

SELECTION TION

PRODUCT
GUIDE



A WEALTH *of* DIFFERENCE

utmost[™]
WEALTH SOLUTIONS

Utmost Wealth Solutions is the brand name used by a number of Utmost companies.

Selection is issued by Utmost PanEurope dac.

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BEFORE YOU BEGIN

POLICY SCHEDULE

The Policy Schedule sets out details specific to your policy type and investment. It is a proof of ownership of the bond. It will be included in the document pack sent out to you after you invest.

TO HELP YOUR UNDERSTANDING

Throughout this guide:

- › We refer to 'you', 'we' and 'us'. 'You' refers to you personally, as the applicant of the bond. 'We' and 'us' mean Utmost PanEurope dac
- › Words in the singular shall include the plural and vice versa
- › Selection is referred to as the 'bond' throughout this guide. The bond means the product that is issued to you and the series of identical policy segments it contains.

It is important to read this guide together with our **Key Features Document and any applicable disclosure documents**, ensuring that you take financial and tax advice from your authorised financial adviser.

Where relevant information is contained in other documents, these will be highlighted in bold at the appropriate point. All of these supporting documents are available from our website www.utmostinternational.com or from your financial adviser on request.



This symbol highlights the important sections within this **Product Guide** which are mentioned in the **Key Features Document**.



You should pay particular attention to the sections marked with this icon.

HOW SELECTION COULD HELP YOU

As your needs and circumstances evolve over time, you may be looking for a flexible investment option that meets your changing financial goals. We understand that you may not want the extra responsibility of handling your own portfolio of assets.



Utmost PanEurope dac (Utmost PanEurope), through its experience and expertise, is able to provide you with a flexible investment designed for tax-efficiency that can change to suit your financial needs during your life. With Selection you can build a portfolio as individual as you are, as it's able to spread your investments across a range of risk levels without the hassle of the day to day paperwork.

Selection is all about choice and flexibility by managing your investments in one place, whilst evolving and adapting to your timelines, lifestyle and aspirations.

Selection can be used:

- › for those seeking potential growth, realised at a time to suit your needs
- › to combine both the need for a regular 'income' and to accumulate a capital sum
- › to provide an 'income' through regular withdrawals which may be useful for a range of needs, such as school fees planning or supplementing your pension
- › to meet your financial goals as your needs change
- › to benefit from access to a range of external funds and a variety of cash deposits which, if you wish, can be managed by an External Manager and/or Custodian.



The information in this guide is based on our interpretation of current law and taxation practice in Ireland and the UK as at 1 January 2020. This could change in the future. There is therefore a risk that the tax treatment of this bond may change. Tax treatment is subject to individual circumstances and you should always seek independent and individual tax advice.

The value of the bond can fall as well as rise. Taking into account market fluctuations and charges, you could get back less than you invest.

Inflation will reduce the value of what can be bought in the future with the proceeds of the bond.

The term 'income' refers to regular withdrawals of capital. If the level of 'income' taken is higher than the investment returns achieved then the value of the bond will reduce. In addition, the potential for growth will be reduced.

WHAT IS SELECTION?

Selection is an international, single premium investment bond designed for medium to long term investment (meaning five to ten years or longer).

To increase flexibility, your bond will normally be made up of a series of identical policies, called segments. Each segment is a specific legal contract having its own applicable charges and right to full surrender.

Your investment is used to purchase units in your chosen funds, thereby pooling your investment with those of investors with similar objectives. This has the benefit of spreading the investment and administration costs. Funds are available with a variety of risk profiles.

WHAT DO WE MEAN BY INTERNATIONAL SINGLE PREMIUM INVESTMENT BOND?

Selection is issued by Utmost PanEurope dac, a company resident outside of the United Kingdom, in Ireland, and is regarded as an international bond. It is a single premium product that you can invest lump sums of money into and they are collectively valued under one single valuation. Selection's convenient product structure means that you can make investments into multiple 'collective investment schemes', funds and cash deposits. The product 'wraps' all these investments into one for ease of dealing and tax efficiency.



This section is mentioned in the **Key Features Document**.

LIFE ASSURANCE OR CAPITAL REDEMPTION?

Your bond can be set up as a life assurance contract that ends on the death of the last life assured, with allowance for up to six lives assured.

Alternatively, a capital redemption contract can be chosen. This is not based on anyone's life as it only requires a policyholder, or multiple policyholders, and has a term of 99 years.

The type of contract must be selected at the start and cannot be changed. Therefore, it is important to discuss these options with your financial adviser before investing to ensure the appropriate contract type is chosen for your financial needs and circumstances.

LIFE ASSURANCE

A life assurance bond is a contract of insurance based on single or multiple lives (up to a maximum of six with Selection) and in the case of this bond, ends on the death of the last or sole life assured. When the sole or last life assured dies, the proceeds are paid out to the surviving policyholders or, if there are none, to their personal representatives. On the death of the sole or last life assured, the amount payable under each segment still in force is the surrender value plus £1. This is calculated on the next appropriate dealing day following receipt of written notification of death.

Payment of any proceeds will be made on receipt of all necessary documentation and verification of identification; including proof of who has the right to receive the proceeds.

CAPITAL REDEMPTION

It is a contract of insurance with a similar tax treatment in the UK to life assurance policies. The advantage of a capital redemption contract is that you do not need to select people to be the 'lives assured' but it has a policyholder or multiple policyholders. As the contract does not have to end on anyone's death, it will continue for 99 years, unless it is totally surrendered. This can offer your executors and heirs more investment and tax planning flexibility.

