is subsequently added to the Bond
- The GMV is duly increased by 20% of that additional payment, or £4,000, resulting in a new GMV of £22,000

	Payments in/out of Bond (+/-)	Value of Bond	Change to GMV	Total GMV
Initial lump sum payment	+£100,000	£100,000	+£20,000 (1)	£20,000
Investment growth of 5%	n/a	£105,000	n/a (2)	£20,000
Partial cash-in (10%) taken from the Bond	-£10,500	£94,500	-£2,000 (3)	£18,000
Additional lump sum payment	+£20,000	£114,500	+£4,000 (1)	£22,000

(1) GMV is increased by 20% of any payments into the Bond

(2) GMV is not impacted by investment growth

(3) GMV is reduced by any withdrawals from the bond on a proportional basis. In the above example a partial cash-in of 10% of the Bond value leads to a corresponding 10% reduction in GMV.

The example is provided as an illustration only and should not be relied upon as a guide to likely returns.

How flexible is it?

The International Bond offers a wide range of investment options. You may switch the investments held within the Bond, although there may be charges involved.

You can make additional payments into your Bond.

You can take withdrawals from your Bond.

Assigning:

You can transfer ownership of part or all of your Bond. This is called "assigning". You will need to request a deed of assignment and restrictions may apply, particularly if the Bond is held in trust.

The new bond owner should be resident in a country we are permitted to conduct business in. Please speak to your financial adviser for details.

Some deposit account and whole of market fund providers may apply exit penalties when policies (segments) invested in fixed term deposit accounts are assigned to another person.

Can I invest in an International Bond?

You have to be habitually resident in the UK, Channel Islands or Isle of Man to invest in an International Bond.

The minimum age of a bond owner is 18.
We may not accept an initial payment where the age of the bond owner is above 89.

Trusts:

If the Bond is held in trust, it is only suitable for use by trustees who are habitually resident in the UK.

If you select the Discounted Gift Plan, the minimum age for the settlor(s) next birthday is 51. To allow time for underwriting to take place, we have set the maximum age to be six months before the settlor's 90th birthday.

For the Discounted Gift Plan, Gift Plan or the Loan Plan there can be up to two settlors, five trustees and an unlimited number of beneficiaries.

All Standard Life trusts must be registered on HMRC's Trust Registration Service (unless exempt). It will also be registrable on the Irish Revenue's Central Registration of Beneficial ownership of Trusts when the service becomes available.
If you are not using a Standard Life trust and you are in doubt as to the trust's registration obligations, please check with the solicitor who drafted the trust.

4.1 Trust solutions

- We offer a range of different trusts that can be used to hold an International Bond. These trusts offer different benefits so you can choose the one that suits your needs best.

- **Discounted Gift Plan**
  May be suitable for individuals who wish to retain the right to fixed regular withdrawal payments whilst reducing the value of their estate for inheritance tax (IHT).

  Not suitable if you need full access to the original capital or income.

  The bond can be held in a Discounted Gift Plan from its inception or assigned into a Discounted Gift Plan at a later date.

- **Gift Plan**
  May be suitable for individuals who wish to make an outright gift with no future access to the payment.

- **Loan Plan**
  May be suitable for individuals who want to start to make IHT savings but don't want to make an outright gift. It could also be suitable for individuals if they wish the flexibility of being able to ask for the loan to be repaid on demand.

If your Bond is held in trust, the trust conditions will need to be followed when making changes to the Bond. It is important for trustees to ensure that any changes they make to the Bond or withdrawals made do not breach the trust conditions. We strongly recommend that you speak to your adviser.

For more details on trusts and how they may benefit you, see our guide 'Protecting your assets' (IHTS10).

4.2 What payments can I make?

You can make one-off lump sum payments and/or recurrent single payments. We can only accept payments in sterling.

Initial lump sum payment

The minimum initial lump sum payment is:

- £20,000, or
- £50,000 if you invest on the *Elevate platform, or
- £60,000 if held in a Discounted Gift Plan, or
- £100,000 if you invest in whole of market funds (please see section 4.3) or via a discretionary investment manager or investment adviser
- Please note there is a minimum of £2,500 to be invested in each fund.

