

# Capital Protection Plus Bond



## Guarantee comparison

The Capital Protection Plus Bond provides a With Profits investment opportunity for cautious investors looking for the potential of long-term growth while maintaining security through the addition of guaranteed returns.

All customers automatically receive a 10 year guaranteed return, and can choose a 5 year guaranteed return option, for which there is an additional charge.

	Guaranteed value	Charge	Claim period
10 year guaranteed return	The guaranteed amount is 20% more than the amount initially invested (subject to the deduction of all regular and one-off withdrawals) <sup>1</sup> .	There is a charge of 0.4% of the value of the bond each year. Deducted on a monthly basis for the first five years of the bond.	The guaranteed value only applies if customers cash in the whole value of the bond on the relevant anniversary of the bond or during the next 10 working days.
5 year guaranteed return option	The guaranteed amount is 10% more than the amount initially invested (subject to the deduction of all regular and one-off withdrawals) <sup>1</sup> .	There is an additional charge of 1.1% (making the total charge 1.5%) of the value of the bond each year. Deducted on a monthly basis for the first five years of the bond.	

<sup>1</sup> The value of regular or one-off withdrawals will be based on the value of units cancelled before any Market Value Reduction or early surrender charge has been deducted.

Market Value Reductions do not reduce the guarantee value during the claim period. The guaranteed returns will be lost if customers are not always wholly invested in With Profits until the end of the relevant claim period(s). Charges are subject to change.

**This is not a consumer advertisement. It is intended for professional financial advisers and should not be relied upon by private customers or any other persons.**

## Please find below an example of the 10 year guaranteed return

In the example below a customer initially invested £50,000 and has taken £4,000 out of the bond during the 10 year period since investment. They have remained in With Profits throughout the period and therefore are still eligible for the guarantee. On the tenth anniversary, or during the following 10 working days, they chose to fully cash their bond. The value on the cash in date after applying the guarantee is £55,200.

Initial investment		£50,000
Investment return	+	£2,000
Total of one-off and regular withdrawals	-	£4,000 <sup>1</sup>
Actual value of policy on the tenth anniversary (£50,000 + £2,000 - £4,000)		£48,000
Cash in value of policy on the tenth anniversary (£50,000 - £4,000) x 120%		£55,200

Using this example, the customer would receive back £55,200, as the guaranteed value is higher than the cash in value. This is guaranteed even if a Market Value Reduction has been applied.

We will write to customers six months and one month prior to each applicable guarantee anniversary to make sure that they are aware of the approaching anniversary.

<sup>1</sup> The value of regular or one-off withdrawals will be based on the value of units cancelled before any Market Value Reduction or early surrender charge has been deducted.

**Important note: The investment return received is not guaranteed and customers may get back less than their original investment unless any capital guarantees apply as explained above. The amount we pay could be reduced by the application of a Market Value Reduction to ensure fairness between those who cash in and those who remain invested. Market Value Reductions do not reduce the guarantee value during the claim period. For more details please see the relevant Capital Protection Bond Key Features documents.**