

International Portfolio Bond

# Charges Guide

**The Contract Document consists of:**

- This Charges Guide
- The Policy Provisions
- The Policy Schedule(s)

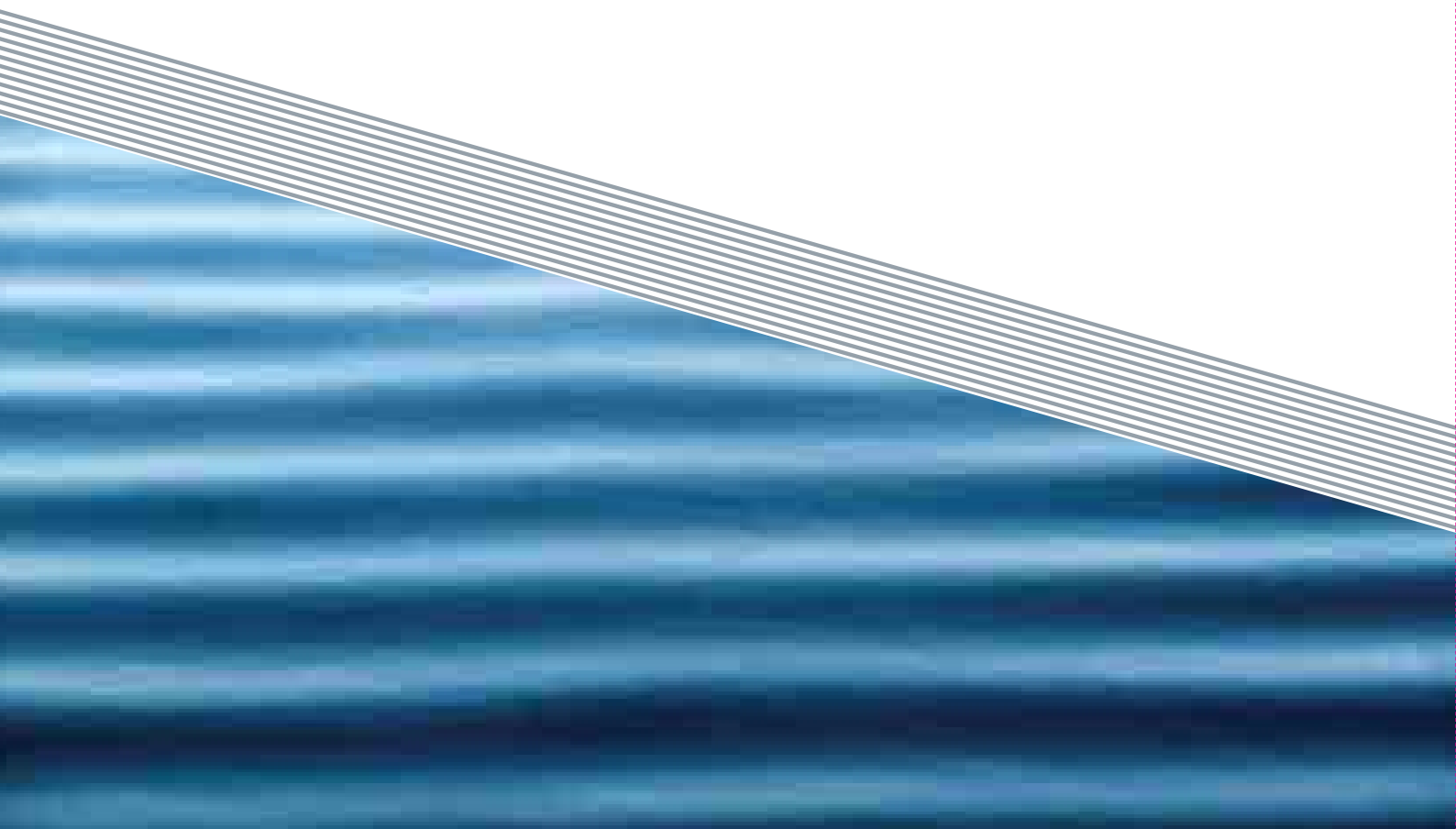
Legal & General International (Ireland) Limited is authorised by the Financial Regulator in Ireland. Legal & General International (Ireland) Limited, Beaux Lane House, Lower Mercer Street, Dublin 2, Ireland.



