

SPANISH COLLECTIVE INVESTMENT BOND

SNAPSHOT



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PRODUCT OVERVIEW

Life insurance policy structure: The Spanish Collective Investment Bond (SCIB) is an international, single Premium, whole of life, unit-linked life insurance Policy linked to collective investments. It is designed to hold an investment portfolio within a Spanish tax efficient structure and the Policy is subject to Spanish law. The Policy is made up of a series of identical Policies (segments); each Policy is a life insurance contract between the Policyholder and Utmost PanEurope dac (Utmost PanEurope). Although individual segments are not recognised in Spain for tax purposes, they do provide added flexibility should the Policyholder choose to move to the UK in the future.

Principal application: The aim is to increase the value of the Premium(s) paid into the Policy. The Policy should be held with the view of keeping it for the medium to long term (meaning 5 to 10 years or more). Initial and additional Premiums can be paid into the Policy and are used to purchase Units in external Collective Funds, chosen by the Policyholder or a Discretionary Asset Manager or a Fund Adviser appointed to make investment decisions on their behalf. These Collective Funds are linked to the stock markets and other investments and so their value will rise and fall in line with these markets. Single and/or regular withdrawals of capital are also permitted.

The level of risk of the product and how the investment could perform will depend on the choice of Collective Funds selected by either the Policyholder or nominated Discretionary Asset Manager or Fund Adviser.

This product does not include any protection from future market performance. Changes in tax legislation may also affect how this product performs.

MAIN PRODUCT FEATURES

- › Minimum initial Premium of €100,000 (or currency equivalent)
- › Additional Premiums can be paid into the Policy at any time
- › Available on a single life or multiple lives last death basis
- › Choice of Policy Currency from a wide range of major currencies
- › Extensive choice of external Collective Funds providing access to a wide range of assets that cater for many different risk appetites and investment strategies
- › Ease of administration. All underlying investments are valued in the denominated Policy Currency
- › Ability to nominate a Discretionary Asset Manager or Fund Adviser to manage investments
- › The option to choose to have the Policy set up with up to 9,999 individual Policies (segments) for added flexibility and tax planning on relocation to the UK
- › Portable to the UK if the Policyholder wishes to relocate at a future date (depending on the law in force at the time).

KEY INFORMATION DOCUMENT

The Spanish Collective Investment Bond Key Information Document should be read by the applicant before the Policy is purchased. It provides key information on understanding the nature, risks, costs, potential gains and losses of the product and also helps with the comparison of other products.

You should provide and explain the Key Information Document (KID) for the product and the Key Information Document (KID) or Key Investor Information Documents (KIID) to the customer for their chosen investment options. These documents are available at www.utmostinternational.com

TARGET MARKET CHARACTERISTICS

TARGET MARKET	WHO IS IN THE TARGET MARKET?	WHO IS NOT IN THE TARGET MARKET?
Investor type	<ul style="list-style-type: none"> › Affluent* English speaking expatriates who are tax resident in Spain and intend to remain Spanish resident for the period they own the Policy. › Affluent* English speaking expatriates who are tax resident in Spain and may wish to move to the UK and keep the Policy in force. › Affluent* Spanish nationals resident in Spain who are fluent in English. › Corporate entities registered in Spain. › Professional investors as defined under MiFID II. <p>* Affluent customers are defined as those with at least €100,000 or more of liquid assets to invest.</p>	<ul style="list-style-type: none"> › Individuals who are not habitually resident in Spain or those who are resident but are planning to leave Spain in the near future. › Corporate entities not registered in Spain. › Eligible counterparties as defined under MiFID II. › Individuals who do not have at least €100,000 or more of liquid assets to invest.
Client objectives and needs	<ul style="list-style-type: none"> › Investors looking to preserve, grow or transmit their capital. › Investors looking to take income on an ad hoc basis or at regular intervals. › Investors seeking a tax efficient and flexible investment to meet their changing financial goals. › Those seeking potential growth of funds that can be realised at a time of their choosing. › Investors who wish to benefit from access to a wide range of external Collective Funds. › Those who wish to manage the selection of Collective Funds linked to their Policy either directly or with the help of a Fund Adviser or by using a Discretionary Asset Manager. › The recommended holding period is at least 5 to 10 years. Investors should have a low probability of needing to fully surrender the Policy during the early surrender charge period. 	<ul style="list-style-type: none"> › Investors looking to invest in financial options or seeking a leveraged/guaranteed return. › Investors with a very short or short term time horizon. › Investors with a medium to high probability of needing to fully surrender the Policy during the early surrender charge period. › Investors looking to invest in assets other than Collective Funds.
Knowledge and/or experience	<p>Basic investors having the following characteristics:</p> <ul style="list-style-type: none"> › basic knowledge of relevant financial instruments (someone can make an informed investment decision based on the regulated and authorised offering documentation or with the help of basic information provided at point of sale). › no financial industry experience, i.e. suited to a first time investor. <p>Informed investors having one, or more, of the following characteristics:</p> <ul style="list-style-type: none"> › average knowledge of relevant financial products (someone who can make an informed investment decision based on the regulated and authorised offering documentation, together with knowledge and understanding of the specific factors/risks highlighted within them only). › some financial industry experience. <p>Advanced investors having one, or more, of the following characteristics:</p> <ul style="list-style-type: none"> › good knowledge of relevant financial products and transactions. › financial industry experience or accompanied by professional investment advice or included in a discretionary portfolio service. 	
Ability to bear losses	<ul style="list-style-type: none"> › Investors who are prepared to accept risk to their capital. The level of risk will depend on the Collective Funds chosen. 	<ul style="list-style-type: none"> › Investors who are not able or willing to bear any loss of capital or limit to a specific level.
Risk tolerance	<ul style="list-style-type: none"> › Investors that have a risk tolerance within the range of 1-7 under the SRI classification used for UCITS. 	<ul style="list-style-type: none"> › Investors who are not able or willing to take some risk or volatility on their investments.

TAX EFFICIENCY

- › Taxation on gains generated on the investments within the Policy is deferred until a surrender is made by the Policyholder.
- › When there is a surrender, only the gain element is subject to Spanish tax at the more favourable savings income tax rates:
 - the first €6,000 are taxed at 19%.
 - any taxable income between €6,000 and €50,000 at 21%.
 - the following €150,000 (from €50,000 to €200,000) at 23% and
 - any balance exceeding €200,000 at 26%.
- › There is no Spanish tax on Fund switching.
- › Spanish tax reporting and withholding tax payments are done via our fiscal representative, which simplifies the Policyholder's tax liabilities in Spain.
- › The product can offer estate and wealth transmission planning opportunities.
- › Asset management fees are exempt from VAT as Utmost PanEurope dac is a life insurer based in Ireland. This represents a saving compared to direct investment products and to Luxembourg-based insurers.
- › SCIB falls outside the scope of Spanish "exit tax", which makes it the ideal product for Policyholders who plan to relocate to the UK in the future.

This document is intended to provide general information on a particular topic or topics and is not an exhaustive analysis of these. The information contained in this document reflects our interpretation of the Spanish tax rules and rates applicable on the date of publication, March 2022, but these are subject to change at any time in the future.

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Administration Centre for correspondence: King Edward Bay House, King Edward Road, Onchan, Isle of Man, IM99 1NU, British Isles.

Tel: +353(0)1 479 3900 Fax: +353(0)1 475 1020.

Registered Office address: Navan Business Park, Athlumney, Navan, Co. Meath, C15 CCW8, Ireland.

Utmost Wealth Solutions is registered in Ireland as a business name of Utmost PanEurope dac.

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