For each individual segment still in force after 99 years, we will pay the higher of a Guaranteed Maturity Value or the unit value due under the segment.

The Guaranteed Maturity Value can be summarised as:

- (a) 100.1% of the initial investment into the policy, plus
- (b) 100.1% of any additional investments into the policy, with
- (c) The total of (a) and (b) being reduced by any withdrawals made against that segment, the reduction being the percentage of the overall fund represented by the withdrawal.



The calculation can be complex. Further details can be found in the Policy Conditions and additional clarification can be obtained from us on request.

Any adviser charges agreed to be paid to your financial adviser, to be taken from the bond, will be treated as a withdrawal and will be deducted when calculating the Guaranteed Maturity Value.



There is no guarantee of the value of your investment (other than the maturity value of a capital redemption bond after 99 years) or how much 'income' it can provide, in the form of withdrawals of capital.

If the bond is brought to an end following your death, or the death of a life assured, payment of charges for advice from your bond will be stopped. This means any outstanding payments that are due to the relevant party may still need to be settled by your estate. See page 9 for more information about charges for advice.

SELECTION ESSENTIALS

YOU	
TYPE OF INVESTOR	<p>Investment in the bond is available to individuals, including those applying on a joint basis. Trustee and corporate investors can also invest.</p> <p> The taxation of companies holding Selection is different to that described in this Product Guide. Speak to your financial adviser for more information. We will only allow corporate applications from the UK.</p>
AGE LIMIT	<p>You must be age 18 or over to take out this bond. There is no upper age limit.</p>
COUNTRY OF RESIDENCE	<p>UK residents can invest in Selection. However, if you move to a jurisdiction outside of the UK, you and your financial adviser will need to ensure that there are no regulatory or legal restrictions that prevent you from investing in the bond. This may affect your ability to make additional investments.</p> <p>Further details are available from your financial adviser or alternatively you can contact our Welcome team on +44 (0)1624 653 251.</p>
THE BOND	
CHOICE OF BOND TYPE	<p>A single premium life assurance or capital redemption bond.</p>
AGE OF LIFE ASSURED	<p>There is no minimum or maximum age limit for lives assured. You should discuss this with your financial adviser before choosing your lives assured.</p>
MAXIMUM NUMBER OF LIVES ASSURED (APPOINTED AT OUTSET ONLY)	<p>Six.</p>
CHOICE OF BOND CURRENCY	<p>Sterling, US Dollar or Euro.</p> <p> Once the currency of the bond has been selected, it cannot be changed.</p>
CHOICE OF PREMIUM CURRENCY	<p>Premiums must be paid to Utmost PanEurope dac in the same currency that you wish to establish the bond.</p>
PREMIUM PAYMENT METHODS	<p>We can only accept payment of your premium by Telegraphic Transfer (international payment). Please note that your bank may charge you for this service.</p>

THE BOND

FLEXIBLE CHARGING STRUCTURE

Selection offers our flexible charging structure Flex-Charge which enables you to select your preferred balance of initial and/or ongoing product management charge. These charges cover the establishment and ongoing management of your bond.

Flex-Charge provides you with the freedom to choose the right product management charge to suit your needs, whether it's a full initial or a full ongoing product management charge or a combination of both. Your financial adviser will be able to help you select the option that is best for you.

For detailed information about our Flex-Charge structure and other applicable product charges, see our **Guide to Charges**.

CHARGES FOR ADVICE

Charges for advice are agreed between you and your adviser. The best way to pay for any charges for advice should be agreed between you and your adviser to ensure the method chosen meets your individual needs. If you place your bond in trust, your trustees will need to agree any future charges for advice.

There will be adviser charges for the advice you receive from your financial adviser in relation to this bond. Other charges for advice could be applicable depending on the investment options you choose.

All charges for advice in relation to this bond can normally be paid in any of the following ways:

- › **Direct** - The charges for advice are paid by you directly to your adviser outside of the bond. You do not need to inform us of these payments.

Or facilitated by us:

- › **Outside of the bond** - The initial charge for advice is deducted from the payment you send to us and paid to your financial adviser, with the remaining balance being invested as the premium into the bond. The premium must meet the minimum investment requirements as stated in the 'Minimum Amounts for Selection' table later in this section.
- › **Inside the bond** - The charges for advice are paid to your financial adviser, investment adviser or External Manager and/or Custodian on an initial*, ad hoc or ongoing basis from the value of the bond, after your premium has been invested.

*Only one initial charge per premium can be paid from inside the bond and is not available to pay for advice provided by an External Manager and/or Custodian or investment adviser.

You can request that we facilitate the payment of charges for advice by completing the appropriate section of the application form or by completing the relevant section in our **Adviser Charges Pack**.

For further information about charges for advice and product charges, including our Flex-Charge, see the 'What are the charges for Selection?' section later in this guide. Alternatively, for detailed information please see our **Guide to Charges**.

 Charges for advice which you have agreed to pay from your bond can only be made through a partial surrender (withdrawal across all segments).

Any adviser charges to be paid to your financial adviser from the bond, will be treated as a withdrawal and will form part of your 5% annual tax-deferred entitlement. This could have potential tax consequences and you should discuss this with your financial adviser before making a withdrawal, surrender, or payment of charges for advice from the bond. If you nominate an investment adviser using the appropriate pack then the investment adviser charge will not count towards your 5% annual tax-deferred entitlement.

If you are a corporate applicant or you are considering using a trust or investing as a trustee, including investing the assets of a registered UK Pension Scheme, refer to our **Guide to Charges** for more information about charges for advice.

