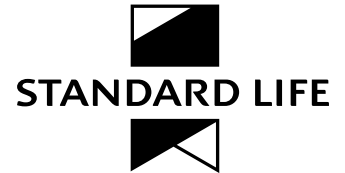


# International Bond

## Moving Abroad



For advisers' use only (not to be relied on by anyone else)

### Going abroad? Go offshore with an International Bond

More and more people are choosing to live and work abroad. By February 2008, at least 3.247 million British-born people were living abroad.

Source – Organisation of Economic Co-operation and Development (OECD)

### Key Benefit

*A chance to pay less tax for those heading abroad*

### Who can benefit?

- UK residents expecting to emigrate abroad.
- UK workers going on secondment abroad.
- Customers with a minimum of £20,000 to invest. Please note that the minimum investment in the bond for Whole of Market Funds and Discretionary Fund Managers (DFMs) is £100,000. Some DFMs and Deposit Account providers may specify their own minimum investment.

### How can an offshore bond help?

- **A chance to pay less tax**

Offshore bonds give your client the chance to take their policy proceeds either in the country they're moving to, or in the UK before they leave, depending on which country offers the lowest rate of tax.
- **Don't pay tax twice**

Offshore bonds stop your client being taxed twice – with an onshore bond they still pay UK tax on fund growth even if they are out of the country.
- **Planning to return to the UK?**

Your client can take advantage of 'time apportionment relief' to reduce their tax bill if they take their policy proceeds once they are back in the UK.
- **Further tax advantages**
  - Funds grow virtually tax free for increased growth potential.
  - Switch between investments without triggering a tax penalty. Switches involving certain types of investment can incur charges. Please see 'Key Features of the International Bond' (IB17) for more information.
  - Take a regular income of up to 5% pa cumulative tax deferred whilst in the UK.
  - Easy tax returns – your client only declares offshore bonds if there's a chargeable event.

## **Why Standard Life International?**

- **Flexible charges**

A flexible charging structure linked to a range of allocation rates and remuneration options to suit individual circumstances.

- **Service**

A dedicated department of offshore specialists in Dublin to deal with all enquiries.

- **A provider your client can trust**

The Standard Life group has been looking after its customers for over 180 years and currently approximately 7 million people worldwide rely on them for their financial needs.

- **Investment choice**

Access to a wide range of investments, many of which are unavailable to onshore bonds.

## **Case Study**

Jim and Sue are in their early 50s and both currently higher rate taxpayers. They plan to retire to their holiday home in Spain in the next few years. They've accumulated substantial savings over the years, much of which is currently sitting on deposit, and would like some advice on where best to invest this money.

By investing £50,000 in an offshore bond, their money grows virtually tax-free, increasing the potential for higher investment returns. Furthermore, after moving abroad they won't have to pay any UK tax when they cash-in the policy. However, they may be taxed in Spain and should take advice accordingly.

Should Jim and Sue's plans change and they choose to return to the UK, an offshore bond will still work to their advantage by allowing them to benefit from time apportionment relief. This means a reduction in their tax bill in proportion to the amount of time spent abroad during the lifetime of their bond.

No guarantees are given regarding the effectiveness of any arrangement entered into on the basis of these comments, and Standard Life International is not responsible for any advice given on the basis of this document.

Please note that the value of an investment may fall as well as rise and an investor may not get back the amount originally invested.

An assessment of your client's needs should be confirmed before a recommendation can be made. Key features, including a projection which is personal to your client's circumstances, should be provided if a recommendation for an investment product is made.

Tax and legislation is likely to change. All the information in this document relating to taxation is based on our understanding of law and tax practice in Ireland and the UK at the date of publication. The future tax position of the bond or your client's own tax position may alter.