

Your guide to

ISAs and Mutual Funds

from Standard Life



Hello.

Why Invest?

A comfortable retirement, a dream holiday, a new car, your children's education...

Everyone invests for different reasons. We don't pretend to know what your priorities will be next year, next month or even next week. But we do know that as life goes on, different things and different people will become more important to you.

Whatever you're planning for, you have an important decision to make: where to invest your money. That's where we can help. In this brochure, we've set out some of the options available to you. Standard Life offer a wide range of mutual funds and excellent customer service.

Choosing where to invest your money is an important decision, but we hope it won't prove to be a difficult one.

Helping you decide

Anybody thinking about saving for their future has an important decision to make: where to invest their money.

Important information:

- Before making your investment choices please make sure you read the following information, which includes details of some of the risks you should be aware of.
- You should also read the Key Features Document for more on the risks and commitment involved.
- ISAs attract tax reliefs, which the Government may change in the future. The value of these reliefs to you depends on your own personal financial circumstances.
- References to taxation and legislation are based on our current understanding of law and HM Revenue & Customs practice. Legislation and taxation may change in the future.
- If you are in any doubt about where to invest your money, please speak to your financial adviser. There may be a cost associated with seeking advice.
- Prices can go down as well as up depending on market conditions and you may get back less than you pay in when you sell your investment.
- Our charges are not guaranteed and may change in the future.

Mutual funds

Mutual funds are collective investments which allow groups of investors to pool their money together and put it in the hands of professional fund managers who invest on their behalf. Money is invested into equities (shares in companies), bonds (loans to companies which they repay with interest) property or Money Market Instruments (including cash), or a combination of these with the aim of providing returns on the original investment over time. Mutual funds have the advantage of allowing investors to spread their investment across a wide range of different companies and sectors. This means that customers are exposed to significantly less risk and cost than they may have incurred by investing directly in these assets.

You can invest a lump sum of £500 or more. Or if you prefer to save regularly, you can invest from £50 a month. There is no maximum for lump sum or regular investments.

Stocks and Shares ISAs

If you want to save for the future, you may want to consider investing in our selection of mutual funds by using our Stocks & Shares Individual Savings Account (ISA). An ISA is sometimes referred to as a 'wrapper'. It means you can 'wrap' some of your money up (up to your maximum ISA allowance) to make the most of the tax breaks on offer. With more than 1,000 mutual funds available from most of the UK's leading fund managers, we cover a wide range of investment objectives, risk levels and asset classes.

Stocks and Shares ISA

ISA limits

If you are under age 50 during the tax year 2009/10:

- You can invest a maximum of £7,200 in a Stocks and Shares ISA. You can invest a maximum of £3,600 in a Cash ISA.
- The overall limit you can invest for the 2009/10 tax year is £7,200. So if you put £3,600 in a Cash ISA, the most you could put in a Stocks and Shares ISA would also be £3,600.

With effect from 6th October 2009, if you are aged 50 or over during the tax year 2009/10:

- You can invest a maximum of £10,200 in a Stocks and Shares ISA. You can invest a maximum of £5,100 in a Cash ISA.
- The overall limit you can invest for the 2009/10 tax year is £10,200. So if you put £5,100 in a Cash ISA, the most you could put in a Stocks and Shares ISA would also be £5,100.

Option to transfer cash into Stocks and Shares

You can transfer some or all of the money saved in Cash ISAs in previous tax years to a Stocks and Shares ISA without affecting your annual ISA investment allowance.

As with any investment that is linked to the stock market, the value of a Stocks and Shares ISA can go down as well as up and you may get back less than you invest.

ISA transfers

Stocks and Shares ISAs

If you already have an ISA, you can transfer all or part of it to a new ISA manager at any time. If you want to transfer an existing ISA to us, we will make the transfer as simple and straightforward for you as possible.

Our ISA offers you:

- a wide range of funds, with over 1,000 funds from more than 60 UK fund managers
- attractive prices
- award winning service levels.

Tax law and HM Revenue & Customs practice may change in the future to reduce the current favourable tax treatment of ISAs.

