

# Key Features of the Complete Investment Portfolio

## ITS AIMS

- To allow you to choose the type and structure of your plan, which is the most suitable for your needs.
- To allow you to choose to invest from a wide range of assets.
- To allow you to invest a lump sum for as long as you like with the aim of increasing your investment.
- To allow you to take one-off or regular withdrawals (which you can use as income).
- To offer you a tax-efficient investment.

## YOUR COMMITMENT

- You make a lump sum investment into your plan.
- You understand that your plan is designed to provide investment growth over the long term (normally more than 5 years).

## RISK FACTORS

- The value of your plan can fluctuate and is not guaranteed at any time. This is because the value of the assets held in your plan can fall as well as rise, for example, due to changes in investment performance, rates of exchange and currency conversions.
- The final cash-in value of your plan may be less than your investment, particularly if you cash in your plan in the early years and/or if you take regular or one-off withdrawals.
- The higher the level of withdrawals you take, the greater the risk that the final cash-in value will be less than your investment.
- Our charges may have to rise by more than we anticipate in the future. This would reduce the value of your plan.
- Future changes in legislation or your personal financial circumstances could affect the amount payable after tax.
- If you exercise your right to cancel an investment before the end of the cancellation period, the amount you will get back will be reduced by any fall in the value of your investment.

## Where can I get more information about this plan?

- This leaflet tells you about the Key Features of our Complete Investment Portfolio and should also be read with the Details leaflet. Further information is also given in our Standard Provisions, which is available on request and which you will receive when you take out a plan.
- Your Personalised Key Features will give details specific to you. Your Financial Adviser will be pleased to answer any queries you may have.

## What is a Complete Investment Portfolio?

- A Complete Investment Portfolio is a single premium plan. There are 2 types:
  - a life assurance plan - a whole life assurance plan providing basic life cover
  - a redemption plan - a plan written for a term of 80 years providing a guaranteed maturity value at that time. There are no lives assured.
- You choose 1 of 4 Portfolio structures, each reflecting a different charging structure tailored to meet different investment needs. The choices are:
  - Portfolio A - traditional offshore charging structure for investors who want a conventional approach
  - Portfolio B - clean design for conservative investors who prefer our charges to reflect actual performance
  - Portfolio C - clean design with modest entry charge for aggressive investors
  - SMI Portfolio - lower initial investment in SMI funds only with option to switch to Portfolio A

Full details of the charging structures can be found in the Details.

- You choose how to invest your money from a wide choice of pooled funds, including SMI funds.
- We invest the money in the funds you choose:
  - if you choose Portfolio A, Portfolio B, or Portfolio C structures:
    - the non SMI assets bought are held in a Portfolio Fund
    - we set up a Cash Account as part of the Portfolio Fund
    - all outgoings including charges and benefits are paid from the Cash Account
    - we sell assets (or cancel SMI units) to keep the Cash Account at an appropriate level.
  - if you choose the SMI Portfolio:

- we buy units in the funds you choose
- we cancel units to pay for charges and benefits
- you may switch to Portfolio A once minimum investment amounts have been met.

## What investments are available to me?

- You may choose to invest from a wide range of assets, allowable in accordance with the legislation and only from certain jurisdictions around the world, including:

Scottish Mutual International investment funds

Authorised unit and investment trusts

Open-Ended Investment Companies

Units in Collective Investment Transferable Securities

Other authorised overseas funds

A wider range of investments including individual company shares may be allowed through Portfolio A, B or C if you are not resident in the UK for tax purposes. Please contact your financial adviser for further details. *Territorial restrictions may apply.*

- You may choose to make your own investment decisions, you may appoint a Fund Adviser to make your investment decisions for you or you may even choose to use a discretionary fund management service offered by an External Fund Manager.
- You may change your choice of investment assets at any time. We will take instructions from you (or your Fund Adviser).
- Full details of all the choices are available from your Financial Adviser.

