



Investing in shares and exchange traded funds through your pension

Your guide to how it works

Standard Life

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Investing in shares and ETFs

If you're looking for more control over your investments, Standard Life gives you the option to invest in shares, and Exchange Traded Funds

(see page 04).

This option is available to you through an execution-only stockbroker which doesn't offer any advice, but carries out deals and settles transactions for you, based on your own investment decisions.

By using our execution only stockbroker Stocktrade, you control your own investment portfolio at a relatively low cost. See page 07 for more information.

About Stocktrade

Stocktrade is the Edinburgh-based execution only division of Brewin Dolphin Limited, a leading firm of private client investment managers and stockbrokers in the U.K.

What if I want more control over where my pension is invested?

About Exchange Traded Funds

An exchange-traded fund (ETF) is like an investment fund, but it trades on major stock exchanges just like shares. You can invest in ETFs linked to countries or regions as well as commodities such as gold and water.

Unlike investing in individual shares, most ETFs offer the advantages of a diversified portfolio – at relatively little expense. This means many of the risks involved are reduced by spreading them across a wide portfolio.

You can normally check prices and trade ETFs just like shares.

What type of ETFs can I invest in?

- ▶ ETFs linked to stock market indices of a country or region
- ▶ ETFs based on specialist sectors such as:
 - Commodities
 - Small, mid and large cap securities
 - Bonds
 - Private equity



For more information on ETFs visit [standardlife.ie](https://www.standardlife.ie)

The benefits of investing your pension in shares or ETFs

Take advantage of tax relief

The contributions to your pension are subject to tax relief so it's costing less in real terms to buy shares or ETFs.

There's no capital gains tax

When you sell your shares and ETFs, no capital gains tax will be payable.