If you are unsure if a transfer is right for you, please speak to your financial adviser for more details. Please be aware that if you transfer funds, exit charges may be applied. Also, when the transfer is taking place, you may be 'disinvested' and potentially miss out on any market gains.

Cash ISAs

You can now transfer some or all of the money saved in Cash ISAs in previous years to Stocks and Shares ISAs without affecting your annual ISA investment allowance.

You are also able to transfer money saved in a Cash ISA in the current tax year to a Stocks and Shares ISA. Such transfers must be the whole amount saved in that tax year in cash up to the day of the transfer. As before, maximum limits apply. You cannot transfer money from a Stocks and Shares ISA to a Cash ISA in the same way.

Once money saved in the current tax year is transferred from a Cash ISA to a Stocks and Shares ISA, it is treated as if it had been invested directly into a Stocks and Shares ISA in that tax year. You will then still be able to invest up to the full remainder of your allowance for that tax year.

Mutual funds investment

By investing with Standard Life, you gain access to a wide range of funds from leading fund managers, all in one place.

Investment options

You can invest in a number of ways:

- You can choose from over 1,000 funds from many of the UK's leading fund managers.
- You can invest in a way that suits you, and your attitude to risk.
- You can invest lump sums from £500, or regular monthly payments from £50.
- Statements for all your investments, so you can view your entire portfolio in one place and get a valuation.

Managing income and withdrawals

- If you need access to your money, you can withdraw £250 or more at any time.
- You can choose to take a regular income and make withdrawals from your investments
- You can switch funds whenever it suits you. There is a charge for switching.

Please note that the value of your investment can still fall as well as rise, and you may get back less than you pay in. Taking income and withdrawals may also reduce the value of your investment.

Supermarket Cash Account

Investing with FundZone also gives you access to a Supermarket Cash Account, paying a competitive rate of interest.

Value

We offer competitive prices and we will monitor our charges regularly to ensure we continue to offer good value.

Service

A significant benefit of investing with Standard Life is being able to access this wide choice of funds through a single provider.

As well as the convenience of having just one point of contact for your administration needs, all your funds will appear on statements – which we will send to you twice a year, in April and October. What may sound like a small detail can in fact make a big difference when it comes to keeping track of your investments.

Standard Life has a history of award-winning service. Our dedicated team of specialists have won numerous awards in recognition of their skills and expertise.

We place great emphasis on making investing with Standard Life as simple and secure as possible. You have access to a dedicated team who can answer any queries you have.

Get in touch

Just call: 0845 279 2002 – lines are open between 9am and 5pm Monday to Friday. Call charges may vary. Calls may be recorded and/or monitored to help improve service.

You can also have 24 hour online access to view your investments. Speak to your financial adviser about this.

What to do next

This guide provides general information only. For more detailed information to help you make a balanced and informed decision, please read the Key Features and Terms and Conditions Document, along with the factsheets/fund schedule for your chosen fund(s). If these were not issued with this guide, these documents can be obtained from your financial adviser, Standard Life or from our website www.standardlife.co.uk. You can also request a copy of the Simplified Prospectus for your chosen fund(s) by phoning us on **0845 279 2002**. Call charges may vary. Calls may be recorded and/or monitored.

If you have any further questions after reading these documents, please speak to your financial adviser. Your financial adviser will be able to answer any questions you have and help you decide:

- if this investment is suitable for you
- how much you should invest
- which fund(s) you should invest in.

Please note there may be a cost associated with obtaining individual financial advice.

How do I apply?

Once you've read everything through and are ready to apply, simply complete your application form with the help of your adviser and send it to us. You can also apply online through your adviser.

What documents will you receive?

After your application has been accepted, we'll send you contract notes and a statement twice a year – in April and October. This will also contain details of any recent transactions.

Pensions
Mortgages
Savings
Investments
Healthcare
Insurance

Speak soon.

If you'd like further information on this or any of our other products, or if there's anything more about Standard Life we can help you with, just call us on this number, or visit our website. Call charges may vary and your call may be recorded or monitored to improve our service.

0845 279 2002

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