## How much can I invest?

- Your plan can be denominated in either UK Sterling, US Dollars or Euro. The minimum investment is £100,000/\$150,000/€150,000. (For SMI Portfolio the minimum is £15,000/\$22,500/€22,500). There is currently no maximum.
- You can top up your plan by making additional investments of at least £10,000/\$15,000/€15,000 at any time (For SMI Portfolio the minimum is £2,500/\$3,750/€3,750).
- We operate a share exchange scheme which allows us to sell your shares or pooled investments and invest the proceeds into your plan. Please complete a Share Exchange Agreement Form.

Can I take out a plan jointly with someone else?

- Yes. You can own the plan jointly with up to 3 other people, normally a spouse or partner. If one of you dies the ownership of the plan will pass to the survivor.

What happens on death (life assurance plan only)?

- On death of a life assured before the age of 75 we will pay 101% of the cash in value of the plan, for older ages the percentage reduces to 100.1%.
- The plan can have up to 10 lives assured. If there is more than one life assured the amount becomes payable on the death of the last of the lives assured to die.

What happens at maturity (redemption plan only)?

- The plan has a maturity date 80 years after the start date. We will pay the guaranteed maturity value or the value of the units at maturity, if higher.
- If there are no withdrawals, the guaranteed maturity value will be twice the investment. For additional investments, a proportionate guaranteed maturity value will apply. The guaranteed maturity value will be reduced appropriately if you take money from the plan before the maturity date.

What if I need my money?

- You may take money out of your plan in 4 ways:
  - by taking regular withdrawals of a fixed amount of at least £200/\$300/€300 per payment
  - by one-off withdrawals
  - by cashing in one or more segment policies
  - by fully cashing in your plan.
- Any amount you take out may be subject to:
  - a surrender charge if taken within 4 years of your investment
  - a delay if we have to sell assets to provide the cash amount needed
  - currency conversion costs.
- If you want to take any money from your plan we suggest you consult your Financial Adviser, and then apply to us in writing.

## FURTHER INFORMATION

### Cancellation Rights:

- You will be able to cancel your investment during a 15 day period after entering into the agreement. You will be advised of this right in more detail (including when it begins and ends and how to exercise it) in documents which we will send you at the relevant time.

### Investments:

- Investments are usually by cheque in the currency of your plan. Alternatively, you can pay by banker's draft, telegraphic transfer or share exchange.

### Tax:

- If you cash in the plan or take withdrawals, you may be liable to tax.
- If you are a UK resident you will have a personal income tax liability at your highest tax rate on any gain made from the plan.
- You can reduce the impact of income and inheritance taxes when you die by writing your plan under trust. Ask your Financial Adviser for more details.
- Any income or gains made within the investment funds of SMI will be tax free (with the exception of withholding tax charged by some countries to foreign investors on investment income).
- Tax benefits depend on individual circumstances and may be altered or withdrawn without warning.
- Your Financial Adviser will provide you with details of further tax implications. Please also see our Details leaflet.

### Law:

- The law of Ireland will apply to your plan, unless the parties agree otherwise.

### Scottish Mutual International Limited (SMI):

- SMI markets its own range of investment products.

### Data Protection:

- Information which you supply to us in connection with your application will be held both on computer and paper and may be conveyed to the adviser you have chosen to assist you.
- You have a right to see certain information held by us. Such requests should be made in writing to us at the address below.

### Complaints:

- If you have any cause for complaint about your plan, or any aspect of the service you receive, please contact the Operations Manager at the address below.
- Making a complaint will not prejudice your right to take legal proceedings.

SMI is an authorised person under the UK Financial Services and Markets Act 2000.

*The information contained in this leaflet is based on our present understanding of current law and Revenue practice in Ireland or any other jurisdiction referred to in the text. It is not intended as a substitute for legal and/or taxation advice. We therefore recommend that you seek the advice of a legal and/or taxation specialist in relation to the legal and tax information.*

Investment values may fall as well as rise.

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