

EUROPEAN EXECUTIVE INVESTMENT BOND

PRODUCT BROCHURE

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utmost[™]
WEALTH SOLUTIONS



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GIVING YOU INVESTMENT FREEDOM

The European Executive Investment Bond - PRIIPs¹ (referred to as the European Executive Investment Bond throughout this brochure), from Utmost PanEurope dac (Utmost PanEurope) is a medium-to long-term investment that can adapt as your life unfolds. You can change assets, make payments, take withdrawals – whatever suits your evolving lifestyle.

This high-powered portfolio bond gives you the opportunity to take advantage of offshore tax benefits. It gives you the freedom to help build on your wealth by investing in a wide range of assets.

It could help you create the financial future you want, as well as providing estate planning options to enable you to pass on as much of your wealth as possible to your family and future generations.

The life assurance Bond is a 'wrapper' which you own. Its value is linked to a selection of assets that you choose, but which are owned by Utmost PanEurope. You can normally trade these assets as and when you need to. This allows you to consolidate your investments within a single portfolio, making it easier for you to monitor their performance and saving you and your financial adviser valuable time.



It enables you to:

- › open a Bond with an investment of €75,000/£50,000/US\$75,000 or more
 - › add extra lump sums of at least €7,500/£5,000/US\$7,500
 - › take advantage of investment opportunities from many of the world's leading fund managers and major stock exchanges
 - › choose exactly how you want to invest your money, with your financial adviser's help
 - › enjoy flexible access to your capital, including an option to take regular withdrawals (see Easy access to your capital on page 8)
 - › change assets to update your portfolio and keep in step with developments in your life
 - › transfer existing assets into your Bond²
 - › appoint a 'discretionary manager' so you can benefit from their guidance and expertise
 - › reduce paperwork by keeping all the investments in a single wrapper
- You'll also be able to monitor performance and carry out transactions online through Wealth Interactive, our award-winning online service (see page 7).

A premier provider of offshore investment portfolios for over 20 years

Utmost PanEurope is the Dublin-based operation of Utmost International, providing offshore and cross border insurance and financial planning solutions. These medium-to-long term solutions are specially designed for the European market. Utmost PanEurope is recognised for its technical expertise, product innovation, high quality service and dynamism. Utmost PanEurope's presence in the European city of Dublin since 2003 means you can be confident that your clients' investments are in reputable hands.

Utmost International is a leading provider of insurance-based wealth solutions operating in the UK, Europe, Latin America, Asia and the Middle East. As at 31 December 2020, Utmost International had c. £52bn of assets under administration and 220,000 customers on a proforma basis.

Our solutions are designed to preserve our clients' assets and safeguard them for future generations. Our propositions provide effective and reliable solutions for clients who wish to control the wealth they have accumulated and manage the proceeds when planning succession.

Utmost International operates in the UK, Europe, Latin America, Asia and the Middle East where we see continued, strong demand for our products.

For more information about Utmost International and Utmost Group please visit <https://utmostinternational.com>.

The benefits of open architecture

The European Executive Investment Bond gives you immense flexibility and freedom of choice, through access to a wide range of investment asset types. This wide investment choice is known as 'open architecture'. It enables you to invest in all kinds of offshore or mutual funds, stocks and shares, fixed-interest securities, multi-currency deposits,

hedge funds, structured notes, exchange-traded funds and other alternative investments.

This means you can customise your portfolio precisely to your individual needs and preferences, without having to compromise in order to fit in with pre-set rules and parameters.



Please remember that investments can fluctuate and you may not get back the full amount of your original investment.

This brochure explains how a European Executive Investment Bond could benefit individual investors. Many of these benefits equally apply to Trustees and Companies wishing to invest. Please speak to your financial adviser, who will be able to explain any important differences.

¹ PRIIPs refers to Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs).

² Subject to our acceptance.

NEATLY PACKAGED TO SAVE YOU TIME, HASSLE AND MONEY

Keeping track of a wide-ranging portfolio can be time-consuming and frustrating. However, one of the joys of the European Executive Investment Bond is that you can manage and monitor all the investments within a single wrapper.

