



Scottish Equitable
International

Key features of **5 for Life**

Read on to find out the main points about your **5 for Life** plan. You'll also get a personal illustration, so you can put figures to the benefits you may receive in the future. Please take some time to go through both these documents and put them somewhere safe – you may well want to look at them again.

03	Important note
03	Its aims
03	Your investment
03	Risk factors
04	Questions and answers
04	What is 5 for Life?
04	How flexible is it?
04	What might I get back?
04	Can I take money out?
04	Where is my money invested?
05	What happens to my 5 for Life plan if I die?
05	What are the charges?
05	What about tax?
05	Can I change my mind?
05	How will I know how my 5 for Life plan is doing?
05	How would the plan work if I opt to remove the guarantees?

This guide refers to our product terms as at October 2007.

06	How to contact us
07	Other information
07	How to complain
07	AEGON Scottish Equitable International
07	Special risks
07	Time limits
07	Terms and conditions
07	Law
07	Communication
07	Compensation

Important note

The following sections describe the full features of the 5 for Life product assuming that you choose the guaranteed benefits. When applying for a 5 for Life plan, you can choose not to receive these benefits – called the guaranteed income and money-back guarantees option (although please remember that you wouldn't be able to reverse this decision at a later date). If you choose to do this, then you should read the section 'How would the plan work if I opt to remove the guarantees?' on page 5. This explains how the terms of your plan would differ from those described below.

Your investment

- You can invest a lump sum of £15,000 or more.
- 5 for Life is designed to give you an income for as long as you live, so you should view it as a long-term investment.
- It has no fixed term.

Its aims

- To give you a guaranteed income for life from age 60.
- To have the potential to increase your future guaranteed income payments and fund-related death benefits through investment growth.
- To guarantee to return to you at least as much as your original investment, through a combination of income and cash-in values (on your death or from the 10th plan anniversary).

Risk factors

- Your original investment amount isn't guaranteed. Its value depends on how the funds you've invested in perform, the income payments you've had and any additional withdrawals you've made. And, as we all know, investment performance may go down as well as up.
- If you take out more than the guaranteed income amount then this will affect your future guaranteed income payments and death benefits.
- If you die, your income payments stop.
- If you decide this plan isn't for you and cancel it, then you may not get back the full amount you paid in if the investment has fallen in value during the time you were invested.
- Current legislation may change and this may affect the tax status of the plan.

Questions and answers

What is 5 for Life?

It's a single contribution unit-linked investment plan that allows you to invest a lump sum and in return you get a guaranteed income for life from age 60.

Each plan can only be set up for one person.

Your investment can benefit from the growth potential of investing in a range of diversified funds, and you keep control of your investment.

How flexible is it?

- You have access to the range of funds we offer.
- You can make additional withdrawals from your plan at any time. However, this will reduce your future guaranteed income payments and money-back guarantees. Also, we may charge you for this.
- You may cash in your plan at any time but you'll lose any future benefits and we may charge you for this.
- As long as you're between 45 and 80 years old, you can invest in this plan.
- You can take out the plan without the guarantees. Page 5 has details of how this would work.

What might I get back?

The amount you get back when you cash in the plan isn't guaranteed. It depends on several factors, such as:

- how much you invest
- how long you invest for
- the performance of the funds you choose
- our charges and any withdrawal charges we apply
- the amount of income payments you take
- any additional withdrawals you make

Your personal illustration gives you an idea of what you could get back.

Can I take money out?

5 for Life gives you a guaranteed income from age 60 onwards. This guaranteed income may increase over time by [future income escalators](#) or [income escalators](#) (explained below). Any increase will depend on the performance of the underlying funds and if we have to deduct any charges.

Before you start taking your income – the future income escalator

The earliest you can start taking the income from your plan is age 60. But you can invest your money in the plan from age 45, giving your investment more time for potential growth. With our future income escalator we calculate the cash-in value of your plan each year on the anniversary of when you first invested. If this value is up on the highest level calculated on a previous year's review then your guaranteed income amount increases by the same proportion.

