



# **Self-Directed Options Guide**

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# Introduction

The ‘Self-Directed Options’ are designed to allow you take more control of the investments you select for the Synergy product you have chosen. The Investment Options Guide (SYI01) provides you with an overview of the options available. This Self-Directed Options Guide describes, in more detail, how the ‘Self-Directed Options’ work and should be read with your Key Features document (Preliminary disclosure certificate for Synergy PRSA) and personal illustration.

The ‘Self-Directed Options’ are;

- ▶ Deposits (including Fixed, Demand and Structured)
- ▶ Execution-only stockbroking
- ▶ Direct Property

We may offer other Self-Directed Options from time to time. For a current list of the available options, please contact your financial adviser or go to **www.standardlife.ie**.

The Self-Directed Options are available through (for policies that started in July 2006 or later);

Synergy Products	Self-Directed Options		
	Deposits	Direct Property	Execution-only Stockbroking
Synergy Executive Pension	Yes	Yes	Yes
Synergy Personal Pension	Yes	Yes	Yes
Synergy approved retirement funds	Yes	Yes	Yes
Synergy portfolio approved retirement funds	Yes	Yes	Yes
Synergy Buy Out Bond	Yes	Yes	Yes
Synergy Investment Bond	Yes	No	Yes*
Synergy Portfolio Bond	No	No	No
Synergy PRSA	Yes	No	Yes*
Synergy Regular Invest**	Yes	No	Yes*

\*For permitted investments see pages 10-14

\*\*Launching in 2012

The charges and important information outlined in this guide will only apply if you wish to invest in a Self-Directed Option. They relate to services that will be provided by Standard Life and the providers of the Options in order to complete the purchase and for the ongoing administration of those assets.

# The Policy Cash Account

If you invest in a 'Self-Directed Option' through your policy, a policy cash account will be set up to facilitate your Self-Directed Options, as well as to meet any charges and third party costs.

To meet those charges and costs we may limit the amount of your premium payments that can be invested in your chosen option. The amount depends on the product, options and charges applicable to your policy.

To find out the threshold amount that needs to be held in your policy cash account, contact us.

We aim to ensure that there is a sufficient amount held in your account to meet the charges associated with the Self-Directed Options and policy you have chosen and may review this on an on-going basis. It is your responsibility to ensure that

enough money is held in the policy cash account to cover all charges and costs. If the balance of your policy cash account is insufficient to cover these charges, we will ask you to make additional payments (if applicable) or to switch other assets to cover the charges. If the balance on your account remains insufficient we may sell assets linked to your policy to cover the charges due.

A 1% per annum management charge applies to the value of the policy cash account and is deducted monthly in advance.

Any money transfers from your policy cash account to your chosen Self-Directed Option provider may take up to five days to be completed which may have an impact on interest rates received and/or when investments you have chosen can be bought.

# Deposits

We offer a choice of deposits from a range of deposit providers. On your instruction we'll transfer the amount to your chosen provider, provided there's an adequate balance in the policy cash account as outlined in the section above.

Deposits are subject to minimum investment requirements. You can find out more about these requirements by contacting your financial adviser, or visiting our website **[www.standardlife.ie](http://www.standardlife.ie)**.

The interest rate you get is the rate available on the day your money is received by your chosen provider. You should take account of the time it may take us to transfer money to this provider, as outlined in The *Policy Cash Account* section on page 4. Structured deposits will have different criteria, see the structured deposits section.

All deposits are subject to the terms and conditions Standard Life has entered into with the deposit provider you have chosen. For information on these terms and conditions talk to your financial adviser or us.

A 1% per annum management charge applies to all deposit you have chosen and is deducted monthly in advance from the policy cash account. Standard Life may also charge for setting up a deposit, obtaining valuations for you, and for transferring money to and from your chosen provider in order to cover our reasonable administration costs in servicing this type of investment. If we introduce any new charges, we will give you at least 1 months notice, explaining your options.