So when you³ or your financial adviser want to check your portfolio's performance, you can access all the valuations and reports within a single website, instead of logging on to multiple sites.

What's more, we will co-ordinate all the deals for you. You'll also enjoy the benefits of consolidated reporting, without the hassle of individual paperwork, dividend receipts and tax returns for each separate investment. This may even save you money, as it involves less work for your accountant and financial adviser.

Simple dealing

It's easy to move money between assets whenever you want. All deals are co-ordinated by Utmost International and you or your financial adviser can utilise our online service

Wealth Interactive to carry out transactions online.

Some actions can have tax implications for you, or incur charges, so you should always discuss your investment with your adviser before making any decisions.

You can transfer existing investments into your European Executive Investment Bond to reduce paperwork even further – as well as potentially lowering your overall portfolio management costs. All assets need to be agreed by Utmost International beforehand, and that the transfer may affect your tax liabilities.

Furthermore, because the deals are carried out by Utmost International, the administration for certain processes is reduced, which ensures deals can be put through much faster.

Economies of scale

You'll also benefit from Utmost's global buying power. Because we make multiple deals on behalf of our investors, we may be able to negotiate higher interest rates on deposits for you, as well as making savings on initial asset charges, so more of your money is invested right from the start.

You may even be able to access funds which would not normally be available to you as an individual investor. Some of these are specialist funds, so it's vital to seek professional advice and read the fund prospectus to make sure you're aware of all the possible risks.

³ If you are a Trustee or Corporate investor, access to some of our online facilities is restricted.

WEALTH INTERACTIVE - ONLINE SERVICE

Our customers expect and deserve excellent and timely services and support around the clock, whether they are at home or abroad.

As soon as you invest in our European Executive Investment Bond, you will be invited to get closer to your investments through our award-winning interactive online service, Wealth Interactive.



It's a totally secure site that gives you and your adviser quick and easy access to everything you need to know about your Bond:

- › its current and historic value
- › how your assets are performing, plus access to factsheets on them
- › a library of the correspondence you've received from us
- › a history of the transactions you or your adviser have made.



For more information on Wealth Interactive, visit www.utmostinternational.com

As well as viewing information about your investment, Wealth Interactive also lets you and your adviser carry out transactions online.

You can:

- › update your personal and policy details
- › create or update withdrawals
- › buy and sell assets following discussion with your adviser.

Wealth Interactive is designed to empower you and your financial adviser to manage your wealth in partnership together. It provides your adviser with useful online tools such as financial goal planning and risk profiling to help them fully understand your investment objectives.

Once your European Executive Investment Bond has started, all you have to do is simply activate your Wealth Interactive online service account so that you can enjoy the above benefits.

EASY ACCESS TO YOUR CAPITAL

The European Executive Investment Bond gives you flexible access to your capital – subject to a minimum withdrawal amount of €750/£500/US\$750 (or other currency equivalent).

All withdrawals will be free of charge as long as you leave in a surrender value⁴ of €15,000/£10,000/US\$15,000 (or another currency equivalent), or at least 15% of your total investment, whichever is higher. There may, however, be a charge on the asset from which you are withdrawing, for example a fixed-term deposit. If the value of your Bond falls below this amount, we have the right to surrender it.

There may be tax implications to making encashments of any type. You should speak to your financial adviser about any tax consequences before you instruct us to encash any part of your Bond.

One-off withdrawals

As long as you leave the minimum amount in your Bond (see previous paragraph), you can normally withdraw any amount you want. However, please remember that the European Executive Investment Bond is designed for medium-to long-term investment, so taking money out of your Bond in the early years can dramatically reduce its potential for growth.

Regular withdrawals

You can use your Bond to create a regular income; yearly, half-yearly, quarterly or monthly. You should ask your financial adviser about the tax and financial planning implications before you commit to this.



You may take withdrawals from your Bond, although an early withdrawal charge may sometimes apply if you cash in some or all of your investment during the early years. Depending on the assets you have invested into, there may also be early redemption charges. Please refer to the charges section of the Terms and Conditions for further details.