Additional lump sum payments

The minimum amount for an additional lump sum payment is £2,500.

It's not possible to make additional lump sum payments if the Bond is held in a Discounted Gift Plan.

Recurrent single payments

You may be able to make recurrent single payments by Direct Debit, subject to any maximum age limit at the policy start date and minimum payment levels.

The minimum limit depends on how often you make payments and whether you are also making a one-off lump sum investment or have an existing Bond.

If the Bond is assigned we will stop accepting recurrent single payments from the assignor, but the assignee is free to start recurrent single payments if they like.

The minimum limits if you are only making recurrent single payments in a new Bond are:

- £1,000 each month
- £3,000 every 3 months
- £6,000 every 6 months
- £10,000 every year

The minimum limits if you have an existing Bond or are also making a lump sum investment of at least £20,000 are:

- £500 each month
- £1,500 every 3 months
- £3,000 every 6 months
- £5,000 every year

Trusts:

It's not possible to make recurrent single payments if the Bond is held in a Discounted Gift Plan or Loan Plan.

Maximum payment

There is no maximum. If you invest more than £3,000,000 we may offer an enhancement to our standard terms and conditions.

In-specie transfers

We may allow investments that are compatible with the International Bond to be transferred 'in-specie'. This is where underlying assets are transferred directly into the name of Standard Life International and credited to you, as the investor.

We reserve the right to specify a minimum payments level.

4.3 Where is my payment invested?

Your payment is used to buy units from the wide range of investment options on offer.

Choose the investments which best meet your needs.

- **Insured funds** – funds that can only be invested in through products which are issued by an insurance company, such as the International Bond.
- **Mutual funds** – collective investments which allow groups of investors to pool their money together. The investments are managed by professional fund managers who invest on their behalf.
- **Whole of market funds** – usually mutual funds specifically requested by your financial adviser on your behalf. The fund will be assessed by Standard Life International to ensure it is compatible with the International Bond but, as with other investment options, we do not assess whether it is suitable for you.

- **Elevate platform** – where your financial adviser can choose from a range of investments (usually mutual funds) via the *Elevate General Investment Account (Elevate GIA). Your financial adviser will choose the investments based on your views on risk and return and in accordance with our permitted asset requirements.

  If making recurrent single payments, these will be held in the IB bank account until your adviser instructs us to transfer the money over to the Elevate GIA. Your adviser will then be responsible for setting up the investment.

  If you wish to direct us to use the services of a Discretionary Investment Manager, "DIM", on the Elevate GIA platform, your adviser will need to check we have a suitable agreement in place.

  We retain the right to override any instructions provided by your adviser.

*Elevate Portfolio Services Limited trades as Elevate and is part of abrdn.

You may also:

- choose from a range of **bank and building society deposit accounts** made available by Standard Life International.
- appoint a **discretionary investment manager** from a range made available by Standard Life International.

Discretionary Investment Manager

A discretionary investment manager offers a professional investment service where they manage some or all of the investments under your Bond. They will construct a portfolio of investments in line with your views on risk and return and in accordance with the permitted assets list agreed with Standard Life International.

Your discretionary investment manager may also offer a professional advice service in respect of some, or all, of the investments. Where we refer to this type of service, we may refer to the discretionary investment manager as an 'investment adviser'.

The investment adviser will not perform ongoing management functions in respect of the investments within your Bond.

If you choose to reject their recommendation and/or instruct them to undertake a transaction either without asking their advice, or, which is contrary to the advice they have given, they are not responsible for the suitability of that transaction.

The investment adviser must buy and sell assets in accordance with the permitted assets list agreed with us. We retain the right to override any instructions you provide to the investment adviser, or advice they give you.

We will not be liable for any losses incurred due to the fall in value of any investments managed by your discretionary investment manager.

We do not recommend or provide any warranty as to the suitability or performance of any of the discretionary investment managers.

Please see the International Bond Policy Provisions (IB62CRB) for more details.

Important notes on your investment

All investment choices are made at your own risk, so it is important to seek the appropriate financial advice.

