

International Bond – Statement of Target Market

General Description

The International Bond is a lump sum offshore investment linked contract into which one-off, additional single or recurrent payments may be made. The Bond is available on either a Capital Redemption or Life Assurance basis.

It is provided by Standard Life International dac and sold cross-border to UK, Channel Islands and Isle of Man residents. It is available to individuals, corporate entities and trustees.

The International Bond is an Insurance Based Investment Product (IBIP) and is covered by the Insurance Distribution Directive (IDD). We have defined it as a complex product, since it offers exposure to financial instruments deemed complex under MiFID II and incorporates a structure which could make it difficult for the customer to understand the risk involved.

Customer Objectives

Customers who invest in the International Bond are generally seeking:

- To manage money in a tax efficient way
- To increase the value of their investment (capital growth)
- The opportunity to take tax deferred withdrawals on a regular or ad hoc basis
- Wealth transfer opportunities via trusts or assignment of the Bond
- An extensive range of investment options

Remember, the value of investments can go down as well as up, and your clients could get back less than was paid in.

Laws and tax rules may change in the future. The information here is based on our understanding of law and tax practice in Ireland and the UK as at December 2023. A client's personal circumstances and where they live in the UK will also have an impact on tax treatment.

Who is it suitable for?

High net worth customers seeking an opportunity to save capital tax efficiently, take tax deferred income, or achieve a balance of both. Customers who appreciate the tax control offered by an International Bond and are likely to have already contributed the maximum to other product wrappers such as a pension plan or ISA.

The International Bond might suit customers who:

- Want to invest for at least five years
- Are prepared to risk getting back less than is put in
- Are prepared for the value of the investment to change over time
- Have a requirement for a wealth transfer solution
- Would like access to regular withdrawals

Who is it not suitable for?

Customers should not contribute to the International Bond if they:

- are not happy to invest over the medium to long term (5 years +)
- have zero appetite for risk
- require a guaranteed return, cannot afford to bear potential investment losses with limited ability to weather a financial shock

Vulnerable customers

Vulnerability may arise due to challenging life circumstances, such as ill health or financial difficulty. More generally, some customers may simply be less able to deal with financial information and others may have a low tolerance to withstand economic or emotional downturns.

Any target market is likely to contain customers with characteristics of vulnerability and customers who will experience vulnerability over time. This should be considered in all interactions to ensure good customer outcomes.

Investment Options

Customers can direct Standard Life International to invest in a range of underlying investment options which include funds offered by Standard Life International and External Fund Managers, Deposit Accounts (including Structured Deposits), via Discretionary Investment Managers or on platforms.

Distribution Channel

In line with the categorisation of the IBIP as a complex product, it is available on an advised basis only.

Standard Life International dac is authorised and regulated by the Central Bank of Ireland. Standard Life International dac is a Category A Insurance Permit holder with the Jersey Financial Services Commission.

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Standard Life International dac is a designated activity company limited by shares and registered in Dublin, Ireland (408507) at 90 St Stephen's Green, D02 F653.

www.standardlife.co.uk/international-bond

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