## **Demand**

Demand deposits have a variable interest rate. The interest rate can increase or decrease, at the discretion of the deposit provider.

For a list of deposit providers, deposits and rates, visit [\*\*www.standardlife.ie\*\*](http://www.standardlife.ie)

## **Fixed Term**

Investments in fixed term deposits are contracted to remain invested for a set number of months or years. In exceptional circumstances, the deposit provider may allow an early withdrawal before its maturity and is likely to apply an early withdrawal charge. You should only choose fixed term deposits if you do not require money for the set term.

Consider events likely to take place, for example your retirement as this may influence the term you may want to invest for. At the end of the fixed term your deposit will be credited to your policy cash account.

For the current deposit interest rates and minimum deposit requirements, please see [\*\*www.standardlife.ie\*\*](http://www.standardlife.ie)

## Structured Deposits

Structured deposits are fixed term deposits which offer a minimum return of the original investment at maturity and the potential for an additional return linked to the performance of an underlying index or product.

Structured deposits have a fixed term and the provider may impose early withdrawal charges if money is withdrawn before the end of the term.

This may mean that you will receive less than your original investment amount. You should only choose structured deposits if you do not require money for the set term.

If you apply to invest in the structured deposit during the offer period, the investment amount may be held by the deposit provider in a non-interest paying holding account until the commencement date of the structured deposit. In the event that the structured deposit provider cancels the product due to under-subscription, Standard Life will return the deposit to your policy cash account.

Structured deposits may provide some capital security against market falls until the maturity date, but you may not get the full benefit of market rises.

At various times we will have structured deposits available for investment. For a current list of the available structured deposits please contact your financial adviser.

# Execution-only stockbroking

Standard Life offers you the opportunity to invest in a choice of quoted shares, government and corporate bonds, exchange traded funds (ETFs) and other securities, through Stocktrade an execution only stockbroker. Stocktrade doesn't offer investment advice, but instead carries out deals and settles transactions for you, based on the investment decisions you make yourself or with your financial adviser.

Appointing Stocktrade as your execution-only stockbroker allows you to control and manage your own share portfolio. Stocktrade, based in Edinburgh, is the execution only division of Brewin Dolphin Ltd, one of the largest independent private client investment managers in the UK.

On your instructions we'll open an account and transfer the amount you requested to Stocktrade, subject to you maintaining an adequate balance in the policy cash account as outlined in the policy cash account section above. Stocktrade will issue you with a welcome letter with a dealing code. You can then start dealing once you have received it and the money transfer to Stocktrade is complete.

Dealing is carried out by contacting Stocktrade by phone – Dealing hours are Monday to Friday from 8am to 4.30pm and their contact number is **(01) 639 7200**. You must act within the terms and conditions set by Stocktrade and Standard Life.

Stocktrade charges are set out on page 9. Stocktrade may change these charges, or introduce new charges. If they do we'll inform you.

<b>Transaction Charge</b>	0.4% of transaction cost subject to a minimum of €25 and a maximum of €75
<b>Government Stamp Duty</b>	UK security – 0.5% of the purchase price Irish security – 1% on the purchase price
<b>Irish Takeover Panel (ITP) Levy</b>	€1.25 where the consideration exceeds €12,500 or equivalent in any other currency
<b>Panel for Takeovers and Mergers (PTM) levy</b>	£1.00 where the consideration exceeds £10,000 or equivalent in any other currency (includes Isle of Man and Channel Islands).
<b>Transfer Out Charge</b>	Applies when securities are being transferred from Stocktrade to another broker/custodian. £15 per line of stock. Euroclear and foreign transfer the charge is £25+ VAT. This charge also applies for withdrawing stock into certified form.
<b>Euroclear &amp; other custodian charges</b>	Any purchase or sales which exclusively settle through Euroclear or require to be held by an overseas custodian will attract a settlement charge of £50. You'll be told if this charge applies by Stocktrade before they accept your instruction to deal.