If you choose to invest part or all of your money in investments other than insured funds, you will be required to have an International Bond bank account to manage the adviser charges, product charges, investment transactions and withdrawals.

We may place restrictions on any investment option at any time.

4.4 Can I take money out?

You can begin to take money out of the Bond one month after the start date; this may reduce its value.

You can take regular withdrawals, partially or fully cash in your Bond. The GMV will be reduced in proportion to the level of any withdrawal from the Bond. We consider the term "withdrawal" to include regular withdrawals, partial cash-in of the Bond and/or any adviser charges taken from within the Bond.

The maximum regular withdrawals that can be taken per year is 10% of the total payments made to the Bond. If you wish to take more you can, through a 'partial cash-in'. We would however draw your attention to the section titled "Withdrawals" in Section 4.8 ("What about tax?").

Regular withdrawals can be every:

- month
- three months
- four months (not available if Bond is placed in a Discounted Gift Plan)
- six months, or
- year

The minimum regular withdrawal is £200 (£250 if held in a Discounted Gift Plan).

The minimum amount for a one-off withdrawal is £500.

You must keep at least £10,000 invested in your Bond if you wish it to stay open. If the value of your Bond falls below £10,000, your Bond may be cancelled and the money returned to you.

As long as you have a Direct Debit in place and are making recurrent single payments the value of your Bond can be less than £10,000 for a period of time.

Withdrawals may not be allowed when an active direct debit is in place to make recurrent single payments. See 'Withdrawals' under 'What about tax?' in section 4.8 for information on the tax treatment of withdrawals for UK residents. Non-UK residents should speak to their financial adviser.

Trusts:

Withdrawals can still be made if the Bond is placed within a trust (Discounted Gift Plan, Gift Plan or Loan Plan) but are governed by the rules of the trust.

Please see the relevant Trust – Questions and Answers document for more information.

4.5 What are the charges & discounts?

The charges that apply will be set out in your personal illustration and confirmed to you post-sale. See our 'Charges and Discount' guide (IB92) for more details.

The amount you will pay is determined by:

1. **Product charges**
2. **Investment charges**
3. **Large fund discounts**
4. **Adviser charges***

*Adviser charges, where applicable, are likely to affect the value of your Bond. See section 4.6 for more details.

1. Product charges

Stepped product charges

Stepped product charges are calculated on the total Bond value and taken monthly in arrears. They decrease as the value of your Bond increases.

The charges vary depending on the investment types you choose. If you choose this charging model, the initial charge and quarterly fee will not apply.

Initial charge and quarterly fee

This is only available for investments in Discretionary Investment managers or deposits. If you choose this charging model, then stepped product charges will not apply.

Total Investment Amount	Initial Charge	Quarterly Fee
£0 - £149,999	1.00%	£175 pq
£150,000 - £249,999	0.95%	£175 pq
£250,000 - £499,999	0.85%	£175 pq
£500,000 - £749,999	0.70%	£175 pq
£750,000 - £999,999	0.60%	£175 pq
£1m-£3m	0.55%	£175 pq

2. Investment charges

Depending on the investment options you choose, different types of charges will apply relating to the cost of us providing funds.

Fund management charge

This charge is made for the management of your investment(s) and/or for administration costs. The charge varies depending on the investment(s) chosen, and is taken from the investment(s) each day before the unit price is calculated.

If you invest via a discretionary investment manager, the fund management charge is made by the appointed discretionary investment manager. Their charge will be made up of two components:

- The charge the discretionary investment manager takes for managing your investments
- The charges for the specific investments they choose on your behalf

For more information please contact your financial adviser or our Customer Service Team. Our contact details can be found in Section 6 – How to contact us.

Additional expenses

Fund managers may charge an additional expense to cover costs such as fees for trustees, registrars, auditors and regulators. This charge is likely to vary.

Mutual funds/whole of market funds initial charge

Some fund managers take an initial charge from investments into particular funds. The charge varies for each specific fund.

If this applies it may mean that not all of your payment is invested. A one-off percentage charge is applied each time a payment is made into that fund.