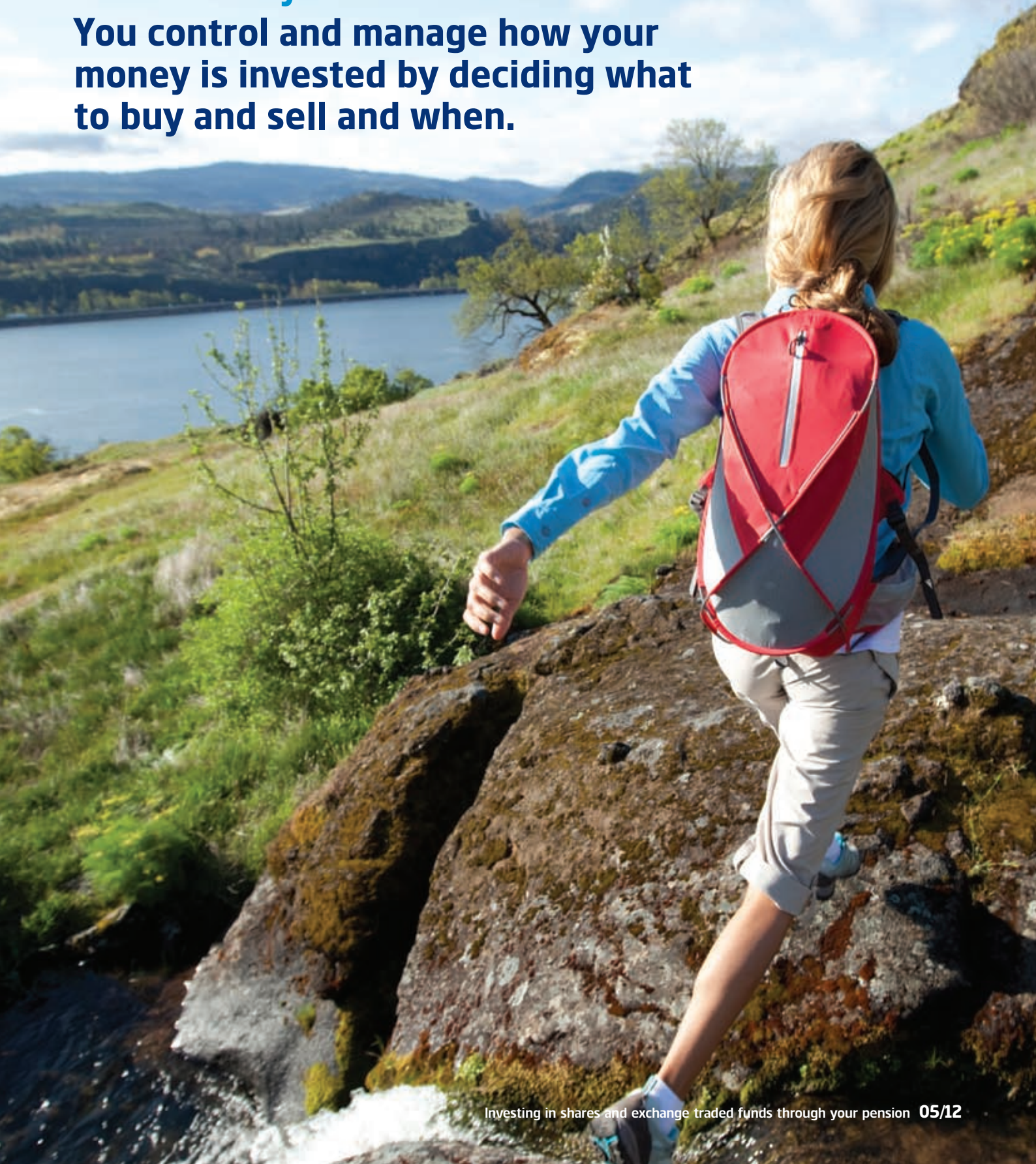
There's no income tax on dividends

Your share dividends are paid directly into your pension policy, and are not subject to income tax.

You can take tax-free cash

When you retire, you can take part of your pension fund as tax-free cash.

You control your investments
You control and manage how your money is invested by deciding what to buy and sell and when.



Five simple steps to getting started

Getting started is simple and straightforward – it just involves these five simple steps:

- 01 Complete the relevant Synergy application form, ticking the execution only stockbroking box.**
- 02 Stocktrade opens an account for you, on our instruction*.**
- 03 Stocktrade issues a welcome letter to you, including your client code.**
- 04 Once your funds are in place, you can start dealing - using the Stocktrade phone-based dealing service**
(See page 07).
- 07 You can register to view your portfolio online, using your client code.**

*This process is subject to any further information that Stocktrade may require in order to facilitate dealing and to open an account.



Please note: When you're placing your order, it's important to quote the correct SEDOL code. SEDOL stands for Stock Exchange Daily Official List, and is a list of security identifiers used in the United Kingdom and Ireland for clearing purposes.

Buying and selling shares or ETFs

Stocktrade offers a phone-based dealing service between 8am to 4.30pm, Monday to Friday on **(01) 639 7200**.

Dealing commission is 0.4% per transaction – subject to a minimum of €25 and a maximum of €75.

Low dealing commission	
Transaction size	Dealing commission
€6,250	€25
€10,000	€40
€18,750	€75

Shares and ETFs are available on the following Synergy Pension Products

- ▶ Synergy Executive Pension
- ▶ Synergy Personal Pension
- ▶ Synergy Approved Retirement Funds (ARFs)*
- ▶ Synergy Portfolio Approved Retirement Funds (ARFs)*
- ▶ Synergy Buy Out Bond*
- ▶ Synergy Personal Retirement Savings Account (PRSA)*

*These policies are made up of existing pension funds, so tax relief does not apply.

*ETFs are not available on the Synergy PRSA.

Benefits of dealing within your pension

There can be a very significant difference in net cost between dealing within your pension or outside your pension.

	Outside your pension	Within your pension
Tax relief on contributions	No	Yes
Gains subject to capital gains tax	Yes	No
Dividends subject to income tax	Yes	No

For the 2011 tax year, net relevant earnings are subject to a ceiling of €115,000 for the purpose of calculating tax relief. These percentage limits include any contributions you may be making to other pension arrangements. Tax relief varies according to your age.

Please refer to our pension guides below for further information:

Synergy Executive Pension	SYEP10
Synergy Personal Pension	SYPP10
Synergy approved retirement funds	SYARF10
Synergy Portfolio approved retirement funds	SYPARF10
Synergy Buy Out Bond	BOBCust
Synergy PRSA	PRSACUST



Investing in shares and ETFs

Important things to consider

The providers of shares, ETFs and other tradeable securities, may impose minimum investment requirements.

The policy cash account will be set up within your policy to receive your contributions and investment income as well as to meet any charges and third party costs. Your money will remain in the cash account until the investment process is complete.

You can invest in shares or other permitted securities quoted on any recognised stock exchange. You can invest in ETFs provided they are a permitted investment, quoted and traded on the Irish or London stock exchanges.

If you are unsure whether a particular share or ETF qualifies as a permitted investment, please contact Stocktrade.

Laws and tax rules may change in the future. The information here is based on our understanding of the situation in March 2011.

We recommend you get financial advice. You should not base your decision to invest solely on the information in this guide.



Warning: The value of this investment may go down as well as up

Warning: This investment may be affected by changes in currency exchange rates

Warning: The income from this investment may go down as well as up

Find out more

Talk to your financial adviser for advice on how to plan for your financial future, or if you're ready to start, they'll give you the application form you need to set up your plan.

Call us on (01) 639 7080

(Mon-Fri, 9am to 5pm). Call charges will vary and calls may be recorded and/or monitored to help improve customer service.

www.standardlife.ie