**You can only invest in Permitted investments, which depend on the product you invest through and the law.**

## Permitted Investments For Synergy Executive Pension, Synergy Personal Pension, Synergy Buy Out Bond, Synergy Approved Retirement Funds and Synergy Portfolio Approved Retirement Funds

<b>Direct Equities</b>	<ul style="list-style-type: none"> <li>▶ Irish and UK equities must be traded as CREST Depository Interests (CDIs). US and European equities are to be held in safe custody by an appointed custodian.</li> </ul>
<b>Investment Trusts</b>	<ul style="list-style-type: none"> <li>▶ OEICs</li> <li>▶ Unit Trusts</li> <li>▶ SICAVs</li> </ul> <p>Investments must be “permitted links” in their own right. In summary this means:</p> <ul style="list-style-type: none"> <li>▶ All vehicles must be subject to regulation</li> <li>▶ Non-UCITS OEICs are prohibited</li> <li>▶ Unit Trusts that hold property directly are prohibited</li> </ul>
<b>Fixed interest securities, debenture stock and other loan stock</b>	<ul style="list-style-type: none"> <li>▶ Minimum rating must be Investment Grade. If the bond is downgraded beyond Investment Grade, it must be disposed of within 18 months.</li> </ul>
<b>Permanent Interest Bearing Securities</b>	
<b>Convertible Stock</b>	<ul style="list-style-type: none"> <li>▶ Must be investment grade</li> </ul>
<b>Depository Interests</b>	
<b>You can't invest in</b>	<ul style="list-style-type: none"> <li>▶ Contracts for Difference</li> <li>▶ Writing Options/Derivatives</li> <li>▶ Warrants</li> <li>▶ Futures and Options (Derivatives)</li> <li>▶ Non-UCITS OEICs</li> <li>▶ Unit Trust that hold property</li> </ul>

### Notes

- 1 Any investment capable of creating a liability beyond the level of the initial investment is prohibited.
2. All instruments must be traded on a Recognised Stock Exchange.

## Permitted Investments For Synergy PRSA

<b>Direct Equities</b>	▶ Irish and UK equities must be traded as CREST Depository Interests (CDIs). US and European equities are to be held in safe custody by an appointed custodian.
<b>Fixed interest securities, debenture stock and other loan stock</b>	▶ Minimum rating must be Investment Grade. If the bond is downgraded beyond Investment Grade, it must be disposed of within 18 months.
<b>Permanent Interest Bearing Securities</b>	
<b>Convertible Stock</b>	▶ Must be investment grade
<b>Depository Interests</b>	
<b>You can't invest in</b>	<ul style="list-style-type: none"> <li>▶ Contracts for Difference</li> <li>▶ Writing Options/Derivatives</li> <li>▶ Warrants</li> <li>▶ Futures and Options (Derivatives)</li> <li>▶ Non-UCITS OEICS</li> <li>▶ Investment Trusts – OEICs, Unit Trusts, SICAVs</li> <li>▶ Exchange traded funds</li> <li>▶ Investments which have an underlying annual management charge such as Exchange Traded Funds (ETF's) or unit trusts are not allowed as an investment option through Stocktrade.</li> </ul>

### Notes

1. Any investment capable of creating a liability beyond the level of the initial investment is prohibited.
2. All instruments must be traded on a Recognised Stock Exchange.

## Permitted Investments For Synergy Investment Bond and Synergy Regular Invest

<b>Collective investment schemes (Exchange Traded Funds only)</b>	<ul style="list-style-type: none"> <li>▶ Undertaking for collective investments in transferable securities (UCITS) schemes falling within the EU's UCITS Directive 85/611</li> <li>▶ Exchange traded funds admitted to the London Stock Exchange or another list maintained by a competent authority in another EEA state (Official List) or HMRC recognised stock exchange</li> </ul> <p>These assets are allowed provided that the prices are updated at least quarterly and can be realised within 90 days either with the issuer/provider or freely transferable to another person eligible to invest in that investment.</p>
<b>You can't invest in</b>	<ul style="list-style-type: none"> <li>▶ Stocks and Shares</li> <li>▶ Hedge funds, OEICS, Unit Trusts other than those listed above</li> <li>▶ Deposit accounts</li> <li>▶ Direct Property</li> <li>▶ Warrants</li> <li>▶ Futures and Options (Derivatives)</li> <li>▶ Non-UCITS OEICS</li> <li>▶ Unit Trust that hold property</li> </ul>