Taking money out of your Bond, especially in the early years, could reduce the potential for your investments to perform – so we strongly believe you should stay invested for at least five years. This will also help to mitigate the effect of the charges made when you set up your Bond.

⁴ The surrender value must take into account any charges that apply.



THE INVESTMENT THAT CHANGES WITH YOUR LIFE

Your investment needs will change regularly as your life evolves. That's why the European Executive Investment Bond is designed to be so flexible.

You can take it with you if you need to move from country to country, and you can change the balance of your portfolio to reflect a need for more security, greater potential or a different ethical slant.

There is no legal restriction on your contributions⁵ or fund size, so you can invest as much as you wish in your Bond and even move assets across from existing investments.

A choice of assets

The European Executive Investment Bond allows you and your financial adviser to build a portfolio of assets to match your medium-to long-term objectives and your current attitude to risk. You then have freedom to change the assets as and when appropriate.

You can choose from a wide range of assets from all over the world. These include collective investment funds or unit trusts agreed by Utmost PanEurope; bank accounts; and stocks and shares quoted on a recognised stock exchange. Plus, subject to our approval, you can add fixed-interest securities,

multi-currency deposits, hedge funds, structured notes, exchange-traded funds and other alternative investments.

You can invest in as many different assets as you wish, provided you keep a minimum of €3,750/£2,500/\$3,750 (or other currency equivalent) in each holding.

Support and service from Utmost PanEurope

As a European Executive Investment Bond policyholder, you can take advantage of our experience, excellent customer service and specialist investment administration team, who will coordinate all deals for you. Your financial adviser can also call on us at any time for technical support, from tax information to administrative issues.

Plus extra external expertise...

If you wish, you can nominate a discretionary manager to work alongside your financial adviser. The discretionary manager can guide you through the process of choosing assets and then manage your portfolio for you.

This could give you the reassurance that your Bond is being pro-actively managed and holds the most appropriate assets for your needs.

If you are interested in using a discretionary manager, your financial adviser will be able to recommend one for you, or may even be able to offer this service themselves.

...and your choice of custodian

The structure of a Bond means that you need a 'custodian' to hold, on Utmost PanEurope's behalf, the assets that you choose to link to your Bond. You may want to appoint your own 'custodian', who also has the power to carry out deals and transfers for you. For example, you may have a relationship with a financial institution that is already holding some existing assets for you, and that you therefore know, trust and want to continue using. If you don't have your own custodian, then Utmost PanEurope will use its own appointed custodian to play this important role for you.

⁵ Subject to our acceptance.



A choice of currencies

When you open your Bond, you choose a currency for it, which can be any one of a number of major currencies. However, that does not mean you have to make your payments in that currency, or that you are limited to investments based on that currency.

For example, you could choose US dollars as your policy currency, but make your payments in euros and invest in assets based in sterling. However, you should be aware that making investments in different currencies could lead to losses or gains due to exchange rate fluctuations.

CASE STUDY: OLIVIA

Olivia's financial adviser recommended the European Executive Investment Bond because he believed she should spread her investments across as wide a range of assets as possible. The Bond's open architecture aspect allows that, as well as giving greater potential for growth.

Olivia was also able to nominate a discretionary manager who can make decisions on her behalf. Appointing the discretionary manager works well for Olivia because she doesn't have the time or expertise to optimise the market opportunities. When the discretionary manager sees good investment opportunities, he has the authority to act upon them, benefiting Olivia giving her the best potential outcomes for her investments.

Please note: this case study is fictional and used purely to real-life scenario.

CASE STUDY: JUAN

Following his adviser's recommendation, Juan consolidated a number of different investments in a single, easy to manage European Executive Investment Bond.

With Wealth Interactive, Juan and his adviser have instant online access to the Bond meaning they can view and manage it effectively. As well as enabling more visibility and control of his portfolio and its performance, bringing the investments together in one place reduced the fees and charges.

