

GUIDE TO CHARGES

EVOLUTION
& ESTATE
PLANNING
BOND



A WEALTH *of* DIFFERENCE

utmost[™]
WEALTH SOLUTIONS



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

This item is issued by Utmost International Isle of Man Limited.

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BEFORE YOU BEGIN

This guide explains the current charges that will apply to your bond and any additional charges that could apply depending on the options you choose. It also details what the charges cover and how these can be paid.

We also outline the payment options available for the different kinds of advice you may receive and how these could affect your bond.

- › Words in the singular shall include the plural and vice versa.
- › Where charges are shown in Sterling and the bond is held in US Dollar or Euro, we will convert these charges using the exchange rate on the date of the transaction.

- › 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. Any other variation in administration or dealing charges will be made by giving you three months' notice.

For more details about increases to charges contact us on **+44 (0) 1624 643 345**.




As charges will reduce the value of your bond and its growth potential, it is important that you read the information in this guide and ask your financial adviser if you have any questions.

Charges shown in this document are applicable as at **1 January 2024**. Contact your financial adviser for details of current charges.



STANDARD PRODUCT CHARGES

The charges below are applied for setting up and administering your bond.

PRODUCT MANAGEMENT CHARGE	<p>The Product Management Charge includes the bond set-up and ongoing management charges.</p> <p>Both Evolution and the Estate Planning Bond offer you our Flex-Charge Product Management Charge structure which is based on the level of premiums invested with us and provides the option to select the level of initial charge compared with the level of ongoing quarterly charge. Further information on our Flex-Charge structure can be found on pages 6-9.</p>
ADMINISTRATION CHARGE	<p>An Administration Charge of £166.00 per policy quarter, in arrears, applies.</p> <p>EXTERNAL MANAGER AND/OR CUSTODIAN BASIS INVESTMENT LINK</p> <p>Where an External Manager and/or Custodian (EMC) company has been appointed to manage an External Managed Account, the Administration Charge will be £278.00 per policy quarter for each EMC appointed. In some circumstances this Administration Charge level may be reduced to £166.00 per policy quarter if the EMC is able to provide electronic data feeds.</p> <p> Where an appointed EMC holds more than one account, a quarterly Administration Charge may be applied for each account held. The EMC will also make their own charges for the service they are providing.</p>

FLEX-CHARGE PRODUCT MANAGEMENT CHARGE

Evolution and the Estate Planning Bond both offer our Flex-Charge charging structure, enabling you to select your preferred balance between the level of **initial** (one-off) Product Management Charge and the level of **ongoing** quarterly Product Management Charges. Your financial adviser will be able to help you select the option that is best for you.

The **initial** Product Management Charge is calculated based on the size of the premium paid into the bond and is taken immediately. The **ongoing** Product Management Charge is applicable for the lifetime of your bond, and is taken quarterly in advance. The first charge is calculated on the size of the premium paid into the bond and subsequent charges are based on the premium paid into the bond or the current fund value, whichever is higher. For bonds held on an EMC basis this will be the latest fund value that we hold on our records.

With Flex-Charge you can choose either:



Full initial
Product
Management
Charge

or

Full ongoing
Product
Management
Charge

or

A combination
of initial and
ongoing Product
Management
Charge

with no ongoing Product
Management Charge

with no initial Product
Management Charge

FULL INITIAL OR FULL ONGOING PRODUCT MANAGEMENT CHARGE

The charges for the full initial Product Management Charge and the full ongoing Product Management Charge, based on the level of premium invested with us, are shown below:

INVESTMENT AMOUNT	PRODUCT MANAGEMENT FULL INITIAL CHARGE (NIL ONGOING)	PRODUCT MANAGEMENT FULL ONGOING CHARGE PER ANNUM (NIL INITIAL)
£50,000 - £249,999	1.75%	0.35%
£250,000 - £999,999	1.50%	0.30%
£1,000,000 - £1,749,999	1.25%	0.25%
£1,750,000 - £2,499,999	1.125%	0.225%
£2,500,000 - £3,749,999	1.00%	0.20%
£3,750,000 - £4,999,999	0.95%	0.19%

The Product Management Charges for higher premiums are available on request from your financial adviser.

COMBINATION OF INITIAL AND ONGOING PRODUCT MANAGEMENT CHARGE

A combination of initial and ongoing Product Management Charge can be chosen. The combination that suits you best may be selected, based on a formula that offsets the level of initial Product Management Charge payable with an ongoing Product Management Charge using a ratio of 5:1.

The equation below is used to calculate the ongoing Product Management Charge:

$$\left(\text{Full initial Product Management Charge} - \text{Chosen initial Product Management Charge} \right) \div 5$$

EXAMPLE

A client invests £250,000; the full initial Product Management Charge for this premium is 1.50%. However, the client chooses a combination of both initial and ongoing Product Management Charges for their bond. They choose an initial charge of 1.00% rather than the full initial charge of 1.50%. This means the difference of 0.50% is then divided by 5 to calculate the ongoing product management charge of 0.10% per year.

