

Key features of the

Synergy Portfolio Bond

from Standard Life



When buying a financial product, it is important that you understand what the product is, how it works and what a decision to buy could mean for you.

Before choosing funds or products, you should consider the risks of the investment as well as the potential for growth. Standard Life recommends that you seek independent professional advice.

The key features of the Synergy Portfolio Bond are described in this document, which you must read with the accompanying Personal Illustration and Investment Options guide (SYIO1).

These documents give information required under Schedule 1 of the Life Assurance (Provision of Information) Regulations 2001.

Make sure the policy meets your needs!

The Synergy Portfolio Bond is a policy that only accepts lump sum investments by cheque or bank draft. Its primary purpose is to provide long term capital growth. It is not designed to provide a high level of life assurance cover.

Taking out a Synergy Portfolio Bond is a long term commitment and you should only enter into this contract if you are satisfied that it meets your savings and investment needs and circumstances.

WARNING If you are taking out this policy in complete or partial replacement of an existing policy, please take special care to satisfy yourself that this policy meets your needs. In particular, please make sure that you are aware of the financial consequences of replacing your existing policy. If you are in any doubt, please consult your financial adviser.

What happens if you want to cash in the policy early?

This is an open ended policy with no fixed term. You can cash in your bond at any time. Encashment values, particularly in the early years, may be less than your original investment.

Extra 1% for investments of €100,000 or more

If you invest €100,000 or more, we will add an extra 1% to your initial investment. Should you make an additional investment to your policy that brings your

total investment to €100,000 or more, we will add an extra 1% to that additional investment. If you cash in units or assets within ten years of them being allocated, the value of that extra 1% will be reclaimed. This reclaim does not apply to any regular withdrawals you make, or if a claim is made on your death. Your Personal Illustration will show the portion of your allocation rate that is subject to this reclaim.

What are the projected benefits under the policy?

Please refer to your Personal Illustration for details.

What intermediary/sales remuneration is payable?

Please refer to your Personal Illustration for details.

Are returns guaranteed and can the premium be reviewed?

The figures in your Personal Illustration are only examples and are not guaranteed, they are not minimum or maximum amounts. You could get back more or less than the projected benefits. What you get back depends on a number of factors, including how your investments grow and any withdrawals you make.

Can the policy be cancelled or amended by the insurer?

If you make withdrawals from your policy to such an extent that the value left would be less than €2,500, we can cancel your policy and pay you its value.

We will monitor your policy and let you know if this is likely to happen and explain the choice you need to make at that time.

If it becomes impossible or impracticable to carry out any of the policy terms because of

- a change in the law or other circumstances beyond our control
- the tax treatment of Standard Life or this contract is altered, or
- we have to pay a government levy

then we may alter the contract, but only as allowed by law. Before we alter your policy, we will send you a notice explaining the change and your options.

Information on taxation issues

Investments made into the Synergy Portfolio Bond do not qualify for personal tax relief.

The growth in your policy value is subject to an exit tax (currently 23%). It is deducted from any withdrawal, surrender or death claim, unless you are permanently resident outside the Republic of Ireland at that time. On the 8th anniversary of your bond and every 8 years thereafter, exit tax will be deducted from the growth in your bond. The tax paid can be offset against any exit tax due from your bond on your death or on the subsequent surrender or assignment of your bond.

If you permanently transfer ownership of your bond, exit tax will be deducted from within the bond as at the date of transfer and there may be other tax implications (e.g. Capital Gains Tax, Gift Tax, Inheritance Tax).

There is no Capital Gains Tax liability if the bond remains in the hands of the original owner. The death benefit payable may be subject to Inheritance Tax in the hands of the beneficiary.

Tax legislation may change in the future.

Additional information in relation to your policy

Your investment fund selection

You can invest in your choice of any of the available funds. Each fund is divided into units. The unit prices are usually set each working day.

At the start of your policy, you decide in which funds your money is invested. You can change your investments at any time.

For Synergy Portfolio Bonds taken out after May 2006, see the Investment Options guide (SYIO1) for details of the Synergy funds, and www.standardlife.ie for details of the external funds.

The value of your investment can fall as well as rise.

Charges

The charges that apply to your policy are outlined in your Personal Illustration.

Switching between the Synergy funds is free for the first 12 switches in any 12 month period. Currently, each subsequent switch within the same period costs €60.

Where your investment has received the extra 1% allocation rate, this will be reclaimed if you cash in units within ten years of allocation (see 'What happens if you want to cash in the policy early?').

Where an allocation rate is less than 100%, the difference is a charge. Where an investment allocation rate is more than 100%, this has the effect of reducing the overall charges on a policy.