Juan also benefits from the strength of our parent company, Utmost, both through the terms we negotiate with fund managers and the peace of mind he has knowing his investment is in good hands.

Please note: this case study is fictional and used purely to illustrate a possible real-life scenario.



THE TAX-EFFICIENT WAY TO INVEST

Tax planning

As an offshore asset, your investments can grow virtually free of income tax, capital gains tax or corporation tax in Ireland⁶.

This in turn enables you to postpone and minimise tax payments by timing your withdrawals appropriately.

A safe home for your investments

The European Executive Investment Bond is provided by Utmost PanEurope dac. Utmost PanEurope is based in Dublin, Ireland, an established international financial centre with a stable and independent legal, political and regulatory framework. This means your investment is held in a secure offshore environment.

Why we've chosen Ireland as our base

Ireland is a tax-efficient environment and Utmost PanEurope is not currently liable to income tax, capital gains tax or corporation tax on assets linked to policies, so your investment will be able to grow virtually tax free. It's possible that withholding tax may be deducted from some of the dividends at their country of origin. However, once inside your Bond they can accumulate tax free⁶.

This tax-neutral environment means you can make the best use of your own personal tax allowances. Switching between funds and assets will also be tax free in Ireland.

However, local taxes or duties may apply either on any annual premiums you paid, or on any gains that you made on withdrawals. Please check the tax position of the Bond in your country with your financial adviser. You can also find more information in our document called tax and other important information, which your financial adviser can give you.

Moving to the UK

In the UK, a European Executive Investment Bond is regarded as a personal portfolio bond. This means that where this type of bond is held by a UK tax resident, a penal tax charge will apply year on year. This is a 15% cumulative deemed gain which will apply each year in relation to the premium plus the deemed gain.

If you are planning to move to the UK, you will become UK tax resident and will be liable for this tax charge. To avoid it, you can ask Utmost PanEurope to endorse your European Executive Investment Bond to restrict the assets in which your Bond can invest. To completely avoid the charge, the Bond should be endorsed before the policy anniversary after you return to the UK.



We strongly recommend that you discuss your options with your financial adviser before becoming UK tax resident.

Moving to another country

The European Executive Investment Bond (EEIB) is designed to be tax-efficient in the countries in which we currently accept business from. We strongly recommend that you seek advice prior to moving to other jurisdictions to take any necessary steps to maintain the tax efficiency of the product.

Estate Planning

When you are looking to pass on your estate to your family and loved ones it is important to discuss your needs with your adviser so they can help you plan. Your adviser may emphasize that often it is not what is held that is important but how it is held. The importance of how wealth is held extends beyond the type of bond but how it is structured from the outset.

The EEIB allows you to pass on your wealth effectively. With good advice and planning it can help reduce the burden on your loved ones once you or the last life assured pass. Having multiple lives assured and a policy nomination in place can help.

The EEIB will allow you to:

Have more than one life assured

Having more than one life assured provides the mechanism by which the contract can continue, this is where the flexibility is created as it provides the potential for the policy to continue to be invested for a longer length of time. Typically, once a contract is established, additional lives assured cannot be added and therefore it is important to get it right at inception.

Nominate a beneficiary

Your adviser may also mention considering going one step further. In order to allow the wealth to pass on to your loved ones and help avoid probate delays, it can be important to nominate a beneficiary or beneficiaries.

By using a nomination, the assets can pass to your beneficiaries, avoiding probate hurdles, a costly and time-consuming process. The average time for probate is between 9 to 12 months and can take considerably longer. With careful planning, wealth can be passed on immediately with a valid nomination.

CASE STUDY: PATRICK

Patrick, 54, is an accountant living in Gibraltar. He already pays tax on his earnings and he resents paying tax again on his investments. With the help of his financial adviser, he nominated beneficiaries to make sure the money in his European Executive Investment Bond is ring-fenced. The nominations will make it much easier for his beneficiaries to arrange probate, and means he can leave more inheritance for his children.

Please note: this case study is fictional and used purely to illustrate a possible real-life scenario.



