

DELEGATION

KEY
FEATURES

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WEALTH SOLUTIONS



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

Delegation is issued by Utmost PanEurope dac.

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You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.

BEFORE YOU BEGIN

Please read this document together with the **Personal Illustration** and any applicable disclosure documents. You need to be comfortable that you understand the benefits and risks of this bond before deciding whether to invest. Throughout this document we make reference to additional documents which contain more detailed information about the risks and features of this product. The titles of these documents appear in bold. Please ask your financial adviser if you need copies of these documents.

The purpose of this document is to help you to make an informed decision. However, you are required to seek professional financial advice before you decide to purchase this bond.



Wherever you see this icon, it highlights that further information on the subject can be found within the **Product Guide**. The **Product Guide** will also show this icon in the relevant section for your ease of reference.

IMPORTANT INFORMATION

WHAT IS DELEGATION?

It is a single premium investment bond that can be set up on either a capital redemption or life assurance basis, through which the performance of your investment is linked to an externally managed investment account.

Your investment is managed by an External Manager and/or Custodian (EMC) on a fully discretionary basis, which allows the bond to be linked to a broad range of assets including those not normally available to UK investors in a conventional bond.

The EMC uses the investment mandate you provide and your attitude to risk as a guide for their investment strategy.

SHOULD YOU CONSIDER THIS BOND?

Delegation is only suitable for UK resident individuals or trustee investors who are 18 years of age or over and can afford to invest at least £500,000.

Delegation should only be considered if you are willing to give responsibility for your investment decisions to an EMC.

IT AIMS TO:

- › Increase the value of your investment
- › Provide a tax-efficient investment solution for UK resident clients
- › Allow the EMC to operate in line with their standard investment approach
- › Allow you to take one-off or regular withdrawals
- › Allow you to make additional investments to your bond.

YOUR COMMITMENT

- › You must invest at least £500,000 / US\$1,000,000 / €750,000
- › If multiple EMCs are appointed, you must also invest a minimum of £500,000 / US\$1,000,000 / €750,000. However, at least £100,000, US\$200,000 or €150,000 must be allocated to each EMC
- › Whilst there is no fixed term, you should be willing to invest for the medium (at least 5 years) to long-term (over 10 years).

RISKS

When you consider applying for Delegation, it is important to bear in mind the following risks:

RISKS RELATING TO LINKING YOUR INVESTMENTS

- › If HM Revenue & Customs ("HMRC") perceive that you have directly or indirectly influenced the selection of assets, the tax treatment will be affected which could result in adverse tax consequences
- › The value of your investment can fall as well as rise. You may get back less than you invest. This may be due to stock market fluctuations
- › Investment growth may be lower and charges may be higher than we have assumed in your Personal Illustration
- › If the growth experienced by the EMC's selected assets does not cover the charges, then this will reduce the value of your bond
- › Delegation allows the EMC to link your bond directly to assets including those that may not be easily surrendered, may be considered higher risk or carry additional charges - here are a few examples:
 - Assets denominated in different currencies from the bond, for example, currency fluctuations
 - Assets that invest in emerging markets
 - Assets that take longer to sell, for example property
 - Funds that invest in underlying assets.

There are other risks that could affect the performance of the bond and you should discuss these with your financial adviser.

GENERAL

- › This offshore single premium investment bond is provided exclusively by Utmost PanEurope dac. If we were to fail your investments could be lost. The policyholders are not covered by any compensation scheme if we become insolvent. See the 'Compensation' section later in this document for further information
- › The tax treatment of the bond and its linked assets may change in the future and is subject to individual circumstances
- › Our charges may increase in the future beyond those shown in your Personal Illustration. If this were to happen, you would receive written notice from us with details of any increases
- › Withdrawals, including charges for advice, may reduce the value of your investment below its original value, especially at times when investment growth is low or when the level of withdrawals is higher than the growth of your chosen investments after charges. In addition, the potential for growth may be reduced and therefore may be lower than that indicated in your Personal Illustration
- › If you are considering moving abroad, specifically to a country where civil law applies, then the use of trusts may not provide the same tax and legal treatment as in the UK. Speak to your financial adviser for more information.

