

# Asset Management Bond Product Information Notice For residents of Finland



**This is an information document we provide to those considering the purchase of an SEB Life International insurance Policy. This document should be read in conjunction with the Asset Management Bond Brochure and the Policy Conditions.**

#### **Who is SEB Life International?**

SEB Life International Assurance Company Designated Activity Company, trading as SEB Life International is a life insurance company incorporated and regulated in Ireland which engages in the cross border distribution of insurance based investment products under the EU Third Life Directive. SEB Life International specialises in the provision of tailored EU insurance policies and offers bespoke propositions to suit complex investment needs.

You can find our Solvency and Financial Condition Report at [www.seb.ie](http://www.seb.ie).

#### **What is the Asset Management Bond?**

The Asset Management Bond is a single premium, unit-linked whole of life insurance Policy.

The Asset Management Bond can invest in collective investments, stocks, shares and bonds (see brochure and the Permitted Assets and Exchanges Guidelines for further details).

SEB Life International owns the underlying assets, with the Policyholder owning the Policy, the value of which is linked to the value of underlying assets.

The Policy is a medium to long-term product aimed at providing capital growth of your investment. The risk level of your Policy will be directly related to the underlying assets that are chosen by you or an appointed Asset Manager and held within your Policy. The Policy value will rise and fall according to the performance of these assets. A Key Information Document (KID) will be provided to you at application stage. Please note that the invested amounts may be entirely lost.

#### **What are the benefits of choosing an Asset Management Bond?**

An Asset Management Bond is a convenient way of combining various investments into one simple structure, a life insurance product. Holding your investments within an Asset Management Bond may have tax advantages for you, which you should discuss with your insurance intermediary. SEB Life International does not give tax or investment advice.

#### **Your commitment when investing in an Asset Management Bond**

The Policy Conditions and Policy Schedule together with the Application Form are the basis of the life insurance contract between SEB Life International and the Policyholder. In the event that the information provided by the Policyholder is incomplete or inaccurate, or the Policyholder fails to disclose any material fact, the Policy may be void.

#### **What are the minimum investment levels?**

The minimum initial investment for the Asset Management Bond is €50,000 or the currency equivalent. Additional investments of €4,200 can be made at any time. If the value of the Policy falls below €7,000 we retain the right to will encash your Policy, or alternatively you may choose to make an additional investment to bring it up to the minimum amount.

#### **What happens if I appoint an Asset Manager?**

SEB Life offers an option to appoint an external Asset Manager chosen by you from our panel of managers. An Asset Manager is responsible for managing the client's investments within the Asset Management Bond. The Asset Manager has the authority under a management agreement to enter into transactions and to hold the assets of the Investment Account in a related custody account.

## What are the charges?

Charges will be calculated and applied to the Policy on a calendar quarterly basis. It is the responsibility of the Policyholder to ensure there is sufficient liquidity in the Fund to cover charges as they fall due. SEB Life International recommend that approximately 5% of the Fund is allocated to the Policy cash account or to an SEB Life International internal fund to provide ongoing liquidity to cover transaction costs and ongoing charges.

Note that this may need to be reviewed from time to time. The suggested 5% may not suffice to cover all charges arising.

## Annual Management Charge

*There is a choice of Annual Management Charge as follows:*

### 5-year option

For the first 5 years following the investment of the Premium the Annual Management Charge is 1.75% p.a. of the Fund value in respect of that Premium, or the Premium if higher. Thereafter the Annual Management Charge reduces to 0.5% p.a. of the Fund value.

#### Full Encashment

If the Policy is fully Encashed within 5-years of the investment of the Premium an Early Encashment Charge will apply. This charge is 8.5% of the Premium in the first six months, reducing every six-months by 0.85% to 0% from year 6 onwards.

#### Partial Encashment

Partial Encashments can be taken free of Early Encashment Charges provided the Fund value remaining in respect of the Premium encashed exceeds the following:

Years since Premium paid	Minimum Fund value as a percentage of Premium encashed
1	25% of Premium
2	25% of Premium
3	20% of Premium
4	15% of premium
5	10% of premium

If an amount greater than that allowed in the table above is encashed, then an Early Encashment Charge will apply as a proportion of the full charge so that for example if 20% of the Premium was to be retained (see above) but only 10% of the Premium remains following an encashment, then 50% of the full encashment charge would apply.

Where Additional Premiums have been paid on a Policy, SEB Life International will encash units from the Initial Premium first and from Additional Premiums in the order of payment. The tables above detail the limits that apply to each individual Premium which must be fully encashed in the order that they were received in.

### 8-year option

For the first 8 years following the investment of the Premium the Annual Management Charge is 1.25% p.a. of the Fund value in respect of that Premium, or the Premium if higher. Thereafter the Annual Management Charge reduces to 0.5% p.a. of the Fund value.

#### Full Encashment

If the Policy is fully encashed within 8-years of the investment of the Premium an Early Encashment Charge will apply. This charge is 8.8% of the Premium in the first year, reducing every year by 1.1% to 0% from year 9 onwards.

## Partial Encashment

Partial Encashments can be taken free of Early Encashment Charges provided the Fund value remaining in respect of the Premium encashed exceeds the following:

Years since Premium paid	Minimum Fund value as a percentage of Premium encashed
1 - 5	25% of Premium
6	20% of Premium
7	15% of Premium
8	10% of Premium

If an amount greater than that allowed in the table above is encashed, then an Early Encashment Charge will apply as a proportion of the full charge so that for example if 20% of the Premium was to be retained (see above) but only 10% of the Premium remains following an encashment, then 50% of the full encashment charge would apply.