INVESTMENT CHOICE

The performance of the bond is linked to the performance of the underlying assets selected. You may link your bond to a range of assets with a variety of risk profiles.

Your bond will be set up on an Open Architecture basis, which provides access to a wide range of external funds and cash deposits. With Open Architecture you can also choose to nominate an External Manager and/or Custodian to help manage your investment. To find out more about your investment options see the 'What are my Investment Options?' section later in this guide.

SELECTION ESSENTIALS CONTINUED

THE BOND	
INVESTMENT ADVISER	<p>You may request the appointment of a suitably qualified investment adviser to give us instructions regarding fund selection. The nominated investment adviser, when successfully appointed, has the authority to give us investment instructions on your behalf.</p> <p>If you would like to nominate an investment adviser to help manage your investment, please be aware that the charge they apply will be treated as an Investment Adviser Charge. See the 'Charges for Advice' section in our separate Guide to Charges for more information.</p>
EXTERNAL MANAGER AND/OR CUSTODIAN (EMC)	<p>You can request that an External Manager and/or Custodian (EMC) be appointed to manage the investments within the bond.</p> <p>If an EMC is appointed, then in addition to our standard bond charges, the EMC will also make a charge for any investment management, custody services and investment advice they provide. In some circumstances the charge they apply for investment advice they provide will be treated as an EMC Investment Adviser Charge.</p> <p>See the 'External Manager and/or Custodian' and 'Charges for Advice' section of the Guide to Charges for full details.</p> <p>For more information about EMCs, the service they provide and how this could help you, refer to the 'What are my investment options?' section later in this guide.</p>
POLICY SEGMENTATION	<p>To increase flexibility and future tax planning, your bond will normally be made up of a series of identical segments. You can specify the number of segments that your bond is set up with (up to 9,999) subject to a minimum investment of £500 per segment. Each segment is a specific legal contract having its own applicable charges and right to full surrender.</p>
ADDITIONAL INVESTMENTS	<p>If you are resident in the UK, you can make further investments at any time.</p> <p>Each additional premium will have its own series of charges. See the Guide to Charges for more information.</p> <p>For any additional investments you wish to make, the advice must be given and the application form signed whilst you are in the UK.</p>
ACCESS TO CAPITAL	<p>If you require access to some or all of your capital you can surrender individual segments or take a single withdrawal from your bond at any time. See the 'Minimum Amounts for Selection' table later in this section for details of minimum single withdrawals.</p>
REGULAR 'INCOME'	<p>You are able to take an 'income' from your investment through the regular withdrawal of capital. Regular withdrawals can be made monthly, quarterly, half-yearly or annually. See the 'Minimum Amounts for Selection' table on the next page for details of the minimum regular withdrawal amounts.</p> <p> There are certain circumstances where regular 'income' may not continue. Refer to the 'Getting money from my bond' section later in this guide for further information.</p> <p>The term 'income' refers to regular withdrawals of capital. If the level of the 'income' taken is higher than the investment returns achieved, then the value of the bond will reduce. In addition the potential for growth will be reduced.</p> <p>For information on how withdrawals from the bond are taxed, see the 'How is my bond taxed whilst I am a UK resident?' section, later in this guide and speak to your adviser.</p>

MINIMUM AMOUNTS FOR SELECTION

This table shows the current minimum amounts for Sterling, US Dollar and Euro. These minimum amounts may be subject to change in the future.

	£ STERLING	\$ DOLLAR	€ EURO
MINIMUM INVESTMENT	50,000	100,000	75,000
MINIMUM ADDITIONAL INVESTMENT*	5,000	10,000	7,500
MINIMUM REGULAR WITHDRAWAL	200	400	300
MINIMUM SINGLE WITHDRAWAL	500	1,000	750
MINIMUM AMOUNT THAT MUST BE KEPT IN YOUR BOND AFTER CHARGES**	10,000	20,000	15,000

* Each additional investment attracts its own set of charges. For any additional single premium the advice must be given, and the application form signed, in the UK. Speak to your financial adviser or see our **Guide to Charges** for more information about the applicable charges for additional investments.

** If the bond falls below the minimum amount required to keep the bond in force any charges for advice already agreed to be paid from the bond will be stopped. If any new requests to pay adviser charges would take the bond below this minimum, then the request will not be processed and we will write to tell you. In both these instances, you will need to pay any outstanding adviser charges directly to your adviser.



If you ask us to pay the initial adviser charge to your financial adviser, from your payment to us before the premium is invested, the amount you send to us must total at least the minimum investment amount as stated above, plus the agreed initial adviser charge.

SELECTION AND UK TRUST ARRANGEMENTS

SELECTION AND UK INHERITANCE TAX PLANNING

Investment bonds such as Selection can play an important part in your UK Inheritance Tax (IHT) planning. Using a trust alongside Selection allows your appointed trustees to manage the trust assets, perhaps for the benefit of your heirs. Providing you are not included as a beneficiary of the trust, the bond will be removed from your estate potentially reducing any liability to UK IHT you may have. To achieve your objectives, you may wish to set up the bond and a trust at the same time. Alternatively, if you wish to delay IHT planning until a later date, you can establish the bond first and then assign it into trust at some point in the future.

SELECTION AS A TRUSTEE INVESTMENT

Trustees of existing trusts can also consider investing in Selection to achieve their investment objectives, providing the terms of the trust permit it.