Once you're taking your income – the income escalator

After you start taking income you can benefit from our income escalator. We review your plan every three years. If its cash-in value is more than the highest level calculated on a previous review date, the guaranteed income amount you could take increases by the same proportion.

Additional withdrawals

As well as taking your guaranteed income, you can also take withdrawals from your initial investment by cashing in part of your plan. These withdrawals are called additional withdrawals.

Additional withdrawals can be:

- withdrawals taken before you start to take income
- withdrawals taken separately from income

You can also fully cash in your plan. If you do this, any income and benefits will stop.

From the 10th anniversary of taking out your plan, we'll apply our money-back guarantee. You'll receive the higher of the cash-in value and an amount calculated by deducting the income paid from the contribution made.

This means that from the 10th anniversary, when you add together the income received and the cash-in values, you'll always get back at least the amount invested.

Making additional withdrawals from your plan will reduce your future guaranteed income and money-back guarantees proportionately and we may charge you for doing this.

Where is my money invested?

The amount of your initial investment that we invest in your chosen funds may be reduced by charges. This depends on the charging structure you choose. Please see your personal illustration for more details.

We offer a range of unit-linked funds, so you can invest to suit your individual investment strategy. You can find out more about the funds available in our *Certainty in an uncertain world* guide, which you can get from your financial adviser.

Within the unit-linked funds:

- each fund is made up of units
- we use your contributions to buy units in the funds you choose
- the price of one unit in each fund depends on the value of the investments

We work out the value of your plan based on the total number of units you have in each fund. If the unit prices rise or fall, so will your plan value.

You may switch between funds at any time. You can have 12 free switches between our funds each year. Subsequent switches will cost you 1% of the value of the units switched, subject to a minimum charge of £25.

What happens to my 5 for Life plan if I die?

- Your income payments will stop.
- We may pay a death benefit. This will be the higher of your initial investment less any income received, and 100.1% of the cash-in value.
- If part of your plan has been cashed in, the death benefit will be reduced proportionately.
- If the total income you've received is more than your initial investment and the cash-in value is zero, then there won't be a death benefit.

What are the charges?

We incur expenses for managing and administering the plan. There's also a guarantee option fee. We recover these and any other charges by making deductions from the plan. You can find details of these deductions in your personal illustration and the 5 for Life charging option leaflet, which you'll get from your financial adviser. We may vary these charges at our discretion.

We may apply a charge if you cash in your plan in the early years. If we do, we'll show this in your personal illustration.

What about tax?

Part of each of your income payments will be treated as a return of your investment, so there's no tax due on that. However, you may be liable to pay income tax on the rest of each income payment. We'll tell you how much of each year's income is liable to income tax so that you can complete your self-assessment tax return.

If you cash in your plan or take additional withdrawals, or if we pay out a death benefit on your death, this may give rise to what's known as a chargeable event. If this happens, you (or your estate) will be liable to income tax on the gain. We'll issue a certificate saying how much this gain is.

If you're liable for income tax on regular income or on a chargeable event, it'll be at your marginal income tax rate. If you're a basic rate taxpayer, this will be 20% and if you're a higher rate taxpayer it'll be 40%.

Current legislation may change and this may affect the tax status of this plan.

All references to taxation are based on our understanding of current taxation law and practice in Ireland and the UK. Our current understanding is that HM Revenue & Customs will recognise that the fund growth on investment plans issued by AEGON Scottish Equitable International will be subject to the taxation regulations that apply in Ireland and so won't be taxed on the UK standard basis. Also, this assumes you're not investing in the plan by reason of the provisions of any will or settlement, and that you make a valid claim to HM Revenue & Customs to have part of your income treated as capital. We'll help you with this claim.

Your financial adviser will be able to help you if you need any more information on tax.

Can I change my mind?

After you've invested, we'll send you a notice telling you of your right to change your mind and how to cancel. You'll have 30 days to cancel your investment. If you decide to cancel, we'll give you your money back. If, however, during the time you were invested the value of the underlying investment has fallen, you may not receive back the full amount you paid in.