QUESTIONS AND ANSWERS

1. CAN I CHANGE MY MIND?

You have 30 days to cancel the bond. The 30 days begin on the day you receive 'Your Right To Change Your Mind Form', which will be sent to you by post. If, for any reason, you decide that you do not want to invest in this bond, return the form within 30 days to our address, detailed at the end of this document, and we will give you your money back.

If the value of the investment falls before we receive your cancellation form, an amount equal to the fall in value will be deducted from any refund you receive. However, if the value of the investment has increased, you will only get back the amount of your initial investment, minus any adviser charges already paid.

If necessary, you will need to reclaim any refundable payments in relation to these charges directly from the relevant party.

If the bond is linked to accounts that contain assets which cannot be cashed in easily, 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 and your money returned to you. If there are any penalties imposed by the deposit taker or fund manager for early cancellation, these will be passed on to you.

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

2. WHAT CHARGES APPLY?

The current charges we take for administering the bond are shown in your Personal Illustration which can be obtained from your financial adviser. More detailed information on charges can be found in our separate **Delegation Guide to Charges** document, which you should read together with this Key Features Document.

A summary of the charges applicable are below:

- › **Ongoing Product Management Charge**
We apply this charge to cover set up and administration of the bond. The charge is deducted quarterly in advance
- › **Investment charges and costs**
These charges are for the investment and fund choices your EMC makes. They depend on the funds and investment services chosen, and include any charges made by the underlying fund manager for managing the fund
- › **EMC charges**
The EMC will also apply their own charges for the service they provide
- › **Administration charge for multiple EMC appointments**
For each additional EMC appointed to manage an external account, an administration charge will apply in line with our published scales.

We may change our charges if our costs change unexpectedly, for example if tax rules change. The dealing and administration charge will be increased on 1 January each year in line with the UK Retail Prices Index without any notification. Payment charges will be increased to reflect any changes in the bank charges we incur from our bankers.

Please note that charges reduce the value of the bond and its growth potential.

3. WHAT ARE ADVISER CHARGES?

An adviser charge is a fee that you agree to pay to your financial adviser in return for the advice you receive from them. You and your financial adviser will agree on the amount of any adviser charge. You can pay any adviser charges yourself directly to the financial adviser. Alternatively, you can ask us to deduct an adviser charge on your behalf, either from the payment you send to us when a premium is being paid, or as a withdrawal from your bond. For more information on adviser charges please refer to the 'What about tax' section later in this document.

You will need to complete the 'Adviser Charges' section in the **Application Form** or our separate **Adviser Charges Pack** to authorise us to deduct adviser charges. You may ask us to cancel further adviser charging payments at any time by writing to us at the address at the end of this document.



For detailed information on charges, see our separate **Delegation Guide to Charges** document available from www.utmostinternational.com or from your financial adviser on request.



As we are advised of the value of the assets linked to your bond at periodic intervals, the value of your bond held on our records could potentially be out of date, and the true value of your bond could be lower or higher than shown on our records. This may impact the calculation of adviser charges.

4. HOW DO I INVEST?

You should make your investment by Telegraphic Transfer (international payment). Your bank may charge you for this service.

If you hold existing assets in an externally managed account, it may be possible to transfer these as in-specie premium. To allow this the assets must fall within our published Investment Parameters, be in line with any restrictions set by the Central Bank of Ireland and be assets that would ordinarily be picked by your EMC acting on a 'stand-alone' basis. Any cash element held within the externally managed account would need to be transferred to our Premium Collection Account. Your financial adviser will be able to provide more information on in-specie transfers.

Can more money be invested in the bond?