- › An international investment bond can offer administrative benefits for UK trustees as the bond is a non-income producing asset and any tax liability will only need to be declared after a chargeable event occurs
- › In addition to this, Selection offers a wide choice of linked investments which may assist in meeting a trust's investment strategy
- › A trust arrangement will normally remove the need for UK probate so that on your death the people that you wish to benefit from the trust can do so without any unnecessary delay. Contact our Customer Support team on **+44 (0)1624 643 345** for more information.



Trusts can be complex and the type of trust you choose will affect how any potential benefits are distributed and how the trust is taxed. Tax treatment of the bond may change in the future and is subject to individual circumstances. You should always consult with your financial adviser who will be able to help you decide which trust is most suitable for your needs.

Remember that the value of the bond can fall as well as rise and the trustees or your beneficiaries may get back less than invested.

WHICH TRUST?

The types of trusts available to you may be different depending on whether you choose the life assurance or capital redemption option of Selection. To help with UK IHT planning, we offer an extensive range of trusts designed to provide a balance of tax efficiency and flexibility, and to cater for differing family arrangements and financial goals.

For more information about our trusts, and to discuss which trust could be suitable for your investment needs and personal circumstances, speak to your financial adviser.

CHOOSING YOUR TRUSTEES

Choosing a trustee is a very important decision because the trustees you appoint will legally own and manage the bond for the benefit of the beneficiaries. If using a Discretionary Trust, the trustees will also have the power to choose who will benefit after your death.

A trustee is required to comply with the terms of the trust and to make any decisions affecting the trust in the interests of the trust's beneficiaries.

Where individuals are acting as the trustees there should be at least two appointed. You can choose to be a trustee yourself and/or appoint family members or other individuals to act with you. Your appointed trustees must be over 18 years old and mentally capable.

However, if you choose not to appoint additional or independent trustees, it is important to consider what will happen when you die or if you lose capacity.

Alternatively, you could appoint a professional trustee or trust company such as Utmost International Trustee Solutions Limited*, which offers trust administration services to clients of Utmost PanEurope dac depending on the product and trust selected. Your financial adviser will be able to provide you with more details.



There may be charges for professional trustee services. If you wish to appoint a trustee who is resident outside of the UK, there may be regulatory or tax implications. For more information regarding these implications speak to your financial adviser.

TRUSTS AND ADVISER CHARGING

There may be additional UK Income and Inheritance Tax implications for you and your trustees to consider in relation to any adviser charging payments. In addition, if you are a Settlor of an existing trust and your trustees are applying for Selection, care will need to be taken over the payment of any initial charge to your financial adviser. If the trust does not allow you to benefit, then any adviser charge agreed by you and paid by the trustees could be considered a Gift With Reservation of Benefit. Please read our **Guide to Trusts** or speak to your financial adviser for more information.

For details of the adviser charging options available with our trusts, see our current **Guide to Charges**. Alternatively, for more information about trusts see our **Guide to Trusts** brochure which can be obtained from your financial adviser.

*The company details for Utmost International Trustee Solutions Limited can be found in the footer at the end of this document.

WHAT ARE MY INVESTMENT OPTIONS?

SELECTION OFFERS ACCESS TO A WIDE RANGE OF INVESTMENTS AND INCLUDES THE OPTION TO NOMINATE A PROFESSIONAL EXTERNAL MANAGER AND/OR CUSTODIAN TO HELP MANAGE YOUR INVESTMENT.



This section is mentioned in the **Key Features Document**.

When you set up your bond you are able to make various investment choices which include:

- › the currency that the bond is held in
- › how you can manage your bond through the various services and options available to you with Selection
- › how you pay your adviser charges.

Through Selection, depending on your investment objectives, you can also choose from:

- › external funds
- › cash deposits

Alternatively, you can also choose to nominate an External Manager and/or Custodian to manage, or help manage, your investments.



If you choose to invest in a fund denominated in a different currency from the bond, a currency conversion will apply. All costs and exchange risks associated with the currency conversion will be charged to the bond.

The funds available to you may change at our discretion. If a fund manager is to close a fund available to you when you invest in the bond, we will advise you in writing. However, you will need to speak to your financial adviser for details of alternative investments.

The value of funds can fall as well as rise. Taking into account market fluctuations and charges, you may get back less than invested.

WHAT IS OPEN ARCHITECTURE?

Open Architecture is all about wider investment opportunities and provides access to a wide range of external funds and cash deposits. It also provides the option to nominate an investment adviser or External Manager and/or Custodian to help manage your investments.

Open Architecture allows you to link Selection to thousands of external funds and a variety of cash deposits from some of the world's leading investment management groups and banking institutions.

DEALING ACCOUNT

The main purpose of the dealing account is to enable the purchase and sale of investments linked to the bond.

The dealing account forms part of the holdings to which the value of your bond is linked. The value of the dealing account will depend on the level of activity through it and other factors such as (but not limited to):

- i) the amount of any sums retained within the dealing account;
- ii) any interest rates applied to debit and credit balances;
- iii) product charges incurred, which are also allocated to the dealing account as they arise; and
- iv) withdrawals and any adviser charges that you have authorised to be deducted from your bond.

There must be sufficient cash in the dealing account, or expected proceeds from sale of investments being placed, to cover the cost of any product charges, adviser charges, withdrawals and investment transfers requested. We retain discretion as to where any money linked to the dealing account is invested. If this is held with a third party deposit taker, the value of your bond may be adversely affected in the event of the deposit taker's default. Our liability in these circumstances will be limited to such amounts, if any, which we may be able to recover from the defaulting third party.

It is possible for a dealing account to hold a negative balance, for instance, when charges are applied or when investment funds are changed. Debit interest on a Sterling account is currently charged at 5% above the highest interest rate we would apply on credit balances.