As a result, the quarterly ongoing Product Management Charge would be 0.025% (0.10%/4).

This ongoing Product Management Charge would then be applied each quarter, taken in advance, throughout the lifetime of the bond.

This formula can be used to calculate an extensive range of Product Management Charge options with some examples below:

Investment of £50,000 - £249,999

Full initial 1.75% (Nil ongoing)	PRODUCT MANAGEMENT CHARGE FLEXIBILITY EXAMPLES				
	INITIAL	1.40	1.05	0.70	0.35
	ONGOING PER ANNUM	0.07	0.14	0.21	0.28

Full ongoing per annum
0.35%
 (Nil initial)

Investment of £250,000 - £999,999

Full initial 1.50% (Nil ongoing)	PRODUCT MANAGEMENT CHARGE FLEXIBILITY EXAMPLES				
	INITIAL	1.20	0.90	0.60	0.30
	ONGOING PER ANNUM	0.06	0.12	0.18	0.24

Full ongoing per annum
0.30%
 (Nil initial)

Investment of £2,500,000 - £3,749,999

Full initial 1.00% (Nil ongoing)	PRODUCT MANAGEMENT CHARGE FLEXIBILITY EXAMPLES				
	INITIAL	0.80	0.60	0.40	0.20
	ONGOING PER ANNUM	0.04	0.08	0.12	0.16

Full ongoing per annum
0.20%
 (Nil initial)

Ask your financial adviser if you would like confirmation of any Product Management Charge combinations.

Different Product Management Charge combinations can be chosen for the initial premium and any additional premiums. The Product Management Charge for each new premium is based on the total premiums paid, therefore an additional premium may have lower charges than the initial premium.

CONDITIONAL BOND CHARGES

Whether or not you pay these charges depends on the product and options you have chosen.

PAYMENT CHARGE	<p>If you chose to pay your premium to us using CHAPS or Telegraphic Transfer (International payment), your bank may charge you for these services. If you or your trustees request that we make withdrawal or surrender payments, a payment charge of £17 (or the equivalent in the currency of the payment being made¹) will be deducted each time money is transferred by CHAPS, or £25/ US\$35/€30 for Telegraphic Transfer payments, to cover the bank costs incurred by Utmost International Isle of Man Limited. Payments made to a UK Bank in Sterling through the BACS system are currently free of charge. Refer also to the 'Investment Costs' section later in this guide.</p>
EARLY WITHDRAWALS	<p>There may be a charge imposed by the deposit taker or fund manager for early withdrawals, for example if you break a fixed deposit early or do not provide the required notice period. Such charges will be applied to the bond. This includes cancellation of the bond during the initial 30 day cancellation period, closing a deposit early or redeeming a fund where there are redemption penalties.</p> <p>If you opt to link the bond to assets which cannot be easily cashed in, such as fixed term deposits or funds with infrequent dealing days, it may be some considerable time before the asset can be sold or redeemed.</p>
DEALING ACCOUNT DEBIT INTEREST	<p>If there is not enough cash in the Dealing Account to cover charges and withdrawals, including any charges for advice that we are facilitating, or you change the funds, it may have a negative balance and debit interest will apply. Please contact us for details of the current rate.</p>
INVESTMENT ADVISER ²	<p>You can request the appointment of an Investment Adviser to give us instructions regarding fund selection. The fee they apply for the service they provide will be treated as an Investment Adviser Charge (IAC). You can choose to pay these charges directly to the Investment Adviser outside of the bond, or facilitated by us as a payment from the bond.</p>
EXTERNAL MANAGER AND/OR CUSTODIAN CHARGE (EMC) ²	<p>You can request the appointment of one or more EMC to manage an External Managed Account to which the performance of the bond is linked. The fee they apply for advice on the underlying investments will be treated as an EMC Investment Adviser Charge (EMC IAC). For each EMC appointed, a higher quarterly Administration Charge will apply. This is described in more detail on page 5.</p> <p>In addition to the Administration Charge we apply to the bond, any appointed EMC will apply their own charges for managing the investment. Such charges could include custody, transaction or bank fees which will be taken directly from the External Managed Account. Contact your EMC or financial adviser for specific details of these charges.</p>

VALUATION CHARGE	<p>A valuation statement will be sent to you or your trustees on or around the anniversary of the bond.</p> <p>If further printed statements are required, there is currently a £20.00 charge per statement.</p> <p>You, your financial adviser or your trustees can obtain free valuations online, at any time, when registered at www.utmostinternational.com</p>
ADDITIONAL SINGLE PREMIUMS	<p>If an additional single premium is paid, the Product Management Charge will be based on the total premiums paid and may therefore be less than the Product Management Charge applied to the initial premium. Refer to the table on page 7 for the relevant premium bands.</p> <p>Each additional single premium will have its own series of charges. The initial and/or first quarterly Product Management Charge will be taken immediately and further Product Management Charges, if applicable, will be taken starting from the next available charging date of the original premium.</p> <p>The minimum additional single premium for Evolution and the Estate Planning Bond is currently £5,000 (US \$10,000 or €7,500). These minimum premium amounts may change in the future.</p> <p>If you have taken out an Estate Planning Bond it is not possible to add an additional single premium whilst you, or both of you in the case of a joint application, are still alive.</p>

¹ Based on the exchange rate available at the time of the payment.