Yes. Additional premium investments can be paid in at any time, and will attract their own charges at the rates applicable at the time they are made. The current minimum is £20,000 (US \$40,000 or €30,000).

We reserve the right to change these minimum amounts in the future. Please read the **Delegation Guide to Charges** for further information.

5. HOW DOES MY BOND WORK?

Who can make investment decisions?

You must nominate an EMC to manage the investments linked to your bond. Any EMC you nominate must be from a list of EMCs that meet our specific requirements for this product, and is subject to our agreement. You must also provide an investment objective (investment mandate) along with your attitude to risk, which we will pass to the EMC to use as a guide to their investment strategy.

As the EMC will manage the bond on a full discretionary basis, they will make all of the investment decisions. This means you, your adviser or any connected party are unable to select, or influence the selection of,

investments. Your financial adviser will be able to answer any questions you may have about this arrangement.

Where will my money be invested?

Your nominated EMC can choose from a broad range of assets including, but not limited to:

- › Collective investment schemes
- › Equities
- › Convertibles and warrants
- › Government and corporate debt
- › Medium term notes
- › Partly paid shares
- › Bonds
- › Derivatives
- › Structured products.

However, the EMC must ensure that the chosen assets are in line with Utmost PanEurope's Investment Parameters, your investment mandate and any restrictions set by the Central Bank of Ireland asset admissibility rules.

Assets that are able to be directly linked to you, such as physical property e.g. houses, wine, cars etc. are not permitted as it could be argued that you have influenced the investments selected.

As part of the EMC arrangement, we will set up a Dealing Account which is held by us. We set up a Dealing Account so that monies from events, such as initial and additional premium investment and any transfer proceeds applicable, can be held ready for investment or withdrawal.

Cash held in the Dealing Account is used to cover product charges, adviser charges and any withdrawals. The amount held in the Dealing Account at outset, and on an ongoing basis, will be determined by us and will generally be sufficient to cover three months worth of known charges and withdrawals. However, it is important to note that if you choose to take an unexpected withdrawal, including adviser charges, this may result in a negative balance on the Dealing Account and debit interest will apply.



Further information can be found in the 'Investment Options' and 'The Dealing Account' sections of the **Product Guide**.

Can I change the investments linked to the bond?

No. As the EMC is appointed on a full discretionary basis, only they can change assets that are linked to the bond.

However, we understand that over time your personal circumstances can change and your original investment objective and risk profile may no longer be suitable to meet your needs. Therefore, the Delegation bond provides you with the flexibility to change your investment objective, up to a total of three times for your bond (not per EMC) in any 12 month period. As part of your investment objective you are also able to outline, within reason, broad asset classes that you do not wish to be linked to your bond.



Any request to change your investment objective or EMC must be submitted to us and not directly to the EMC.



Please see the 'Investment Options' section in the **Product Guide** for more information.

QUESTIONS AND ANSWERS CONTINUED

Investment conversion facility

Once the bond has been in force for a minimum of 12 months, you can write to us to request the investment conversion facility. Subject to our agreement, this facility will allow you, or any appointed investment adviser or EMC, to select the assets linked to your bond. Please note there is a charge payable for using this facility. This is a one-way facility only and the assets selected following this request must be deemed permissible under the Personal Portfolio Bond regulations as set out in the Policy Conditions.



See the 'Investment Options' section in the **Product Guide** for more information.

Can I nominate an additional External Manager and/or Custodian (EMC)?

Yes. A maximum of two EMCs can be nominated at any one time to manage the bond. Each EMC is appointed on a full discretionary basis. You can request a change in EMC but this is limited to one switch in any 12 month period. The nomination of a second EMC is treated as a switch.

All charges or associated costs applied by the EMC for the service they provide will be taken from the External Managed Account and will not form part of your 5% annual tax-deferred entitlement.

The appointment of an EMC will be subject to them meeting the necessary requirements for this product and our agreeing to their appointment.