CAN I CHANGE THE INVESTMENTS LINKED TO MY BOND?

Yes, you or your nominated investment adviser can provide us with investment instructions either by fax, scanned and emailed, via post or through our online trading and tracking facility to change investments linked to your bond. Changing linked investments will incur charges. See the **Guide to Charges** for information on dealing charges and other transaction costs.

WHY NOMINATE AN EXTERNAL MANAGER AND/OR CUSTODIAN (EMC)?

Choosing the right investments for your needs can be a daunting task, one which is not for every investor. If you would like a professional to help manage and select your investments for you, you could choose to nominate an External Manager and/or Custodian (EMC) to be appointed. Using an EMC who has a detailed understanding of your attitude to investment risk, can also provide you with the reassurance that the investments are being selected and managed by experts dedicated to the business of investment management.

With this option you can also be as involved with investment decisions as you wish. An EMC can be appointed on either an advisory basis (advisory fund manager) where you have the power to help make investment decisions, or a discretionary basis (discretionary fund manager) where the EMC makes all investment decisions for you.

If you wish to have your underlying investments managed by a discretionary managed service (discretionary fund manager), then currently no VAT is applied to such services. The information in this guide is based on our interpretation of current law and taxation practice in Ireland and the UK as at 1 January 2020, which could change in the future. Please speak to your financial adviser for more information.

The appointment of any EMC is subject to our agreement. You can request the removal or appointment of a new EMC at any time by completing a new **Nomination of External Manager and/or Custodian (EMC) Form**, or use our **Open Architecture Dealing Instruction Form** for switching out of the External Managed investment option.

For details about External Manager and/or Custodian services including applicable charges speak to your financial adviser.

GETTING MONEY FROM MY BOND

CAN I TAKE AN 'INCOME'?

Yes, you can take regular withdrawals from the bond as an 'income', provided the balance of your bond does not fall below a surrender value equivalent to £10,000, US \$20,000 or €15,000. If it falls below this level, withdrawals cannot be taken and your 'income' will cease. The surrender value is the amount that would be left in your bond once all outstanding charges have been taken into account. There may be tax consequences depending on the level of 'income' you take from your bond. See the following 'How is my bond taxed whilst UK resident?' section for more information or speak to your financial adviser.

Regular withdrawals are taken equally across all individual segments and can only be made in the bond currency and either monthly, quarterly, half-yearly or yearly and the amount of the withdrawal is charged to the dealing account.

To set up regular withdrawals from the start of your bond, please complete the appropriate section in the application form. If, at any time in the future, you wish to set up regular withdrawals, please complete our **Withdrawal or Surrender Form** available from your financial adviser or from our website www.utmostinternational.com when registered with us.

The earliest the first withdrawal can be taken is 30 days after the bond has been issued. The minimum payment is currently £200, US \$400 or €300.

HOW WILL MY 'INCOME' BE PAID TO ME?

Payments will normally be made by BACS transfer to your bank account in the UK, Isle of Man or Channel Islands. BACS payments are currently free of charge, however in some instances payments can take 3 working days to reach your account. A CHAPS transfer can be requested to ensure payment is made quickly, but a charge will be made for this service. All foreign currencies or payment to foreign banks will be done by Telegraphic Transfer, for which a charge is also made.



Any adviser charges, to be paid to your financial adviser from the bond, will be treated as a withdrawal and will form part of your 5% annual tax-deferred entitlement. This could have potential tax consequences and you should discuss this with your financial adviser before making a withdrawal, surrender, or payment of adviser charges from the bond.

Taking an 'income' will reduce the value of the bond. Maintaining the initial value of the bond will depend upon investment performance, the level of 'income' taken and the effect of charges. This could mean that the value of your bond falls below your initial investment.



This section is mentioned in the **Key Features Document**.

HOW CAN I GET MONEY FROM MY BOND?

Selection is designed to be held for at least five to ten years. However, you can take a single withdrawal of at least £500, US \$1,000 or €750 per payment from your bond. All single withdrawals will be paid from the bond's dealing account and will form part of your 5% annual tax-deferred entitlement.

If there is insufficient cash in the dealing account, we will require a dealing instruction confirming which funds to sell from. Alternatively, you can surrender one or more individual segments as each segment is a policy in its own right.



You must leave a minimum value of £10,000, US \$20,000 or €15,000 in the bond.

Charges for advice which you have agreed to pay from your bond can only be made through a partial surrender (withdrawal across all segments). We will not be able to fully surrender individual segments to cover these charges.

WHAT HAPPENS IF I WANT TO SURRENDER MY BOND OR ANY SEGMENT WITHIN THE BOND?

If you surrender your bond, or any individual segment, you will receive the value of units, less any outstanding charges and debit interest charges, if applicable. Any payment will be made in the currency of your bond.

If funds are not easily sold, we reserve the right to delay payment, for example to enable property to be sold if required, or where dealings on a Stock Exchange have been suspended.

To surrender your bond or any individual segment, you need to complete our **Withdrawal or Surrender Form**, available from your financial adviser or from us and send it to us, together with the original policy documents and any other necessary documents that prove your ownership.

Where you have surrendered your bond, and we subsequently receive a dividend or rebate for a fund you had previously linked your bond or individual segment to, we will only pass this on to you where the amount we receive is more than a minimum value of £100. The current minimum value may change in future.



If you fully surrender your bond and are paying for charges for advice from the bond, any outstanding or future charges due on or after the day of surrender will be stopped. Where applicable, you will be responsible for paying charges for advice directly to the relevant party.