Switching your investment

We don't normally charge for fund switches although you may incur dealing and custodial charges depending on the type of investments involved in the switch (i.e. for whole of market funds). You can switch between investments without liability for tax.

Dealing and custodial charges (whole of market funds)

We will levy a dealing and custodial charge of £20 for each buy or sell involving whole of market funds.

Some fund providers may also apply early withdrawal charges – the fund's prospectus will contain details if this applies.

Portfolio Charge

If you invest on the Elevate platform via the Elevate GIA, Elevate will take a portfolio charge to service the account. There will also be separate fund management charges for the investments selected.

Your personal illustration only accounts for the portfolio charge. Please refer to the Elevate Charges Information Document, which is available from your financial adviser, for the fund management charge specific to your investments. There may be further charges if investing via a DIM.

Deposit account charges

Some deposit account providers may impose a transaction charge when transferring money from the deposit account to the bank account.

They may also apply early withdrawal charges if money is withdrawn from fixed term or notice accounts before the end of the term or without providing appropriate notice.

3. Large fund discounts

Investments in the insured fund range could be eligible for a discount on the charges. The size of discount will depend on the size of the investment in insured funds.

Other information about charges

We regularly review our charges to determine whether we need to increase them to reflect changes in our overall costs, or assumptions. Any increases will be fair and reasonable.

Your personal illustration shows our charges and the effect they have on reducing the value of your investments over the term of your Bond.

Please refer to your Terms and Conditions (IB62CRB) for full details of the charges that may apply to you.

Discretionary Adjustments

We may make Discretionary Adjustments to reflect costs incurred in managing a fund. For example, if the fund manager experiences a significant number of investors leaving the fund and needs to apply an adjustment to reflect the costs of selling assets.

4.6 Adviser charges

How can I pay for advice or other services?

You can pay your adviser:

- direct, with no involvement from us, or
- instruct us to facilitate these payments when you complete the application form.

Your personal illustration will show the how you have selected to pay your adviser and the effect this could have on reducing the value of your investment(s) over time.

Adviser charges taken from inside the Bond are counted as withdrawals and accounted for when calculating chargeable gains. See 'Withdrawals' and 'Chargeable gains' under section 4.8 – 'What about tax?' for more details.

If you pay ongoing adviser charges as a percentage of the value of your Bond, and the Bond value increases, the ongoing adviser charge will also increase. This is important if withdrawals are being taken. You may need to check the 5% tax deferred withdrawal allowance is not exceeded in any policy year, as this allowance is based on the payments you make to the Bond, not the total value of the Bond.

If we agree to facilitate the payment of adviser charges to your financial adviser, certain terms and conditions will apply. Your financial adviser will be able to supply you with a copy of the 'Terms and conditions for paying your adviser' (IBAC62). We recommend that you take appropriate tax advice before asking us to facilitate adviser charges.

The Adviser charges available are:

- **Initial adviser charge**
  A single payment which can be paid to your adviser either;
  – from your payment before the remainder is invested in your Bond. This won't form part of the 5% allowance, or,
  – withdrawn from your Bond after the investment is made. This will form part of the 5% allowance
- **Regular initial adviser charge**
  Available if you are making recurrent single payments. The charge amount is agreed at the start of the Bond and partial payments are made at an agreed frequency (monthly, quarterly, half-yearly or yearly), over an agreed period of time, until the full amount is paid.
- **Ongoing adviser charge**
  A regular set amount or a percentage paid to your adviser from your Bond. This can be paid monthly, quarterly, half yearly or yearly.
- **Ad hoc adviser charge**
  A single payment to your adviser which can be taken at any time during the life of the Bond

Where adviser charges are taken from within the Bond, the GMV will be reduced in proportion.

4.7 What is the International Bond bank account (IB bank account)?

If you choose to invest all or part of your payments in investments other than insured funds, you will be required to have an IB bank account to manage the charges, investment transactions and withdrawals.

The interest rate payable on positive balances in the IB bank account is not guaranteed and can change. Depending on economic circumstances, it is possible that no interest will be payable on money held, or, that you may be charged to operate the account.