THE EUROPEAN EXECUTIVE
INVESTMENT BOND IS DESIGNED
TO BE TAX-EFFICIENT IN THE
COUNTRIES IN WHICH WE CURRENTLY
ACCEPT BUSINESS FROM.



FEES AND CHARGES

The charges for setting up and maintaining your European Executive Investment Bond will depend on the kind of assets you choose, your agreement with your financial adviser, and other variables.

Your financial adviser will provide details and explanations, and the charges will also be listed for you in a charges schedule and the terms and conditions.



The charges will be used to cover costs including:

- › the costs Utmost PanEurope has incurred in setting up and managing your Bond
- › the administrative costs of the fund managers
- › any fees charged by your financial adviser
- › any third-party charges such as bank charges.

There may also be other charges, and there could be further additional future costs.

You may need to pay an early withdrawal charge if you cash in your Bond fully. This charge may also apply if you cash in part of your Bond and the amount remaining is less than either 15% of your total investment, or €15,000/£10,000/US\$15,000⁶ (or another currency equivalent).

If you decide to move any of the investments into a different fund or asset, you will usually have to pay a dealing charge.

This is currently €30.50 for each transaction. Most switches involve two transactions: out of the current asset and into the new one – so the charge would be €61. You may need to pay other third-party charges, such as bank charges, which will be included in the net amount being switched.

The administration and dealing charges are all defined in multiple currencies, so the charge applying to each Bond will be in the currency of the Bond. E.g. a US\$ Bond will have US\$ charges.

The European Executive Investment Bond and some of the investments which may be held within it have fees which exist partly to meet the advice, promotion and distribution expenses. These may include initial and on-going commission paid by us to your financial adviser and could be in addition to any commission payable by the investment provider to your financial adviser in respect of the investments held. Utmost PanEurope may receive payments in the form of fund manager rebates, from an asset provider in respect of the assets held, and which we may share with your financial adviser. Further details of whether these apply, and the level of fees and commissions involved, are available from your financial adviser upon request.

⁶ We may also decline your request for a part surrender, in such circumstances.



TALK TO YOUR FINANCIAL ADVISER ABOUT THE EUROPEAN EXECUTIVE INVESTMENT BOND

Your financial adviser looks at your financial arrangements holistically and can help make sure the Bond fits in with your overall objectives and plans.

They will be able to answer your questions, recommend specific assets and fund managers, and provide you with further support material, including the full Terms and Conditions.

If you decide you wish to open a European Executive Investment Bond, your financial adviser will make the application and help to select the investments that are most suitable for you.

THE EUROPEAN EXECUTIVE INVESTMENT
BOND - PRIIPS COULD BE SUITABLE
FOR CUSTOMERS WHO:

are UK, or other expatriate, or local individual,
company or trust, based in a European country⁷

are aged between 18 and 89

are looking to invest at least €75,000 or currency
equivalent into this product

want to invest tax-efficiently over the
medium- to long-term

are planning for their retirement or looking for
ways to pass on their wealth to future generations
by using an appropriate trust or nomination

want to achieve investment growth aligned to
their attitude to risk

expect to have access to a wide range
of investment solutions, such as stocks,
shares, bonds and
collective investments that enable them to
build a bespoke portfolio

are happy to accept more risk than saving
into a bank account

want to have an option for a discretionary asset
manager to be appointed⁷ to make investment
decisions and construct a bespoke portfolio.

THE EUROPEAN EXECUTIVE INVESTMENT
BOND - PRIIPS MIGHT NOT BE
SUITABLE FOR CUSTOMERS WHO:

have no other savings or investments

are new to investing and are not comfortable in
making investment decisions

are not happy to accept the risk of potential
investment losses and are looking for guaranteed
investment growth

require instant access to their money

wish to invest their money in cash

want access to professional investor funds.



We strongly recommend that you and your financial
adviser manage your Bond to ensure there is always
enough cash in liquid assets to meet charges and
any regular withdrawals.

For full details of the charges that will apply, please
see your policy terms and conditions.