## Important Information

Please read this document together with the Key Features Document and your Personal Illustration and, after your Bond is set up, the Policy Provisions and your Policy Schedule. Your Policy Schedule, Policy Provisions and this Charges Guide together make up the Contract Document and you should keep them in a safe place, as this is your confirmation of the contract you hold with Legal & General International. If you have made further investments into your Bond, your Additional Investment Policy Schedules will also form part of your Contract Document.

Your Policy Schedule, in conjunction with this Charges Guide, will show the charges that applied to your Bond when it was set up. Any Additional Investment Policy Schedules will show the charges that applied to the further investments when these were paid into your Bond, in conjunction with the updated version of the Charges Guide current at the time of your Additional Investment. You can find further details about the charging structures that are available in the Policy Provisions and the Product Details, but the charges displayed in your Policy Schedule(s) will reflect the specific terms you have agreed with your financial adviser, where these differ from those explained in the Policy Provisions, the Product Details and this Charges Guide.



## Charging structures

There are five different charging structures for you to choose from and your adviser will help you decide which version is best for your particular circumstances. The different options allow you to achieve the right balance between an immediate initial charge or by spreading charges over a longer period of time. The charge we apply to your Bond will depend on the structure you select, the amount you invest and the commission terms you agree with your adviser.

- Option one – initial charge version
- Option two – five year charge version
- Option three – eight year charge version
- Option four – throughout life charge version
- Option five – initial and ongoing charge version.

All charging structures carry charges on assets managed by investment managers and Deposit Account providers other than Legal & General International (see section entitled 'Charges on assets managed by investment managers and Deposit Account providers other than Legal & General International').

## Product charges

### Initial charge version

This option carries a one-off charge, which is deducted from your initial investment. The initial charge is a percentage of the amount invested. The initial charge also applies to subsequent investments into an International Portfolio Bond.

### Five year charge version

This option carries a quarterly establishment charge for the first five years the Bond is in force. The establishment charge is a percentage of the amount invested.

### Eight year charge version

This option carries a quarterly establishment charge for the first eight years the Bond is in force. The establishment charge is a percentage of the amount invested.

### Throughout life charge version

This option carries a quarterly establishment charge for as long as the Bond remains in force. The establishment charge is a percentage of the prevailing value of the Bond.

For the Five year, Eight year and Throughout life charge versions, an establishment charge will also apply to subsequent investments into an International Portfolio Bond.

## Notes

Some of the terms in this document have been defined in the glossaries in your Policy Provisions and the Product Details. Whenever they appear in a glossary they are highlighted in this guide with capital initial letters.

Investment in the Bond can be made in any freely convertible currency, which will be converted into the Bond Currency and the cost of conversion deducted from the amount to be invested.

This Charges Guide is dated 01/05/2010.

## Initial and ongoing charge version

This option carries a one-off charge and a quarterly ongoing charge. The initial charge is deducted from your initial investment and matches the amount of initial commission you have agreed with your adviser. The initial charge is a percentage of the amount invested. The ongoing charge is deducted quarterly for as long as your Bond remains in force. The ongoing charge is a percentage of the greater of the amount invested or the prevailing value of your Bond. The initial and ongoing charges also apply to subsequent investments into your Bond.

## Administration charge

A quarterly administration charge (currently, £96.50 for Bonds denominated in UK Pounds, for Euro and US Dollar denominated Bonds, the charges are €133.85 and \$178.50 respectively) will apply to all charging structures apart from the initial and ongoing charge version. This will be deducted three months from the start date of the Bond and, thereafter, every three months. The current charge will be shown in your Personal Illustration, your Policy Schedule and, once your Bond has been set up, the Transaction Statement.

## Asset administration charge

An Asset administration charge applies to certain assets which can be invested in through your Bond and is intended to cover the costs we incur when dealing with certain asset providers. Where an asset administration charge applies to a particular asset, it is calculated by applying the rate of the asset administration charge for that asset to the value of the asset calculated on the day the charge is deducted.