² For further details on charges applied by an Investment Adviser and/or EMC and the different options available to pay them, see the 'charges for advice' and 'paying for advice' sections on pages 15-26.

INVESTMENT COSTS

OPEN ARCHITECTURE	<p>The charges below will be deducted at the time of the transaction when we are instructed to buy or sell any assets linked to the bond including funds and deposit accounts</p> <ul style="list-style-type: none">› Fund purchase or sale - £45.25 (or the equivalent in the currency of the fund being traded³) for each transaction.› Cash deposit purchase or sale - £45.25 (or the equivalent in the currency of the fund being traded³) for each transaction. <p>The provider of any fund or cash deposit may also apply their own charges for purchases and sales. Assets traded through a stockbroker will also incur charges. For further details of these charges see page 13.</p> <p>In addition, a payment charge of £17 (or the equivalent in the currency of the payment being made³) will be deducted for every external asset purchase, to cover the bank costs incurred by Utmost International Isle of Man Limited when money is transferred by CHAPS or Telegraphic Transfer to the fund house.</p>
EXTERNAL MANAGER AND/OR CUSTODIAN (EMC)	<p>An EMC may apply its own charges and these will be reflected in the value of the External Managed Account.</p> <p>In addition, a payment charge of £17 (or the equivalent in the currency of the payment being made³) will be deducted each time money is transferred by CHAPS or Telegraphic Transfer to an External Managed Account, to cover the bank costs incurred by Utmost International Isle of Man Limited.</p>

³ Based on the exchange rate available at the time of the payment.

CHARGES FOR UNDERLYING FUNDS AND INVESTMENTS

Our bonds offer access to a wide range of funds from many of the world's leading fund management groups.

CASH DEPOSITS	Normally, any charges made by the bank or building society are allowed for when setting the interest rate payable. However, if they make any additional charges, for example for breaking a deposit early, these will be passed on to the bond.
FUND MANAGERS FOR EXTERNAL FUNDS & STOCKBROKER CHARGES	<p>Charges made by the fund manager for running the fund, including any ongoing management fees and the costs of buying and selling assets, are passed onto the bond.</p> <p>Some funds may also have performance fees or other conditional charges. The provider of an external asset or cash deposit may also apply initial charges or exit charges for purchases and sales, and these will be reflected in the transaction applied to the bond. Contact your financial adviser for further information. Assets traded through a stockbroker will also incur further charges such as brokerage fees, stamp duty, tax and custodian fees. These charges will also be passed on to the bond, with brokerage fees, tax and stamp duty reflected in the transaction value, and custodian and delivery fees deducted on a monthly basis and reflected separately in the Dealing Account.</p> <p>For further details, contact our Customer Support team on +44 (0) 1624 643 345.</p>