If you wish to change EMC you must nominate the new EMC before we close the previous account. In the interim your investments will be converted into cash and held in our Dealing Account, no credit interest will be applied and charges will continue.

Please remember that as this bond is managed on a full discretionary basis by an External Manager, an investment adviser cannot be appointed.

How will I know what my bond is worth?

We will send you a yearly valuation on or around your policy anniversary. Additionally, you can register for our logged-in service at www.utmostinternational.com and can access valuations at any time.

Please be aware that valuations shown through this service are based on the last valuation we receive from the appointed EMC and may be some months out of date. If you ask us to send you an additional paper valuation statement in any policy year, we will make an additional charge.

For details of the charge, please contact us on **+44 (0)1624 643 345** or email customersupport@utmostwealth.com

6. CAN I TAKE WITHDRAWALS OR SURRENDER THE BOND?

Yes. The following options are available:

- › Regular withdrawals of capital; you must take at least £400 (US\$800 or €600) per payment
- › Single withdrawals of capital of at least £4,000 (US\$8,000 or €6,000) per payment can be requested
- › Surrender of individual segments within the bond; the payment must be at least £4,000 (US\$8,000 or €6,000)
- › Full surrender of your bond.

Is there a minimum value needed to maintain the bond?

Where one EMC is appointed, a minimum balance of £50,000 (US\$100,000 or €75,000) must remain in the bond. Where two EMCs are appointed, the total minimum bond value must not fall below £200,000 (£100,000 per EMC). These amounts reduce to £10,000, US\$20,000 and €15,000 if the investment conversion facility is applied.

Any adviser charges paid through the bond will be added to your other withdrawals taken in a policy year to calculate if a UK Income Tax charge is payable. Please speak to your financial adviser for more details.

If you fully surrender your bond and are paying for adviser charges 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 financial adviser directly.



See the 'Getting money from the Bond' section of the **Product Guide** for more information.

7. WHAT ABOUT TAX?

Is there any tax on the funds?

We do not pay Capital Gains Tax or Income Tax in the Republic of Ireland on investments held on behalf of our investors, so any gains on these investments are allowed to grow free of these taxes. The only tax to which funds may be liable is that which is deducted at source, and which cannot be reclaimed. This is known as Withholding Tax. Tax rules can change and this position may change in future.

Will I have to pay tax?

Under current legislation, you could have a personal Income Tax liability on any gains if you are resident in the UK for tax purposes when proceeds are taken. Income Tax on the gain will depend on your rate of tax and individual circumstances.

For UK resident policyholders, we will notify HMRC of any chargeable event in relation to the bond. We strongly recommend that you consult your financial adviser to discuss your personal tax position.

If you are a UK tax resident, for each investment you make, you are currently entitled to withdraw 5% of the original investment amount each policy year for 20 years and defer any Income Tax payable.

If you do not take your full 5% annual tax-deferred entitlement in any policy year, the unused amount is carried forward for use in future years.

If you withdraw more than 5% of the original investment in any policy year then the excess will give rise to a chargeable gain, and may be liable to Income Tax.



Any adviser charges, to be paid from the bond (which you have agreed with your financial adviser), will be treated as a withdrawal from the bond and will form part of your 5% annual tax-deferred entitlement, for UK tax purposes. Fees taken by your EMC will not affect this entitlement.

The information contained in this document is based on our interpretation of current law and taxation practice in the UK and Ireland, as at December 2024, which may be liable to change in the future and is subject to individual circumstances.

8. WHAT HAPPENS TO THE BOND WHEN I DIE?

If you choose a life assurance bond, on the death of the last life assured, the bond ends. If you are the last life assured, the proceeds are paid out to your personal representatives.

If you choose a capital redemption bond, it does not end on death. Ownership passes to the surviving policyholders or to your personal representatives.



If the bond is brought to an end, any outstanding adviser charging payments that are due to the financial adviser may still need to be settled. Any remaining policyholders, or if none, your estate will need to settle any outstanding adviser charges directly with your financial adviser.