For information about tax on withdrawals and the taxation of proceeds, please read the following section.

HOW IS MY BOND TAXED WHILST I AM A UK RESIDENT?

In the UK, both the life assurance and capital redemption versions of Selection are classed as a policy of life insurance for tax purposes.

The information within this section is a short summary of the common UK tax treatment of international investment bonds, detailed information can be found in our **Tax Information for Customers** brochure.



This section is mentioned in the **Key Features Document**.



The following information is based on our interpretation of current law and taxation practice in Ireland and the UK as at 1 January 2020, which could change in the future and depends on your individual circumstances. There is therefore a risk that the value of the tax treatment provided by this bond may change. The responsibility for any personal tax liability on the proceeds of your investment is yours and depends, normally, on your country of residence.

The following information is aimed at individual UK investors.

For corporate investors or trustees you should ask your financial adviser to explain the tax implications to you.

TAXATION OF THE UNDERLYING INVESTMENT FUNDS

One of the main differences between offshore and onshore bonds is the different taxation treatment of the underlying investment funds. With a UK investment bond, the underlying investment funds are subject to tax on income and capital gains realised within the funds.

With an international investment bond, such as Selection, income and gains on the underlying funds roll up free of taxes (gross). This is because taxation of an international bond is dependent on the tax regime of the territory where the insurer is established. The favourable tax environment in Ireland means that income and capital gains on investments Utmost PanEurope holds on behalf of investors are not locally taxed. The only tax to which funds may be liable is withholding tax. This is a non-reclaimable tax which is deducted at source, e.g. from dividend income and certain interest.

IS THERE A CAPITAL GAINS TAX (CGT) LIABILITY ON SWITCHING FUNDS WITHIN MY BOND?

Fund switches made within onshore or offshore bonds do not trigger a UK CGT liability, whereas for a UK resident investor, switches within a portfolio of directly owned equity or unit trust investments may incur a CGT charge in the tax year during which the switches were made.

WILL I PAY TAX ON MY 'INCOME' IN THE UK?

For each investment made, UK tax residents are currently entitled to withdraw 5% of the initial investment each policy year for 20 years and defer any income tax payable. If the full 5% entitlement is not taken in any policy year, the unused amount is carried forward. For example, should you select an annual withdrawal of 4% of your original investment, you are entitled to take withdrawals free from income tax at the time of the withdrawal for 25 years. Withdrawals that exceed 5% of the investment each policy year will give rise to a chargeable gain for UK residents and you may be liable to income tax.



Any charge for advice in respect of the bond and paid to a financial adviser, will form part of your 5% annual tax-deferred entitlement. See the **Guide to Charges** or speak to your financial adviser for more information.

TAXATION OF PROCEEDS

Investment gains arising on an international investment bond are charged to income tax but only when proceeds are taken and a chargeable event occurs. This means that tax on investment gains may be deferred until you choose to take the proceeds from the bond, which creates a chargeable event. For example, this can give you an opportunity to defer paying tax on any gains (if applicable) until you are in a lower tax bracket when proceeds are taken. It is also important to remember that if you choose a life assurance contract the death of the last life assured would also cause a chargeable event and bring the bond to an end.



Refer to our separate **Tax Information for Customers** brochure for detailed information regarding the UK taxation of gains including how 'income' is taxed in the UK on your bond.

WHAT ARE MY TAX LIABILITIES?

When you surrender or take a withdrawal from your bond, the proceeds are paid to you without deduction of tax at source. The responsibility for personal tax on the proceeds from the bond is yours and normally depends on your country of residence and personal circumstances.



Any adviser charges, to be paid to your financial adviser, from the bond (which you have agreed with your adviser), will be treated as a withdrawal and will form part of your 5% annual tax-deferred entitlement. If an adviser charge would take you over your 5% annual tax-deferred entitlement, this would trigger a chargeable event and could have potential tax consequences. You should discuss this with your financial adviser before making a withdrawal, surrender, or payment of adviser charges from the bond.

WHAT ARE THE CHARGES FOR SELECTION?



SELECTION OFFERS A FLEXIBLE CHARGING STRUCTURE WITH VARIOUS CHARGING OPTIONS THAT MAY APPLY TO THE BOND.

Your financial adviser will be able to explain how the charging structure works and which combination would best suit your needs. The product charges, fund charges (where known) and any charges for advice agreed to be paid from the bond will be shown in your Personal Illustration that your financial adviser gives you.

The information below is a summary of the charges applicable to your bond. You must read this section together with the **Guide to Charges** which describes our Flex-Charge and other applicable charges in detail.

FLEX-CHARGE

Our Flex-Charge structure enables you to select your preferred balance between the level of the initial (one-off) product management charge and the level of ongoing quarterly product management charges. Please speak to your financial adviser who will be able to help you select the option that is best for you.

STANDARD PRODUCT CHARGES

The amount you will pay depends on whether you choose to request the appointment of an External Manager and/or Custodian, and the product management charge option chosen. The standard product charges are:

- › Flex-Charge – initial and/or ongoing product management charge*
- › Administration charge

*An initial and/or ongoing product management charge will be payable on the bond and will be based on the level of investment made. The charge that applies depends on your choice of either full initial or full ongoing product management charge or a combination of the two.

The product management charge is taken after investment and is based on the premium we receive. The premiums should not therefore be increased in order to account for any initial charge.