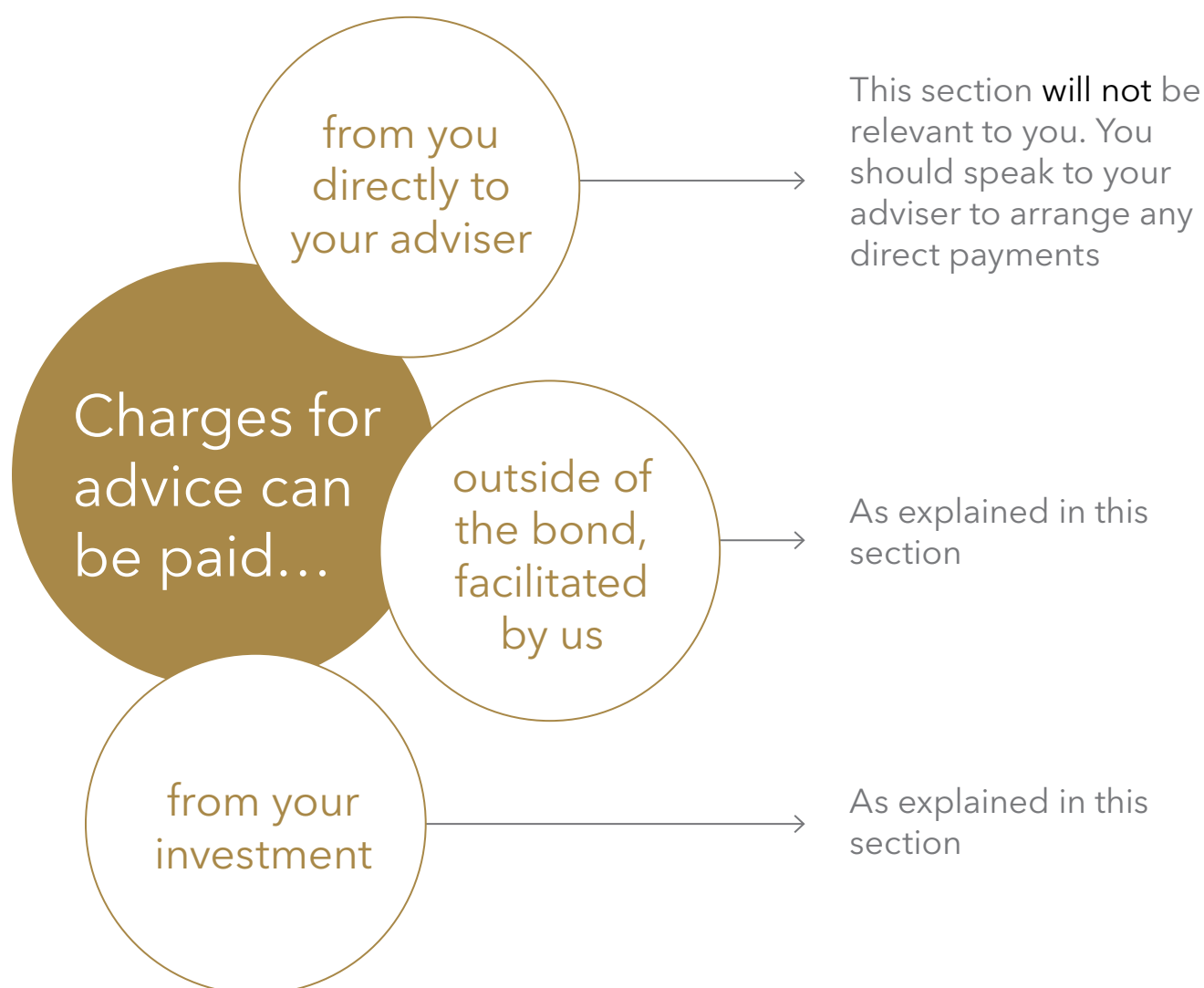


The bond's charges, including any underlying fund charges, may be higher than we have assumed in your Personal Illustration which will impact investment growth. Fund charges can be changed by the underlying fund manager at any time.



PAYING FOR ADVICE

Charges for advice and/or related services are agreed between you and your adviser. Agreeing the method of payment with your adviser is very important and should take into account your individual needs.



CHARGES FOR ADVICE

We can facilitate the payment of different types of charges for advice. The type of charge applicable will depend on who provides the advice and the type of advice they provide.

The table below outlines the terms we use to describe these different types of advice related charges:

ADVISER CHARGES (AC)	This term applies to charges taken by a financial adviser on any matter not relating to underlying investments linked to the bond.
INVESTMENT ADVISER CHARGES (IAC)	This term applies to charges applied for the advice on underlying investments provided by a suitably qualified Investment Adviser.
EXTERNAL MANAGER AND/OR CUSTODIAN INVESTMENT ADVISER CHARGES (EMC IAC)	This term applies to charges taken by an External Manager and/or Custodian (EMC) appointed on an advisory basis for the investment advice they provide on underlying investments. Not all External Managers can facilitate EMC IAC - the appointed External Manager will be able to confirm whether this option is available. EMC IAC is not available where the investment is managed on a Platform/Platform Adviser basis.

You can ask us to facilitate any payments for advice from the bond by completing the relevant sections of our **Adviser Charges Pack** or relevant section of the application form, which you (or trustee where appropriate) will need to sign.

We do not need to know about any charges for advice which you agree to pay directly to your adviser and/or EMC.

We can facilitate the payment of advice related charges in two ways:

OUTSIDE OF THE BOND ⁴	The initial adviser charge is deducted from the payment you send to us and paid to your financial adviser with the remaining balance invested as the premium into the bond. Following the deduction for the initial adviser charge, the premium must meet the minimum investment requirements as stated in the relevant product literature.
FROM INSIDE THE BOND	Initial ⁵ , ongoing or ad hoc advice charge payments which are paid to the financial adviser, Investment Adviser or EMC from the value of the bond, after your premium has been invested.

⁴ We will only make the payment of the initial charge for advice to your financial adviser once the application and any supporting documentation has been fully accepted by us. No interest will be paid on any charges for advice being facilitated by us outside of the bond.


⁵ We can only facilitate one initial charge for advice provided by a financial adviser if the bond allows it. For certain trusts, including the Estate Planning Bond and Gift Trusts where the Settlor/Donor is not a beneficiary, we are unable to facilitate any initial charges for advice provided by a financial adviser from inside the bond. Refer to page 21 for further details of the options available with the Estate Planning Bond.



- › **Adviser charges (AC) that are to be paid from the bond to the financial adviser will form part of the 5% annual tax deferred entitlement and may have potential tax consequences. If an adviser charge is based on bond value, note that in cases where the value of the bond rises, the adviser charge, when added to any 'income' taken, may cause the tax deferred entitlement to be exceeded, resulting in a chargeable gain.**
- › **All Investment Adviser Charges (IAC), External Manager and/or Custodian Investment Adviser Charges (EMC IAC) to be paid from the value of the bond will not form part of the 5% annual tax deferred entitlement.**

The tax information in this guide is based on our interpretation of current law and taxation practice in the Isle of Man and the UK as at **1 January 2024**. Tax rules can change and are subject to individual circumstances.

