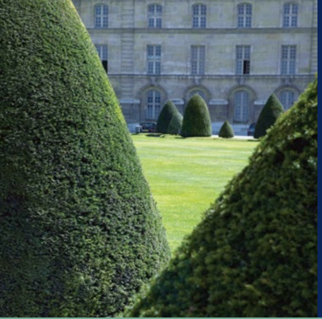

TRUSTEE INVESTMENT PLANNING – A BETTER SOLUTION WITH ST. JAMES'S PLACE WEALTH MANAGEMENT

ST. JAMES'S PLACE
WEALTH MANAGEMENT

PROTECTING YOU AND YOUR ESTATE

Trustee Bonds and International Trustee Bonds can be ideal vehicles for trustees to invest in, for the reasons outlined below and overleaf. These bonds work by pooling the investments of a large number of people and providing access to a broad range of professionally managed funds. The bonds also act as a tax wrapper giving the tax benefits associated with investing in a life assurance fund.

A STRAIGHTFORWARD INVESTMENT SOLUTION

All funds are unit-linked – there are no With-Profits funds, no Market Value Adjustments (MVAs) will be applied and investment returns will not be dependent on the level of future bonuses declared.

An investment with St. James's Place will be directly linked to the performance of the funds you select and the value can therefore go down as well as up. You may get back less than you invested.

- SIMPLICITY OF ADMINISTRATION
- FULL INVESTMENT FLEXIBILITY
- NO CAPITAL GAINS TAX (CGT)
- TAX-EFFICIENT
- DUTY TO ACT IN BEST INTERESTS OF BENEFICIARIES AND TO ENSURE FAIRNESS BETWEEN BENEFICIARIES
- INCOME TAX PLANNING
- AVAILABILITY OF TAX-DEFERRED WITHDRAWALS
- HELPS TRUSTEES MEET TRUSTEE ACT 2000 OBLIGATIONS

The levels and bases of taxation, and reliefs from taxation, can change at any time and are dependent on individual circumstances.

Please note that trusts are not regulated by the Financial Conduct Authority.

HELPS TRUSTEES MEET TRUSTEE ACT 2000 OBLIGATIONS

St. James's Place is able to help trustees satisfy their statutory obligations relating to trustee investments. It has a selection, monitoring and review process involving the St. James's Place Investment Committee which is assisted by Stamford Associates, Redington and other independent consultants. St. James's Place guarantees the suitability of the advice given by members of the St. James's Place Partnership when recommending any of the wealth management products and services available from companies in the Group, more details of which are set out on the Group's website: **www.sjp.co.uk/products**.

SIMPLICITY OF ADMINISTRATION

Bonds are non-income producing assets – unlike other types of investment there is no need to complete a trust tax return unless a chargeable event arises. Furthermore, there are no CGT calculations to undertake.

FULL INVESTMENT FLEXIBILITY

Trustees have the opportunity to select from a broad range of funds, or Growth and Income Portfolios, offering access to a selection of investment managers with complementary investment styles, ensuring a wide spread of asset classes and real diversification of risk; and can switch between funds at any time, free from CGT and Income Tax, making investment restructuring tax-efficient and simple.

NO CAPITAL GAINS TAX (CGT)

Bonds will usually have no liability to CGT, either in the hands of the trustees or, if assigned to them, the beneficiaries.

AVAILABILITY OF TAX-DEFERRED WITHDRAWALS

Under current legislation, trustees may take withdrawals without an immediate liability to Income Tax (provided these payments, together with the costs of our initial and ongoing advice, do not exceed 5% per annum of the amount invested). This allowance is cumulative and any unused allowance can be carried forward to later years.

Please note that if the withdrawals taken exceed the growth of the Bond, the capital will be eroded.

INCOME TAX PLANNING

Any liability to Income Tax can be deferred. This is attractive to trustees where the rate of tax applicable to trusts is up to 45% on income and 20% on capital gains. Trustees can assign a bond, or segments of it, to a beneficiary who pays tax at a lower rate to reduce or remove an Income Tax liability when withdrawals are taken.

DUTY TO ACT IN BEST INTERESTS OF BENEFICIARIES AND TO ENSURE FAIRNESS BETWEEN BENEFICIARIES

Bonds are an ideal vehicle to meet the needs of trustees requiring capital and, where they have the necessary powers, income, by apportioning the returns from the bond between beneficiaries with different requirements.

TAX-EFFICIENT

Trustees need to consider the tax position when considering trust investments; and bonds are particularly tax-efficient for trusts.

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