CONDITIONAL BOND CHARGES

Conditional charges are charges that depend on the investment choices you make and the way you choose to manage your investment. Conditional charges include:

- › Payment charges
- › Dealing account debit interest
- › External Manager and/or Custodian charges
- › Additional single premium charges
- › Valuation charges
- › Charges for advice (if taken from the bond).

FUND CHARGES AND INVESTMENT COSTS

Charges for the underlying funds and investment costs, including dealing fees, will depend on the investments you choose. Your financial adviser can give details of the charges applicable to the investments you have selected. Any initial and annual fund management charges and dealing charges will also be shown in your Personal Illustration.



For full details of our charges and adviser charges, see our separate **Guide to Charges**.



Administration and dealing charges will be increased on 1 January each year in line with the UK Retail Prices Index (RPI) without any notification to you or, where applicable, your trustees. Any increases may be rounded to the higher pound.

Payment charges are based on the bank charges we incur in making the payment and are subject to increase without notice where the charges incurred by us increase.

APPLYING FOR SELECTION

Before applying for Selection please make sure you have spoken to your financial adviser and they have answered any questions you may have.

Please ensure that they have also given you:
a **Key Features Document**, any applicable disclosure documents, a **Personal Illustration**, and the **Guide to Charges**.

- › Tax Information for Customers
- › A Guide to Trusts.

To help your understanding we also suggest you read this guide alongside the brochures listed opposite.

1

CHOOSE

You should decide your contract type and your charging level. Decide on your Flex-Charge options and agree any adviser charges.

2

APPLY

With the help of your financial adviser, complete the application form.

3

START

The bond will start when all necessary documentation and information has been received and accepted by us and your premium has cleared in our account.

1. YOUR CHOICES

Before investing you must choose:

- › The type of bond i.e. life assurance or capital redemption
- › The currency the bond is to be held in i.e. Sterling, US Dollar or Euro
- › If the bond is to be held on a sole or joint applicant basis
- › Your investment amount
- › Which funds you wish to invest in
- › The amount and frequency of any regular withdrawals
- › The charging level you require from our Flex-Charge structure
- › How you pay charges for advice.

2. COMPLETING THE APPLICATION FORM

Next you will need to complete, with the help of your financial adviser, the Selection application form ensuring you complete the **Adviser Charges** section if you would like us to facilitate any adviser charging payments to your financial adviser. For all other adviser charge payments you would like to set up please complete our separate **Adviser Charges Pack** available from your financial adviser on request.

Under anti-money laundering regulations we are required to verify the identity and address of each investor, the source of wealth and the source of funds being invested. Our application form has been designed to assist with the collection of this information.

Once complete your financial adviser will then post the form to us for processing.

3. STARTING THE BOND

The bond will start when all necessary documentation has been received and accepted by us and your premium has cleared in our account.



We do not pay credit interest on premiums received prior to bond issue. No interest will be paid on any charges for advice being facilitated by us outside of the bond.

YOUR SELECTION BOND

CANCELLATION

You currently have 30 days to cancel the bond. The 30 days begin on the day you receive the **Your Right to Change Your Mind Form**. If, for any reason, you decide that you do not want to take out this bond, just return the form with your original policy documents, within 30 days to the address on the form and the amount we will give you back is calculated as noted below.

The calculations will be based on the price on the next available dealing date from when the form is received.

If you exercise your right to cancel the bond during the 30 day cancellation period, we will not return any amount relating to charges for advice already paid to your adviser. If necessary, you will need to reclaim any refundable payments relating to charges for advice directly from your adviser.

Any repayment due to you on cancellation will be paid as soon as possible after the assets linked to your bond have been cashed in.

If you choose to link your policy to assets which cannot easily be cashed in, such as fixed-term deposits or funds with infrequent dealing days, then whilst you may exercise your right to cancel, it may be some considerable time before the asset can be sold or redeemed and your money returned to you.



The amount you will get back may be less than the initial investment. If the value of the investment falls before we receive the **Your Right to Change Your Mind form**, an amount equal to the fall in value will be deducted from any refund you receive. This deduction will be in addition to any charges for advice we have paid on your behalf. In calculating the fall in value we will include any third party costs we have incurred, such as any penalties applied by a deposit taker for breaking a cash deposit early.

If the value of the investment has increased you will only get back the amount of your initial investment, minus any charges for advice paid.

If you do not exercise your right to cancel within the 30 days cancellation period your bond will continue in accordance with the policy terms and conditions.

COMPLAINTS

If, for any reason, you are not satisfied with our service, please address your complaint to our Operations Manager.

Post: Utmost PanEurope dac
Ashford House
Tara Street
Dublin 2
D02 VX67
Ireland

OMBUDSMAN

We will do everything in our power to resolve a complaint and in many cases can rectify the issue direct with you. However, on occasion you may wish to deal with an outside mediator to obtain a resolution. Ireland offers the protection of the Financial Services and Pensions Ombudsman Scheme.

The Scheme is specifically aimed at individuals, limited companies with a turnover of less than €3 million, charities, club trusts and partnerships. For further information on this, please visit www.fspo.ie

The Ombudsman's contact details are:

Post: The Financial Services and
Pensions Ombudsman
Lincoln House
Lincoln Place
Dublin 2
Ireland
D02 VH29

Tel: 00353 1 567 7000

Email: info@fspo.ie

Web: www.fspo.ie



Making a complaint does not affect your right to take legal proceedings.

ADVICE

Utmost PanEurope dac and Utmost International Trustee Solutions Limited do not give investment, legal or tax advice and investors are strongly recommended to obtain their own professional advice.

CHANGES TO THE INFORMATION YOU PROVIDE TO US

After you have completed your application form, you must tell us if any of the information relevant to the bond changes.