The table below outlines the different types of charges for advice that we can facilitate from inside the bond:

<p>INITIAL CHARGE FOR ADVICE⁶</p>	<p>An initial charge for advice is a fee you agree to pay to your financial adviser when you invest in the bond for the advice they provided. It can be applied on receipt of any initial or additional single premium. We can apply this charge as a specific monetary amount or as a percentage of the premium.</p> <p>The charge is taken from the bond immediately at the time the premium is invested into the bond by making a proportionate reduction in the amount to be invested in each fund.</p> <p>Only one initial charge for advice can be paid from each premium invested.</p>
<p>ONGOING CHARGE FOR ADVICE</p>	<p>Ongoing charges for advice are a regular fee you agree to pay to your financial adviser, Investment Adviser or External Manager and/or Custodian (EMC) for the ongoing advice you receive in connection with the bond. Ongoing charges for any type of advice can be applied on a monthly, quarterly, half-yearly or yearly basis. We can apply this charge as a specific monetary amount or as a percentage of the bond's current value.</p> <p>Any ongoing charges for advice are applied to the Dealing Account.</p> <p> Where an EMC is appointed, due to the nature of the External Managed Account (the Account), we are only advised of the value of the assets in the Account at periodic intervals. As such, where you request us to base a charge for advice on the total value of the bond, we can only do this by using the last available value for the Account held in our records. This may be some months out of date, during which time significant market movements may occur. We cannot facilitate subsequent adjustments in the charges for advice already taken and, if you feel an adjustment is required, you will need to raise matters directly with the relevant party. For any ongoing payments made to a financial adviser only, any chargeable event calculations will be based upon the actual payments we have made from the bond. Contact your financial adviser for more information.</p>
<p>AD HOC CHARGE FOR ADVICE</p>	<p>Ad hoc charges for advice are a one-off fee you agree to pay to your adviser and/or EMC for advice that they provide in connection with the bond. They are applied as single charges on an ad hoc basis. We can apply this charge as a specific monetary amount only.</p> <p>Any ad hoc charges for advice are applied to the Dealing Account.</p>

PAYING A FINANCIAL ADVISER

When a financial adviser provides you with any personal recommendations (product based advice) which are not specific to the underlying investments linked to the bond, the charge they make for this advice will be treated as an adviser charge. If you choose to pay an adviser charge to a financial adviser as a withdrawal from the bond, it will form part of the 5% annual tax deferred entitlement.

HOW DO I PAY A FINANCIAL ADVISER?

If you choose to pay an adviser charge as a deduction from the bond, the following options are available:

- › Initial adviser charge⁶
- › Ongoing adviser charge
- › Ad hoc adviser charge

⁶Initial adviser charges can be facilitated by us outside of the bond or as withdrawal from the value of the bond once the bond is set up. However, we are only able to facilitate an initial adviser charge to a financial adviser if the bond allows it. Initial charges from inside the bond may not be available for some trust cases, see pages 21 - 23 for more information.

PAYING ADVISER CHARGES FROM A BOND HELD IN TRUST

Any instruction to facilitate adviser charges from the value of a bond held in trust will need to be signed by the trustees or their duly authorised delegate.

PAYING AN INVESTMENT ADVISER

If you ask us to accept investment instructions from a nominated Investment Adviser and there is a charge for the advice they provide, the charge they make will be treated as an Investment Adviser Charge (IAC). You can either pay this charge directly to the Investment Adviser or it can be deducted from the bond and paid by us to the Investment Adviser.

HOW DO I PAY AN INVESTMENT ADVISER?

If you choose to pay an Investment Adviser the following options are available:

- › **Ongoing charge** - Where the Investment Adviser provides advice in regards to all of the assets linked to the bond we are able to facilitate the payment as a percentage of bond value or as a monetary amount. However, where the Investment Adviser only provides advice on part of the bond we are only able to facilitate the payment as a monetary amount.
- › **Ad hoc charge** - One off payments as a fixed monetary amount are available regardless of whether the advice is provided in respect of all, or part, of the assets linked to the bond.

To request the payment from the bond complete and sign the appropriate sections of the **Adviser Charges Pack** which is available from our website www.utmostinternational.com to registered users, or from your financial adviser on request.

PAYING IAC FROM A BOND HELD IN TRUST

Any instruction to facilitate IAC from the value of the bond held in trust will need to be signed by the trustees or their duly authorised delegate.

⁶ The facilitation of the initial charge for advice, to a financial adviser, from the value of the bond is not available for the Estate Planning Bond. See page 21 for more information.

PAYING AN EXTERNAL MANAGER AND/OR CUSTODIAN (EMC)

If an EMC is appointed, then, in addition to the Administration Charge we apply to the bond, the EMC will also apply their own charges for managing the investment. These charges, together with any other fees they apply (such as custody, transaction or bank fees), will be taken from the External Managed Account. Contact your EMC or financial adviser for specific details of these charges.