To find out the current rate of interest please contact your financial adviser.

Maintaining the IB bank account

You must ensure there is enough money in the IB bank account to manage your investments and cover any charges or withdrawals.

We suggest an amount of around 2% of the total value of your investments under the International Bond, plus the amount required to cover any regular withdrawals. However, the amount should depend on which investment options you choose and the adviser charges agreed between you and your financial adviser. Please speak to your financial adviser to determine a suitable amount to allocate to the IB bank account.

We reserve the right to cancel units in your funds and/or to sell some of your investments within the Bond if the IB bank account has insufficient funds to meet a deduction. In order to avoid repeating this action too frequently, we may sell investments and/or withdraw money of a greater value than the amount outstanding to cover payments due for up to 12 months in advance.

For more information on the IB bank account, please refer to the Policy Provisions document (IB62CRB).

4.8 What about tax?

This section only applies if:

- the International Bond is owned by individuals resident in the UK. Or,
- for trusts; if the settlor(s), trustees and beneficiaries are resident in the UK and intend to remain resident in the UK.

There may be different and/or additional tax consequences if any of the parties mentioned above are not resident in the UK (or become non-UK resident during the lifetime of the Bond).

Laws and tax rules may change in the future. The information in this Key Features document is based on our understanding of law and tax practice in Ireland and the UK in April 2024. The future tax position of the International Bond or your own tax position may alter.

Many different factors will determine UK residency; you should speak to your adviser if unsure about your status.

Under the terms of the Bond, you must inform us if you become tax resident in Ireland.

Please note that if you are not domiciled in the UK, or cease to be a UK resident for tax purposes, there may be additional tax consequences, whether on the Bond or from an IHT perspective. Please contact your financial adviser or specialist tax adviser for more information.

If the Bond has been set up by a company or partnership, please speak to your financial adviser.

A tax-efficient way to grow your investment

While invested in the Bond, you won't normally pay tax on any growth. Instead, tax is paid when you take money out of the Bond, and will be based on your circumstances at that time.

There may be withholding tax payable on certain investment funds. This is a tax that some countries deduct from dividends and interest payments. It is not always possible to reclaim withholding tax. For details on which countries deduct withholding tax, please speak to your financial adviser.

If you invest in a fund where tax is paid on returns within the fund, Standard Life International will, where possible, reclaim the tax paid within the fund and return this to you.

We may not be able to reclaim tax if there are changes in HM Revenue & Customs practice.

Withdrawals

Your International Bond will normally be split into 100 individual policies or 'segments'.

When you make a partial cash-in, you may choose to take an equal amount from each policy or to cash in individual policies, whichever method gives you the lower tax liability.

If you cash in your International Bond, or take one-off or regular withdrawals amounting in any policy year to more than 5% of the total amounts paid into your Bond, part of your benefit may be treated as a 'chargeable gain' and will be liable to income tax.

You can take tax deferred withdrawals each year of up to 5% of the total payments made into your Bond, up to a maximum of 100% of the total amount paid into the Bond. If you do not use your allowance in a particular policy year, you can carry it forward to a future year.

Any adviser charge paid from the International Bond will count as a withdrawal. Any withdrawals over the allowance may be treated as a chargeable gain and will be liable to UK income tax if the International Bond is owned by an individual or individuals resident in the UK.

Chargeable gains

Standard Life International does not pay tax on the income and gains of the investments held under your International Bond. Because of this, gains on these types of policies are treated as if no tax at any rate has been paid on them. You will therefore normally have a liability to tax if you incur a chargeable gain.

The gain will be added to your income and charged at your marginal savings rate – starting, basic, higher or additional rate tax. The chargeable gain is calculated by HM Revenue & Customs as follows:

- When you cash in your International Bond, the chargeable gain is generally the amount you receive plus any amounts you have previously taken, and/or any adviser charges paid from the Bond, less the total amounts paid into the Bond, less any chargeable gains subject to UK tax which have arisen on previous withdrawals.
- If any withdrawals are taken, a chargeable gain is calculated for the current policy year by adding all the withdrawals made during the year and deducting the amount of the 5% allowance available, as described above. Any adviser charges that we facilitate are regarded as withdrawals for tax purposes.