These are our charges at July 2006. They may change in the future.

Occasional withdrawals

You can make occasional withdrawals at any time. Units relating to your earliest investment will be cancelled first.

The minimum withdrawal is €900.

If you make withdrawals from your policy to such an extent that the value left would be less than €2,500, we can cancel your policy and pay you its value.

Please refer to the earlier section 'What happens if you want to cash in the policy early?' to see when an allocation rate reclaim applies.

Regular income withdrawals

You can take a regular income either as a fixed amount after tax (maximum 5% per annum of investment), or as a percentage of your bond value before tax (maximum 5% per annum of value). Regular income can be paid monthly, quarterly, half-yearly or yearly. The minimum income you can withdraw is €900 per annum.

Regular income withdrawals are not subject to the reclaim of any enhancement to the allocation rate.

If you have only invested in the Synergy funds, or in a combination of Synergy funds and external funds, regular income withdrawals are taken from all of the Synergy funds in which you are invested, in proportion to the value of your holdings in the funds on the date of withdrawal.

If you have only invested in external funds, regular income withdrawals are taken from your policy's cash account.

If you choose to take fixed amount regular withdrawals, you cannot switch to percentage of bond value regular withdrawals at a later stage or vice versa.

Death benefit

On the death of the life assured (or if joint life, the last life assured to die) we will pay 101% of the value of the bond to your estate.

Your right of cancellation

If you invest in a Synergy Portfolio Bond and you change your mind about keeping it, you can simply cancel the policy within 30 days and get a refund.

If the asset values of your chosen funds have fallen between the time your investment was paid and your instruction to cancel is received, we can make a deduction to cover any fall in the market.

Handling complaints

If you have a complaint about your financial adviser, please ask them about their own procedures and those of their regulatory body (e.g. the Financial Regulator).

Standard Life adheres to the Irish Insurance Federation's Code of Practice for handling customer complaints. If you have a complaint which relates to Standard Life, please write to:

Head of Customer Service,
Standard Life, 90 St Stephen's Green, Dublin 2.

If you are still not satisfied, you may lodge a complaint with the Financial Services Ombudsman.

These procedures do not prejudice your right to take legal proceedings.

The Synergy Portfolio Bond is underwritten by Standard Life. Standard Life in Ireland is a branch of Standard Life Assurance Limited, whose Head Office is based in Scotland.

During the term of your policy, Standard Life will tell you if we change

- our name
- our legal form
- our main address, or
- your policy, which results in a significant change to the information contained in this document (with the exception of the taxation issues)

Each year, we will send you a statement detailing the value of your policy.

Data Protection Notice

All parties named on your application form have a right to know that Standard Life holds personal data about them and for what purpose it will be used. Please ensure they read this notice.

Personal information provided in connection with your application will be processed by Standard Life to set up and administer the bond.

If your application does not proceed, it will be held on our records for six years before it is deleted.

Your personal data will be held on our records for six years after the bond has ceased and then it will be deleted.

If you have chosen to invest in an external fund, we will pass relevant information to third parties for the purposes of administering your investment. You should be aware that they may use your personal data in accordance with their data protection notice.

We will keep the information you have supplied confidential and will not disclose it unless it is lawful to do so.

If you have appointed a financial adviser, we will give them information about the plan and, where appropriate, send copies of correspondence to them to enable them to give you advice. You should be aware that your financial adviser may use your personal data in accordance with their data protection notice.

We require your consent before we can hold, use or retain your personal data. We regret that if you do not consent, we will be unable to process your application.

If you would like to request a copy of the personal data we hold about you, please write to our Data Protection Coordinator. We may charge a fee for providing the information.

This Key Features document assumes that the bondowner is the life assured and is making a personal investment.

The Synergy Portfolio Bond is subject to the laws of Ireland and all references to tax and legislation are based on Standard Life's understanding of law and practice as at July 2006.

If you take out a Synergy Portfolio Bond, the terms and conditions of your contract with us will be in your Policy Schedule and Policy Provisions. It is very important that you take the time to read these documents.

If you need more information, please ask your financial adviser.

Standard Life 90 St Stephen's Green Dublin 2
Locall 1890 252 222 Email customerservice@standardlife.ie Website www.standardlife.ie

Standard Life Assurance Limited adheres to codes of conduct issued by the Financial Regulator in Ireland and is authorised and regulated by the Financial Services Authority in the UK.
Registered in Ireland (905495) at 90 St Stephen's Green, Dublin 2 and Scotland (SC286833) at Standard Life House 30 Lothian Road, Edinburgh EH1 2DH. www.standardlife.ie *Calls may be recorded.*

SYPBKF1 V01 0706 ©2006 Standard Life