If the EMC is appointed on an advisory basis then in addition to the fees outlined above they may also charge for advice they provided on the underlying investments, these charges will be treated as an EMC Investment Adviser Charge (EMC IAC).

EMC IAC is not available where the investment is managed on a Platform/Platform Adviser basis.

HOW DO I PAY AN EMC FOR INVESTMENT ADVICE?

You will need to discuss with your EMC how you wish to pay them for any investment advice they have provided. You can choose to pay their charge:

- › Directly to the EMC outside of the bond, or
- › By allowing the EMC to take the payment directly from the External Managed Account⁷ or
- › Request we facilitate the payment via the Dealing Account.⁸

If you would like us to facilitate the payment to the EMC, via the Dealing Account, you can request we pay this in any of the following ways:

› **Ongoing EMC IACs** - Where an EMC provides investment advice in relation to all of the assets linked to the bond, we are able to facilitate the payment as a percentage of bond value or as a monetary amount. However, where an EMC only provides advice on part of the bond we are only able to facilitate the adviser charge as a monetary amount.

See page 18 for information regarding External Managed Accounts and ongoing adviser charges.

› **Ad hoc EMC IACs** - One off payments as a fixed monetary amount are available regardless of whether the advice is provided in respect of all, or part, of the assets linked to the bond.

If you would like us to facilitate the payment of such charges, complete the relevant section of our separate **Adviser Charges Pack**. We do not need to know when payments are made outside of the bond or where the EMC is to facilitate the EMC IAC directly from the External Managed Account.

PAYING EMC IAC FROM A BOND HELD IN TRUST

Any instruction to facilitate EMC IAC from the value of the bond held in trust will need to be signed by the trustees or their duly authorised delegate.

⁷ Deductions for other advice not related to the underlying investments, such as tax advice, will not be permitted to be taken from the External Managed Account.

⁸ Payments to an EMC from the Dealing Account will be considered to be Investment Adviser Charges, rather than EMC IAC.

TRUSTS AND PAYING FOR ADVICE

Where we facilitate charges for advice in respect of a trust arrangement, we will need:

- › authority from the Settlor for any initial charge relating to advice given before the trust is created
- › authority from the trustees to pay for any charge for advice received once the trust has commenced

There may be additional UK Income Tax and Inheritance Tax implications for you and your trustees to consider in relation to any payments made to cover charges for advice. You should discuss these with your financial adviser and you can also find further details in our **Guide to Trusts**.

For our Estate Planning Bond, and for some of our specimen trusts, we have decided not to facilitate certain charges for advice from the bond. Brief details are given below and in the table on page 23.

ESTATE PLANNING BOND

In order to prevent a Gift With Reservation of Benefit we will not facilitate the payment of the initial charge for advice after investing your money. However, we can facilitate the initial charge for advice outside of the bond as explained on page 17.

After your money is invested we are able to facilitate ongoing and/or ad hoc charges for advice. As the trustees are the legal policyholders, the instruction to pay charges for any type of advice from the bond must come from the trustees or their delegates.

Alternatively, charges for advice can be paid directly to the financial adviser, Investment Adviser or EMC outside of the bond. We recommend that you discuss with your adviser the nature of the advice that will be required after the bond is established. For example, payments for any advice provided for the trustees, which are paid directly by you (the Settlor) outside of the bond after the bond is established, may have UK Inheritance Tax implications for you if they are treated as additional transfers of value which exceed any available Inheritance Tax annual exemption. Similarly, care will be required to avoid the Trust Fund being used to pay for any personal advice given to you (the Settlor) as this may create a Gift With Reservation of Benefit.



If you appoint Utmost Trustee Solutions Limited as trustee of a new Estate Planning Bond, ongoing Investment Adviser Charges (IAC) or External Manager and/or Custodian Investment Adviser Charges (EMC IAC) may be agreed by you (the Settlor) on behalf of the trustee, up to a maximum limit of 0.5% per annum of bond value or £500 in a year, payable at your chosen frequency. Should you wish to agree a charge for investment advice outside these limits, the Trustee's agreement will also be required.

For more information about Utmost Trustee Solutions Limited see **Utmost Trustee Solutions Limited - A Guide to our Services**.

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

EVOLUTION - DISCOUNTED GIFT TRUSTS

It is possible to place Evolution into a Discounted Gift Trust. Adviser charges can continue to be taken from the bond once settled into the Discounted Gift Trust. However, as advice is provided to the trustees, the trustees must agree to these charges. Any charges could have tax implications and you should speak to your financial adviser for more information.

Similarly, we are able to facilitate IAC and EMC IAC from the value of bond. This is subject to the relevant nomination of Investment Adviser and/or EMC forms being submitted, together with the **Adviser Charges Pack**.