FURTHER INFORMATION

AUTHORISED AND REGULATED

We are authorised by the Central Bank of Ireland.

As well as holding enough assets to meet our liabilities to our investors, we also hold an additional amount of capital to satisfy the requirements of the Central Bank of Ireland. This additional capital is called solvency margin. We report our solvency position to the Central Bank of Ireland on a regular basis.

COMPENSATION

As the assets to which the value of the bond is linked are held in our name, you are unlikely to have any right to compensation if the firm which manages those assets, such as a bank or fund manager, fails. This includes any right that individuals investing directly in the bank or fund manager might have to make a claim from a compensation scheme, such as the UK Financial Services Compensation Scheme. If this happened, the value of that part of your investment is likely to be limited to any amount that we can recover from the failed bank or fund manager.

Utmost PanEurope dac is not covered by any investor compensation scheme. We segregate policyholder assets from our other assets and hold them with independent institutions. In the unlikely event of our insolvency, once the cost of liquidation has been met, policyholder claims have absolute precedence over all other claims with regard to policyholder assets.

Irish law protects policyholder assets by imposing strict capital management rules and controls to prevent insurer insolvency.

LAW AND LANGUAGE

The bond is governed by the laws of England and Wales and accordingly the High Courts of England and Wales shall have exclusive jurisdiction to decide any disputes that may arise.

Your contract documents will be in English and any communications we send to you will be in English.

FINANCIAL ADVISERS

Your financial adviser will provide you with information regarding their identity, the capacity in which they are acting and their address for future communications.

If you have any questions regarding Delegation, contact your financial adviser.

KEY FEATURES DOCUMENT & PERSONAL ILLUSTRATION INFORMATION

If the Personal Illustration you have been given contains an expiry date and you wish to make an application after this date, ask your financial adviser for a new Personal Illustration and Key Features Document.

If you are intending to request us to deduct an adviser charge payment on your behalf, either from your payment to us or from the value of the bond, ensure the details of the adviser charges match those on the Personal Illustration provided to you by your financial adviser.

This Key Features Document was produced in **December 2024**. If you are not sure if you have the current version, please ask your financial adviser.

TERMS AND CONDITIONS

These Key Features give a summary of Delegation. They do not include all the definitions, exclusions, and terms and conditions. These are shown in the **Policy Schedule** and **Policy Conditions**.

If you would like a copy, ask your financial adviser or contact us using the contact details provided at the end of this document.

COMPLAINTS

We will do everything in our power to prevent a complaint and in many cases can resolve the issue directly with our client.

If, for any reason, you are not satisfied with our service, please address your complaint to our Operations Manager. Our details are in the 'Contact us' section.

However, you may wish to deal with an outside mediator to obtain a resolution. Ireland offers the protection of a Financial Services and Pensions Ombudsman Scheme. If you are not satisfied with our response, you may contact the Financial Services and Pensions Ombudsman.

The Irish Scheme is specifically aimed at individuals, limited companies with turnover of less than €3 million, charities, clubs, trusts and partnerships.

Please note our policyholders are not eligible to access the UK Financial Ombudsman to make complaints.

The Ombudsman's contact details are:

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

Tel: 00 353 1 567 7000

Email: info@fspo.ie

Web: www.fspo.ie

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

CONTACT US

To find out more about Delegation,
contact us using the details below.



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Please note that emails are not secure
as they can be intercepted, so think
carefully before sharing personal or
confidential information in this way.

Telephone calls may be recorded.

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A WEALTH *of* DIFFERENCE

www.utmostinternational.com

Utmost PanEurope dac (registered number 311420) is regulated by the Central Bank of Ireland.
Registered Office address: Navan Business Park, Athlumney, Navan, Co. Meath, C15 CCW8, Ireland.

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

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

The rules made under the Financial Services and Markets Act 2000 (as amended) for the protection of retail clients in the UK do not apply.

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

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