⁷ Subject to our approval.

THE EUROPEAN EXECUTIVE INVESTMENT BOND AT A GLANCE

What it is?

The European Executive Investment Bond is a whole of life offshore Bond provided by Utmost PanEurope dac. This means it is a life assurance Bond where, in the event of the death of the relevant life assured, the death benefit is 101% of the surrender value.

Objectives of this product

An investment solution designed for clients investing over the medium to long term.

Who can apply?

Anyone aged between 18 and 89 (inclusive).

Payments into your bond

- › Make one initial investment of at least €75,000/£50,000/US\$75,000, or the equivalent in another currency.
- › Add in extra amounts whenever you want, of at least €7,500/£5,000 US\$7,500 (or currency equivalent)⁸.
- › No fixed term. These minimum amounts may increase in the future, so please check the latest figures with your financial adviser.



Choice of investment funds

- › Stocks and shares or fixed- interest securities quoted on a recognised stock exchange⁸.
- › Extensive choice of collective investment funds and unit trusts, Eurobonds and currency deposits⁸.
- › You can transfer in and consolidate other existing investment assets⁸.
- › Change assets when appropriate for you⁹.

Access to your money

One-off or regular withdrawals which will be free of charge as long as you leave in a surrender value⁹ of €15,000/£10,000/US\$15,000 (or another currency equivalent), or at least 15% of your total investment, whichever is higher.

AN INVESTMENT SOLUTION
DESIGNED FOR CLIENTS
INVESTING OVER THE MEDIUM
TO LONG TERM.

Your Right to Cancel

You have the right to cancel your European Executive Investment Bond or additional investment and obtain a refund of any premium(s) paid, less any applicable charges¹⁰, and any fall in the value of the assets linked to your European Executive Investment Bond. You have 30 days from the date that you receive the Schedule for the initial premium, or letter accepting the additional investment to let us know you want to cancel. Further information on how to cancel can be found in the European Executive Investment Bond Terms & Conditions.

Support

- › You can appoint a discretionary manager to help manage your portfolio if you wish.
- › Utmost PanEurope's Administration Centre will provide administrative support, do paperwork and keep records on your behalf.

Financial planning

- › Comprehensive range of trust facilities for estate planning and asset protection.
- › Option to nominate beneficiaries.

What happens if I pass away?

The European Executive Investment Bond is a life assurance policy; this means it will end on the death of the relevant life assured. If it is a 'joint life last death' policy, so there is more than one life assured, the Bond will end on the death of the last life assured.



To ensure you fully understand all the risks and benefits of the European Executive Investment Bond, you should also read the Policy Terms and Conditions. At Utmost PanEurope, we believe strongly in the benefit of professional financial advice and encourage clients to review their circumstances and financial planning needs with their financial adviser before investing in the European Executive Investment Bond.

You should also ensure you have obtained information on the funds you are investing in, which is available from your financial adviser, or from our website www.utmostinternational.com

⁸ Subject to Utmost PanEurope's acceptance.

⁹ Subject to dealing fees.

¹⁰ Where relevant, applicable charges include non-refundable fund charges, fees we have paid to your financial adviser on your behalf and bank charges.



The value of your Bond can rise or fall over time and there is no guarantee that the premium you've paid will be returned to you.

You should view your investment in the Bond as a long-term commitment. If you cash in your Bond in the early years, we may make a charge and the amount you receive may be less than the premiums you've paid.

You and your financial adviser should satisfy yourselves that any particular asset is suitably based on your needs, objectives and attitude to risk. You should also familiarise yourself with any particular risks associated with the assets in your portfolio. There may be currency risks if assets are denominated in another currency, or liquidity and valuation risks for property funds, for example. The value of the assets linked to the Bond determines the value of the policy and can fall as well as rise.

This brochure should be read in conjunction with the policy terms and, conditions and where appropriate, any additional disclosure information.

A WEALTH *of* DIFFERENCE

www.utmostinternational.com

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

Utmost PanEurope dac is regulated by the Central Bank of Ireland.

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

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