Any chargeable gain on your Bond will be taxed as income in the year it arises. However, 'top slicing' relief may reduce the tax payable on the gain. The relief is based on the tax that would have been paid on the average gain.

The full gain will be added to your income and this may reduce your income tax personal allowance, entitlement to the personal savings allowance, tax credits and child benefit. Please speak to your financial adviser to understand how this may affect you.

Time spent outside of the UK

If you are temporarily living abroad and there is a chargeable gain on your Bond, you may have tax to pay when you return to the UK. It may be possible to reduce the chargeable gain for the time you spent abroad, during the period from the start of your Bond to the date of the chargeable event. This is known as Time Apportionment Relief. Top slicing relief is reduced for the period you spent abroad. If you want this to be explained further please seek financial advice.

Inheritance Tax (IHT) liability

If your International Bond was not set up under trust, it will form part of your estate on death and may therefore increase your IHT liability. Please note that if you are not domiciled in the UK, or cease to be a UK resident for tax purposes, there may be additional tax consequences, whether on the Bond or from an IHT perspective.

Laws and tax rules may change in the future. The information in this Key Features document is based on our understanding of law and tax practice in Ireland and the UK in December 2022.

Trusts

Trust taxation is a complex area and will vary depending on your individual circumstances. Please speak to your legal or financial adviser for more information.

Where using a Standard Life Trust, ensure you see the relevant Trust – Questions and Answers document. Your adviser can provide this to you.

4.9 What happens to my International Bond if I die?

Please read the Policy Provisions (IB62CRB) and speak to your financial adviser for full details.

If you take out your Bond together with someone else, when one of you dies the Bond automatically passes to the survivor. If you take out your Bond in your name alone the Bond will pass to your personal representatives when you die and will continue until the end of the 99 year term unless the personal representatives request a full cash-in of the Bond to pay to the bond owner's beneficiaries or otherwise appoint a beneficiary to become the bondowner.

Trusts:

For more information on what happens when you die and the Bond is in trust, see the relevant Trust – Questions and Answers document. You can find the titles of these at the end of page one. Your adviser can provide copies.

4.10 Other important questions

Can I change my mind?

Yes, you have a legal right to cancel your contract if you change your mind.

You have 30 days from the day you receive your Policy Schedule and Policy Provisions (IB62CRB). At the end of the 30 day period, any money received by Standard Life International will not be refundable under the cancellation rule.

If you decide you want to cancel, you should contact us with your cancellation instruction within this 30 day period. See section 6 – 'How to contact us'. Please make sure that you include your Bond number in any correspondence with us. Cancellation instructions cannot be accepted via email.

Where the Bond is held by a company or in trust, the cancellation request needs to be in writing and all authorised signatories/trustees must sign.

You may get back less than you paid in. This is because we may make a deduction to reflect any market loss we have experienced between the date we received your payment and the date we received your instruction to cancel.

We reserve the right to deduct any early withdrawal charge applied by a deposit account or fund provider from the amount refunded to you.

If you decide to cancel, and we have already received payment, we will refund the payment to the person who made it.

Where we believe we may be unable to encash assets readily, we may defer the purchase of certain investments until the 30 day cancellation period has expired.

How will I know how my International Bond is doing?

We will send you a statement each year giving the value of your International Bond.

Your statement will also contain details of the costs and charges of your Bond. Costs and charges are based on the information made available to us by the relevant investment providers.

You can access information about your Bond online. Details of how to do this will be sent to you after your Bond is set up.

You can also contact us by phone, mail or email. See 'How to contact us' section 6 for details.

5. Other information

If you need to complain

On request, we can send you a leaflet summarising our complaint handling procedure.

If you need to complain, you should first write to us at the address shown in section 6. If you are not satisfied with our final response, you may be able to complain to:

Financial Services and Pensions Ombudsman

Lincoln House
Lincoln Place
Dublin 2, DO2 VH29

Call: +353 1 5677000

Website: **www.fspo.ie**

Email: **info@fspo.ie**

Making a complaint will not affect your legal rights.