ABOUT US

ABOUT US

We do not pay capital gains tax or income tax in Ireland on investments held on behalf of investors, so any investment gains are allowed to grow free of these taxes. The only tax to which funds may be liable is that which is deducted at source and which cannot be reclaimed. This is known as Withholding Tax.



The responsibility for any personal tax liability on the proceeds is yours and depends normally on your country of residence. The information in this guide is based on our interpretation of current law and taxation practice in Ireland and the UK as at 1 January 2020.

This may be liable to change in the future so there is a risk that the value of the tax benefits provided by this bond could change.

AUTHORISED AND REGULATED

We are authorised by the Central Bank of Ireland (as our home state regulator).

POLICYHOLDER PROTECTION

In the event that Utmost PanEurope is unable to meet its liabilities to its policyholders, policyholders will not be able to claim under the UK Financial Services Compensation Scheme. However, a strong regulatory environment exists in Ireland which is designed to protect policyholders.

Solvency II requirements mean that in the unlikely event of insolvency of the life insurer, policyholders will have first claim in respect to the assets representing the technical reserves, provided the cost of the liquidation are met. The Central Bank of Ireland (CBI) also regulates the activities of any Irish authorised life insurer and has continuous oversight over the governance, risk management and controls through reviews and inspections. The CBI also puts in place approval processes for key individuals making sure they have the necessary skills to perform key functions. Speak to your financial adviser for further information.



The underlying assets are held in our name. You will not be eligible to take advantage of any investor compensation scheme arrangements that cover the underlying fund manager or deposit taker. Therefore, if the underlying fund manager or deposit taker is unable to meet its obligations to us, you may lose some or all of the investment. In these circumstances our liability to you will be limited to such amounts, if any, that we can recover from any third party.

FINDING OUT MORE

Your financial adviser will be able to help you with any questions you may have about Selection that are not answered in this Product Guide or Key Features document. It is important that you discuss your financial needs and circumstances with a financial adviser so that you can find out what's right for you, before deciding to invest in this bond or making any financial decisions.

KEY POINTS SUMMARY

To help you with your decision, we have provided a brief key points summary of Selection, as shown below.

MEDIUM TO LONG TERM INVESTMENT	Selection is designed to be a medium to long term investment (meaning five to ten years or longer).
TAX-EFFICIENT	Ireland's favourable tax environment means we are able to provide flexible products designed for tax-efficiency. We do not pay Capital Gains Tax or Income Tax in Ireland on investments held on behalf of investors, so any investment gains are allowed to roll-up free of these taxes. The only tax to which funds may be liable is that which is deducted at source and which cannot be reclaimed. This is known as Withholding Tax.
FLEXIBLE CHARGING STRUCTURE	Our Flex-Charge gives you the freedom to choose the right product management charge to suit your needs, whether its a full initial or a full ongoing product management charge or a combination of both.
TAX-DEFERRED 'INCOME'	You can take an 'income' in the form of withdrawals of capital of up to 5% of your original investment each year with no immediate charge to Income Tax, until all your original investment has been withdrawn. Taking an 'income' may reduce the value of the capital invested, depending on fund performance.
WIDE RANGE OF INVESTMENTS	Access to an extensive range of external funds and cash deposits.
SIMPLER UK TAX RETURNS	You don't have to declare gains on an international investment bond until a chargeable event occurs. Chargeable events include surrender of segments, withdrawals or adviser charges over and above the 5% annual tax-deferred entitlement and assignments for consideration (value).



- › The value of the bond can fall as well as rise. Taking into account market fluctuations and charges, you could get back less than you invest
- › The tax treatment of the bond could change in the future and depends on your individual circumstances
- › Any adviser charges, to be paid to your financial adviser from the bond (which you have agreed with your adviser), will be treated as a withdrawal and will form part of your 5% annual tax-deferred entitlement. This could have potential tax consequences and you should discuss this with your financial adviser before making a withdrawal, surrender, or payment of adviser charges from the bond.

NEXT STEPS

A financial adviser will be able to tell you more about:

- › Utmost PanEurope dac
- › the tax implications specific to your circumstances
- › charges

Please contact your financial adviser:

- › if you have a question
- › if you would like more information
- › if you would like a revised Personal Illustration.

If you do not have a financial adviser you can find one in your area by contacting the Institute of Financial Planning by telephone on 0117 945 2470 or at www.financialplanning.org.uk

CONTACT US

To find out more about Selection,
contact us.

 +44 (0)1624 653 251

 welcome@utmostwealth.com

 Utmost PanEurope dac
Navan Business Park,
Athlumney,
Navan,
Co. Meath,
Ireland

 www.utmostinternational.com

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www.utmostinternational.com

Calls may be monitored and recorded for training purposes and to avoid misunderstandings.

Utmost PanEurope dac (registered number 311420) is regulated by the Central Bank of Ireland.

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

Utmost PanEurope dac is a Category A Insurance Permit holder with the Jersey Financial Services Commission.

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

Utmost International Trustee Solutions Limited is registered in the Isle of Man under number 137986C.

Registered Office: King Edward Bay House, King Edward Road, Onchan, Isle of Man, IM99 1NU, British Isles.

Licensed by the Isle of Man Financial Services Authority.

Utmost Wealth Solutions and Utmost International Trustee Solutions are registered in the Isle of Man as business names of Utmost International Trustee Solutions Limited.

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.

Holders of policies issued by the above registered entities will not be protected by the UK Financial Services Compensation Scheme
if the above registered entities become unable to meet policyholder liabilities.

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