UK PENSION ARRANGEMENTS

If your bond represents the asset of a registered UK Pension scheme, for example a Self-Invested Personal Pension (SIPP) or Small Self-Administered Scheme (SSAS) arrangement then you should ensure, together with your adviser that any adviser charges meet the requirements set down by HM Revenue & Customs for authorised scheme payments.

ABSOLUTE AND DISCRETIONARY TRUSTS, WHERE SETTLOR CANNOT BE A BENEFICIARY (NEW TRUST USING UTMOST DRAFTS)

In order to prevent a Gift With Reservation of Benefit, we will not facilitate an initial charge for advice, given to you as the Settlor, from inside the bond. However, we can facilitate it outside of the bond prior to the bond and trust being established (see page 23). The trustees can choose to pay ongoing and ad hoc charges for advice (including investment advice) from the bond once the trust is established. However, any payments agreed by the trustee for advice given to the Settlor, or vice versa, could cause tax issues as described on the previous page. Contact your adviser concerning Gifts With Reservation of Benefit or refer to our **Guide to Trusts**.

The table below outlines the options available to pay charges for advice under our trusts:

	ADVICE PROVIDED TO THE SETTLOR OR DONOR BY A FINANCIAL ADVISER		ADVICE PROVIDED TO THE TRUSTEES	INVESTMENT ADVICE PROVIDED, BY AN INVESTMENT ADVISER OR EMC, TO UTMOST
	Initial charge for advice outside of the bond (1)	Initial charge for advice from inside the bond (2)	Ongoing or ad hoc charge for advice from inside the bond	Ongoing or ad hoc charge for investment advice (5)
PROBATE TRUST	Yes	Yes	Yes	Yes
EXCLUDED PROPERTY TRUST	Yes	Yes	Yes	Yes
DISCRETIONARY TRUST (SETTLOR CAN BE A POTENTIAL BENEFICIARY)	Yes	Yes	Yes	Yes
LOAN TRUST	Yes	Yes (3)	Yes	Yes
ABSOLUTE TRUST (DONOR CANNOT BE A BENEFICIARY)	Yes	No	Yes	Yes
DISCRETIONARY TRUST (SETTLOR CANNOT BE A POTENTIAL BENEFICIARY)	Yes	No	Yes	Yes
ESTATE PLANNING BOND - ABSOLUTE TRUST	Yes	No	Yes	Yes
ESTATE PLANNING BOND - DISCRETIONARY TRUST	Yes	No	Yes	Yes
(EVOLUTION) DISCOUNTED GIFT TRUST - ABSOLUTE TRUST	Yes (4)	(4)	(4)	(5)
(EVOLUTION) DISCOUNTED GIFT TRUST - DISCRETIONARY TRUST	(4)	(4)	(4)	(5)

- 1 The term 'outside of the bond' includes:
 - (a) payments made between you and your adviser and/or EMC (direct payments) and
 - (b) where we deduct the charges for advice from the payment you make to us before investing the balance as the premium into the bond.
- 2 The term 'from inside the bond' includes any payment that is made from the bond after the premium has been invested.
- 3 Any payment of charges for advice from the bond for advice received by the Settlor would count as a part repayment of the loan, as the Settlor cannot benefit from the rest of the trust fund. This will reduce the remaining balance of the loan that can be used to provide an 'income' to the Settlor. Contact your financial adviser for further information.
- 4 The options to pay initial, ongoing and ad hoc charges for advice are still available before the bond is placed into the Discounted Gift Trust. However, any advice, provided by the financial adviser, related to the setup of the Discounted Gift Scheme would need to be taken before the trust is created. This may impact the amount of 'income' you could take under the Discounted Gift Trust in that year without creating an Income Tax charge. Once the trust is established, any existing ongoing adviser charges will need to be agreed by the trustees. The trustees will need to establish a new charging agreement using the **Adviser Charges Pack**.
- 5 An ad hoc or an ongoing Investment Adviser Charge could be set up before, or after, the trust is established. If the charge is set up using the relevant forms then this will be advice to us, not the trustees or Settlor, and therefore it can be facilitated from the bond at any stage. The advice must be for investment advice linked to the underlying investments only. Other advice given to the Settlor, for example relating to the establishment of the trust, cannot be taken as an IAC or EMC IAC and must be taken before the trust is created.

Where you have agreed with your adviser to pay a charge relating to any type of advice, through your bond, you will also need to be aware of the following information.

HOW DO I ARRANGE FOR CHARGES FOR ADVICE TO BE PAID FROM MY BOND?

You, or your trustees, can request that we facilitate the payment of adviser charges to your financial adviser, by completing and signing the adviser charging section of the relevant application form for your chosen product. For certain trusts initial advice may not be able to be paid from inside the bond (see page 23 for more information).

Once the bond is in force, you can request we facilitate the payment of any type of charges for advice as a deduction from inside the bond, by completing the relevant section of the **Adviser Charges Pack**.

Charges for advice will not be paid from your bond until we have received the relevant agreement completed and signed by you, or where applicable the trustees. We cannot facilitate the payment of charges for advice in advance of the relevant services being provided to you.

CAN I STOP PAYING CHARGES FOR ADVICE FROM MY BOND?