Terms and conditions

This Key Features document only gives a summary of the terms and conditions of your Bond. For the full terms and conditions that apply to your Bond, you should read the International Bond Policy Provisions – Capital Redemption Option (IB62CRB). We may change some of the terms and conditions of your Bond. We will notify you if this happens.

Law

In legal disputes, the law that applies is usually the law of the country in which you are resident when you take out the International Bond.

Language

The English language will be used in all documents and future correspondence.

Compensation

The rules made under the Financial Services and Markets Act 2000 (as amended) for the protection of retail clients in the UK do not apply.

It is important to understand that your Bond is not protected by the UK Financial Services Compensation Scheme (FSCS) if we are unable to meet our liabilities to you. There is no access to the FSCS if you have a pre-existing International Bond or plan to take out an International Bond in the future.

You should note that there is no equivalent compensation scheme available in Ireland. However, the situation where Standard Life International would be unable to meet policyholder liabilities is extremely unlikely. Irish regulations protect policyholders by imposing strict capital requirements on insurance companies. Under Solvency II, Standard Life International is subject to extensive obligations concerning the level of capital it must hold. Solvency Capital Requirements (SCR) represent the capital requirements that must be held in addition to policyholder liabilities. At the end of 2023, Standard Life International had available capital of €745 million, which is well in excess of its SCR of €383 million (ratio of available capital to SCR of 194%). By holding more excess capital than SCR, the situation where Standard Life International would be unable to pay customer obligations is very low.

If you have any further questions, you can speak to your financial adviser or contact us directly.

How we deal with sustainability criteria in managing our assets

At Standard Life International, we believe that considering important financial Environment, Social and Governance (ESG) issues in the investment process improves the decision making and delivers better outcomes.

We delegate our investment management activities in relation to our company assets to third-party asset managers. They are responsible for the day-to-day investment management activities. Standard Life International instructs the asset managers on the requirements and expectations we have for the fund objectives.

The asset managers are responsible for monitoring and managing ESG opportunities and risks as part of their responsible investment practices. Standard Life International has a governance framework in place to oversee asset management activities.

We do expect our approach to evolve as the business environment changes. For the latest information on how we are integrating ESG considerations into our everyday operations please visit our website. **www.standardlife.co.uk/International-Bond**

Solvency and financial condition report (SFCR)

The Solvency II directive is a European (EU) directive for insurance companies. Among the requirements are that companies produce a publication of a SFCR, to assist bond owners and other stakeholders to understand the capital position under Solvency II. Further information and details of the report can be found at: **https://www.thephoenixgroup.com/investor-relations/solvency-and-financial-condition-report/2018.aspx**

6. How to contact us

Although your financial adviser should normally be your first point of contact, you can contact us if you have any questions or would like to make any changes to your International Bond.

You can telephone our customer helpline on **0345 300 4273**. Call charges will vary.

We cannot give financial advice.

Please have your Bond number ready when calling.

If you prefer, you can write to us at:

Standard Life International
90 St Stephen's Green
Dublin 2
Ireland

We can also be contacted using email at:
service@standardlife.ie

There is no guarantee that any email sent to us will be received, or will not have been tampered with. You should not send personal details by email.

7. About Standard Life International

Standard Life International designated activity company (dac) has been set up to sell insurance business from its base in Ireland into the UK, Channel Islands and the Isle of Man.

Standard Life International dac is authorised and regulated by the Central Bank of Ireland and regulated by the Jersey Financial Services Commission for the conduct of Jersey business. It uses its Jersey Category A permit to sell the International Bond into the UK.

Standard Life International dac is owned by Phoenix Group Holdings plc.

Find out more

If you'd like more information on the products or services within this literature, or if there's anything more we can help you with, just call us on this number or visit our website.

Call us on 0345 300 4273

We're open Monday to Friday, 9am to 5pm.
Call charges will vary.

www.standardlife.co.uk

This document was approved by Phoenix Group Management Services Limited on 31/12/23