### Notes

1. Any investment capable of creating a liability beyond the level of the initial investment is prohibited.
2. All instruments must be traded on a Recognised Stock Exchange.

You can select the investments within the limits outlined above. We must comply with the law so we reserve the right to override or cancel investments which may be proposed by you to the execution-only stockbroker. We will not be liable or responsible for any loss or missed profit incurred by you if we don't agree to buy a particular asset.

The costs and charges you incur will depend on your choice of investments. Your policy may incur transaction and on-going costs in relation to certain assets. These may also include charges, payable to third parties (such as fund managers). You should ensure you understand the impact of all costs, charges and risks associated with an asset before you instruct Stocktrade.

Investments made through Stocktrade may become liable to tax. Where tax is due under these investments, this will be paid to the relevant tax authority.

This might be done with the investment you have chosen, and therefore reflected in the investment values. Foreign withholding tax may be deducted in relation to income gains on certain assets.

Where dividend payments are received on shares held through Stocktrade, these may be liable to tax. Standard Life will try and get dividends from Irish companies gross of withholding tax. This may be arranged by obtaining relief at source or by reclaiming the withholding tax. Standard Life will also try to get tax relief at source in relation to dividends paid from companies in the USA in order to minimise the withholding tax amount deducted from any US-derived dividends. For other jurisdictions we will not seek relief at source and the domestic rate of tax will be applied. Where this is the case, Standard Life will not reclaim withholding tax.

From time to time there may be requirements imposed by Standard Life and/or Stocktrade for dealing in certain assets. These may include, but are not limited to, Anti-Money-Laundering requirements and certificates of appropriateness to assess suitability for dealing in certain assets. If such forms are required they may delay dealing in your chosen assets or in the case that Stocktrade deem you are not suitable to buy those assets, restrict you from dealing in them altogether.

A 1% per annum management charge applies to the amount held in the Execution-only stockbroking account and is deducted monthly from the policy cash account. Standard Life may also charge for setting up a Stockbroking account, obtaining valuations for you and for sending or receiving money to and from the Execution-only stockbroker, in order to cover our reasonable administration costs in servicing this type of investment. We will provide you with at least 1 month's notice, explaining your options, if we introduce any new charges.

# Direct Property

Investing in a specific property has traditionally been a facility only available to a certain segment of the pensions market. Now Standard Life is giving you the opportunity to use your pension or approved retirement fund to purchase a residential or commercial property in Ireland, England and Wales.

If this option is available under your policy (please see table on page 3) please contact your financial adviser or Standard Life Property team on **(01) 6397140** or by email at **[property\\_team@standardlife.ie](mailto:property_team@standardlife.ie)**

## General Information

Standard Life may from time to time replace, remove or add third party providers linked to the Policy.

We are not responsible for the performance or solvency of the providers of the Self-Directed Options. We will also not be held liable for any loss suffered by you in the event that any provider of the Self-Directed Options or

policy cash account defaults. This means that you bear the risk in the event of default of a provider of the Self-Directed Options or the policy cash account.

The value of your investment may go down as well as up. These investment options may be affected by changes in currency exchange rates.

**Pensions Savings Investments**

## Find out more

**Talk to your financial adviser about how to plan for your future, they'll give you the information you need to get you started. Also, you can call us or visit our website.**

**Call us on (01) 639 7080**

Mon-Fri, 9am to 5pm. Calls may be monitored and/or recorded to protect both you and us and help with our training. Call charges will vary.

**[www.standardlife.ie](http://www.standardlife.ie)**

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