If an asset administration charge applies to any of your selected assets, this charge will be shown on your Personal Illustration and will be deducted from the transaction account. You can find a table showing the current charges and the assets to which the charges apply at the end of this document.

## Maintenance charge

A maintenance charge of up to 1% each year of the prevailing Bond value may apply if you have agreed this with your adviser.

## Charges on Legal & General International funds

The annual fund charge is a recurring charge, taken on a daily basis, and reflects Legal & General International's investment costs and expenses. The annual fund charges for these funds are shown in your Personal Illustration. Your adviser will be able to provide more detail about these funds.

These funds bear additional expenses not included in the annual fund charge. The amount of these expenses is variable and cannot be accurately predicted in advance. If and when they become due, they are applied by making a deduction from the value of the relevant investment fund. An appropriate allowance for them is made when calculating the assumed benefits shown in your Personal Illustration.

#### **Charges on Assets managed by investment managers and Deposit Account providers other than Legal & General International**

Depending on the Assets selected, there may be an initial charge and ongoing annual charges and expenses. Your adviser will provide details of the charges that apply.

It is not possible to identify within this document the exact costs associated with every Asset purchased, but the cost of acquiring the Asset will be attributed to the Bond. The prices quoted for each Asset are normally already adjusted to reflect the relevant charge. Your adviser will explain these charges.

The charges on externally managed Assets may be varied from time to time.

#### **Dealing charge**

Currently, we do not make any Dealing charge for switches between Legal & General International funds, Portfolio Select or Portfolio Select Plus funds. Information about all of these investment funds can be obtained from your adviser.

There will be a charge (currently, £28.50 (€39.35 and \$52.50)) for disposals or acquisitions of other investments including bank deposits. Please contact your adviser for further details regarding the Dealing charge.

#### **Transaction statement charge**

The first 10 transaction statement requests in any 12 month period will be free of charge; however, requests in excess of this may be subject to a charge (currently, £28.50 (€39.35 and \$52.50)). Please contact your adviser for further details regarding the transaction statement charge.

#### **Currency charges**

If you buy Assets within the Bond that are not in the Bond Currency, it may be necessary to carry out a foreign exchange conversion before the Assets are purchased.

#### **Electronic transfer fees**

Payment made to or from the Bond by same day electronic transfer may attract a charge that you will have to pay. The charges we apply will be the rate charged by our bankers.

#### **Surrender charges**

- Charging versions one and five have an upfront charge and no surrender charge.
- Charging versions two, three and four each carry a surrender charge that may apply if part or the whole of your Bond is surrendered.

For charging versions two and three, the early surrender charge is equal to the outstanding establishment charges for the remaining term of the establishment charge. It is a percentage of the initial investment or additional investment. For charging option four, the early surrender charge is based on the prevailing value of the Bond.

#### **Other information about surrenders**

For charging versions one and five, there is no maximum withdrawal rate in each policy year, but if you want your Bond to remain in force, you have to leave at least £15,000 (€22,500 or \$30,000) in the Bond.

For charging option two and three, there is no maximum withdrawal rate in each policy year, but if you want your Bond to remain in force, you have to leave at least £15,000 (€22,500 and \$30,000) in the Bond plus the outstanding establishment charges.

For charging option four, the maximum withdrawal rate is 7.5% of the amount invested or 7.5% of the prevailing Bond value, whichever the greater, in each policy year. If your withdrawals exceed this rule, surrender penalties will be applied to your withdrawals.

#### **Notes**

The Administration charge, the Dealing charge and the Transaction statement charge will be increased on 1 January of each year to reflect any increase in the UK RPI calculated over the preceding year.

Legal & General International may vary the charges described at any time by giving you 30 days prior written notice. The terms under which we may make such changes are described on page 14 of the Policy Provisions.

## Asset administration charge

The table below describes the assets to which the Asset administration charge currently applies and the rate of charge applicable to each of those assets:

Asset	Asset administration charge
Assets managed by a Portfolio Manager	0.1% each year

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Registered in Ireland number: 440141  
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