How will I know how my 5 for Life plan is doing?

We'll send you a statement each year telling you the current value of your plan. You can request more statements, although we may make a charge if you request more than three in any plan year.

How would the plan work if I opt to remove the guarantees?

- You won't receive the guaranteed regular income payments of at least 5% of your original investment each year and you can't opt to receive any other form of regular income.
- You'll still be able to make one-off withdrawals but after year 10 you'll always get the cash-in value of the part of the plan you're cashing in, not a higher amount that might be due under the money-back guarantee.
- We'll simply calculate the death benefit as 100.1% of the cash-in value.
- Your plan will stop if the cash-in value reduces to zero.

Your financial adviser will be able to give you more information about taking out a 5 for Life plan without the guarantees.

How to contact us

If you want more information on your plan, or an up-to-date valuation, please contact us by post, telephone, fax or email at:

Client Relations Team
AEGON Scottish Equitable International
IFSC House
Custom House Quay
Dublin 1
Ireland

Phone: 0845 6000 173
Fax: 003531 673 8940

client.relations@aegon.ie

We may record and monitor any calls to AEGON Scottish Equitable International for security purposes, to help improve our service standards and to resolve any complaints.

If you want to make additional withdrawals, switch funds or cash in your plan, please contact us through your financial adviser.

Other information

How to complain

We hope you never have to complain, but if you do, the first step is to write to us. If you're not satisfied with our response, you can then raise the issue with:

The Financial Regulator
PO Box 9138
College Green
Dublin 2
Ireland

Referring the matter to the Regulator won't affect your right to take legal action later on.

If you'd like a copy of our complaint procedures, please ask us.

AEGON Scottish Equitable International

We've been managing money for people throughout Europe for more than 10 years. In that time we've become a substantial and experienced company, which manages more than £1 billion of funds for more than 8,500 clients.

As part of the AEGON Group, we benefit from the financial strength of one of the largest life insurance and pensions companies in the world, and a strong provider of investment products, with assets under administration of around €368 billion (£248 billion) including all revenue-generating investments.

Our main area of business is offshore investments, including a range of single contribution investment bonds and regular savings plans.

The services we provide include processing your application and administering your investments. We also provide technical support and information to financial advisers and planholders.

AEGON Scottish Equitable International plc is on the FSA register (No. 217133).

Special risks

In this document we've clearly highlighted any risks associated with taking out this AEGON Scottish Equitable International product.

Time limits

We'll let you know of any time limits that may apply and that aren't covered here or in your personal illustration.

Once you've completed the relevant application forms, you must let us know if there are any changes between then and the date your plan starts.

Terms and conditions

This document only gives you a summary of 5 for Life features. You can find full details of your plan in your policy conditions booklet. If, in the future, there are any changes to the current terms and conditions of your 5 for Life plan, we'll write to tell you.

Law

Your 5 for Life plan will be set up under, and governed by, the law of Ireland.

Communication

Our contract with you is in English and any communications about it will also be in English.

Compensation

If this product was recommended to you by a financial adviser, you may have a legal right to compensation if it's established that the recommendation was unsuitable when it was made.

If AEGON Scottish Equitable International plc should become unable to meet its liabilities, a planholder who was habitually UK resident when the contract started will be protected by the provisions of the Financial Services Compensation Scheme. Please note that some categories of investors are excluded.

customer impact

Meeting the customers' needs by putting them at the heart of our industry

We're determined to treat you fairly and communicate clearly with you at all times.

As well as following the Financial Services Authority's Treating Customers Fairly principles, we're fully signed up to the Association of British Insurers' Customer Impact scheme.

Both of these cover how products are designed and marketed, and ensure we deal fairly with all claims and payments.

As part of the Customer Impact scheme, we publicly commit to putting customers at the core of our business and must show how we're achieving this.

For more information visit: www.aegonsei.ie/customerimpact