Yes. If you no longer wish to pay charges for advice from your bond you should speak to your adviser. You or your adviser can cancel any arrangement to pay for advice at any time. If you cancel an arrangement we will stop any further advice charges in relation to that existing arrangement.

If we receive an instruction to cancel any adviser charges, we will confirm the charging agreement has been cancelled to both you and the relevant adviser and/or EMC. You will need to make other arrangements with your adviser/ EMC to pay any outstanding charges or charges for future services they provide.

In most cases where the bond is held in trust any instructions to cancel a charge for advice will usually be confirmed between the trustees and the adviser. In addition, any instructions to facilitate new charges will also need to be agreed and signed for by the trustees.

Once your bond is in force we require a month's notice of any changes to the charges for advice that we facilitate. You can restart payments of charges for advice from your bond at any time by completing a new **Adviser Charges Pack**.

WHAT HAPPENS TO CHARGES FOR ADVICE IF I CANCEL MY BOND?

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 and/or EMC. If necessary, you will need to reclaim any refundable payments in relation to these charges directly from your adviser and/or EMC.

WHAT HAPPENS TO ANY CHARGES FOR ADVICE IF I SURRENDER MY BOND?

If you fully surrender your bond and are paying any charges for advice from the bond, any outstanding or further charges due on or after the day of surrender will be stopped. Where applicable, you will be responsible for paying your adviser and/or EMC directly.

The Estate Planning Bond cannot be surrendered during the lifetime of the applicant (or both applicants in the case of joint applications).

WHAT HAPPENS TO ANY CHARGES FOR ADVICE IF I SURRENDER INDIVIDUAL SEGMENTS WITHIN MY BOND?

If you, or where applicable the trustees, surrender one or more segments within your bond, any charges for advice will not change. Any applicable charges for advice will be redistributed to other segments in your bond.

CAN I REQUEST A REFUND OF ANY CHARGES FOR ADVICE ALREADY PAID?

Arrangements to refund any charges for advice taken from the bond should be discussed between you and your adviser and/or EMC.

If a refund is agreed, then in certain circumstances the refunded amount may be able to be re-invested into the bond. This would be treated as an additional premium and would be subject to minimum investment requirements and charges. Where a policy is in trust, paying in an additional premium may not be possible or have tax implications in respect of the settlement. You should discuss individual circumstances with your financial adviser before taking any action.

Adviser charges: Even if a refund has been agreed between you and your financial adviser, the tax position of any adviser charge taken from the bond cannot be reversed. If an adviser charge creates a chargeable gain on your bond because it exceeds the 5% annual tax deferred entitlement when added to other withdrawals in the policy year, then this cannot be reversed once the adviser charge has been paid.

WHAT HAPPENS IF I CHANGE MY ADVISER AND/OR EMC?

If you want to change your adviser or EMC you will need to discuss with them how to settle any outstanding charges for advice that are due. Once you have informed us of the decision we will stop any existing charges for advice being deducted from your bond.

WHAT HAPPENS IF I DIE?

If the bond is brought to an end on or after your death, payment of charges for advice from your bond will be stopped. This means any outstanding payments that are due to the adviser or EMC may still need to be settled directly with your adviser and/or EMC.

WHAT HAPPENS IF MY BOND FALLS BELOW THE MINIMUM AMOUNT REQUIRED TO KEEP IT IN FORCE?

If the bond falls below the minimum amount required to keep the bond in force any charges for advice agreed to be paid from the bond will be stopped. If any amount requested to be taken from the bond to cover charges for advice 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 charges for advice directly to your adviser and/or EMC.

WILL THE PAYMENTS FOR ADVICE INCLUDE VAT?

Your adviser and/or EMC will tell you if VAT is applicable on any charges for advice. If your adviser and/or EMC confirms that VAT is applicable, you can request for the VAT to be added to the initial, ongoing or ad hoc charges for advice that we facilitate. Should the VAT rate change, we are only able to apply the VAT rate applicable at the date we make the payment for advice, and not at the date of any invoice raised by your adviser and/or EMC. Therefore, to avoid any VAT rate differences, the date of any invoice raised by your adviser and/or EMC should align with the payment date. Should such differences arise, any under or overpayments must be resolved between you and your adviser and/or EMC.

VAT on the adviser charge to be paid to your financial adviser from the bond will be treated as a withdrawal from the bond and will form part of the 5% annual tax deferred entitlement.

For more details contact your financial adviser.

CHARGING DATES

Product Management Charge	Policy quarter
Administration Charge	
Interest (Credit/Debit, if applicable)	Calendar quarter end
Charges for advice	Given date either monthly, quarterly, half-yearly, yearly or ad hoc
Dealing fees and payment charges	Will be taken at the time of any deal, withdrawal or surrender, where applicable

NEXT STEPS


If you'd like more information about our Evolution or Estate Planning Bond, contact our Customer Support team on:

+44 (0) 1624 643 345


Telephone calls may be recorded.


CONTACT US

To find out more please contact us:

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