Where Additional Premiums have been paid on a Policy, SEB Life International will encash units from the Initial Premium first and from Additional Premiums in the order of payment. The tables above detail the limits that apply to each individual Premium which must be fully encashed in the order that they were received in.

## Administration Charge\*

There is a quarterly Administration Charge that is based on the number and type of assets in the Policy as follows:

Number of assets	Quarterly Administration Charge Euro
1 or less	32.00
2	64.00
3	96.00
4	128.00
5 or more	160.00

Note that holdings in the Company's range of internal unit-linked funds do not count towards calculating this charge.

In the event that SEB Life International has entered into an Investment Account for the Fund (where an Asset Manager has been appointed to manage the assets), or similar arrangement, the minimum quarterly Administration Charge will be based on that applying to 5 or more assets.

These amounts will be increased annually in line with Consumer Price Index in Ireland and to take account of the move in currency exchange rates relative to the Euro.

## Service Charge

A Service Charge of 1% per annum of the value of units in respect of each Premium will be deducted on a calendar quarterly basis from the Fund.

## Dealing Charges

There is a Dealing Charge of €35 per purchase or sale transaction of external assets. There is a Dealing Charge of €7,50 per purchase or sale transaction in the Company's Select List of unit-linked funds; this charge will be waived in respect of purchases or sales in the Company's Original Range of unit-linked funds.

Where an external Asset Manager executes the deal then SEB Life International normally waives the charge.

\* Note: The charges quoted above are current to the end of 2024 only and will be increasing to reflect the annual rise in the Consumer Price Index in Ireland. Full details are available in the Policy Conditions attaching to this product.

### Miscellaneous charges

All external costs incurred in dealing such as delivery fees, bank charges, settlement costs, stockbroker commissions, stamp duties and custodial fees will be charged directly to your Fund. SEB Life International can provide details of the level of these charges on request.

Valuations are provided on our website and can be downloaded in various formats. However, if you require a paper copy there is an additional charge of €26.75 per valuation.

All fund managers levy some charges within their funds. These charges are reflected in their quoted price and there is no explicit charge to your Policy. In some circumstances SEB Life International may receive a rebate from underlying fund managers which is retained by the Company.

### Can I make a withdrawal from my Asset Management Bond?

You can request a Partial Encashment of your Policy at any stage. In the case of Partial Encashment, the value of your Policy must remain above fixed levels (see Policy Conditions).

To provide you with an example of how this works, if after withdrawing money from your Policy in year 1 the remaining Policy value exceeds 25% of the Initial Premium, then the withdrawal will not be subject to Early Encashment Charges.

Where Additional Premiums have been paid on a Policy, SEB Life International will encash units from the Initial Premium first and from Additional Premiums in the order of payment. Regular Withdrawals may be made monthly, quarterly, half-yearly and yearly. The minimum amount you can withdraw is €2,800 or currency equivalent per year and the smallest individual payment that is permitted is €700.

Please note that the Annual Management Charge will still be deducted, based on the Initial Premium amount (or Fund value, if higher) even where withdrawals have been made. It is important to note that you must give adequate notice of withdrawals, and that the time it may take to process the payment will depend on how liquid or easily saleable your assets are. At all stages your Policy must have a remaining value of €7,000 or currency equivalent.

The Policy can be fully encashed at any time. The Encashment Value payable will be the Policy value less the Early Encashment Charge. The Policy value will be based on the valuation of the Fund after all of the assets have been realised. Where the investment is in illiquid assets, SEB Life International reserves the right to defer the encashment, either in whole or in part, until such time as it is able to realise those assets.

### What is the Death Benefit?

The standard Death Benefit is 101% of the Encashment Value of the Policy excluding any Early Encashment Charge.

### What are the tax implications of this Policy in Finland?

It is our understanding that tax deductions or other tax reliefs are not available on premiums paid into our policies, as these premiums will be considered to be investments rather than deductible expenses.

Changes in the investment funds underlying the Policy will not normally constitute taxable events provided they do not involve payments being made out of the Policy. When the policy is encashed in full or in part it will be subject to tax in proportion to the gains on the policy at the time of encashment. It will be possible to offset losses at the termination of the contract against other capital gains.

In the event of the death of the life assured death benefit payments are subject to inheritance tax when the payments are made to the next of kin of the life assured where they are nominated as beneficiaries on a Policy. Next of kin are, inter alia, parents, spouse, children and grandchildren. Death benefit payments to other than next of kin will constitute a taxable capital income.

The information set out above is based on SEB Life International's understanding of current taxation legislation and practice in Finland. Whilst every care has been taken, SEB Life International cannot accept responsibility for its interpretation or any subsequent changes. We recommend that investors seek advice from their professional advisers on their own personal circumstances as SEB Life International does not provide tax advice. In addition, we would wish to emphasise that the Policyholder/Beneficiary assumes sole liability for any tax consequences of the Policy and that SEB Life International accepts no responsibility in this area.

Policies are reported to the Irish authority in compliance with EU Council Directive, DAC6. The DAC6 arrangement ID can be found on [www.seb.ie](http://www.seb.ie).

### Can I cancel the Policy?

You may cancel the Policy within a thirty-day period starting on the date you are deemed to receive the Policy documents. The decision to cancel the Policy must be notified to SEB Life International in writing on or before the thirtieth day following the receipt by the Policyholder of the Policy documents. Following the valid request to cancel the Policy, SEB Life International will refund the Premium paid unless the value of the underlying investment has fallen. In this case, SEB Life International will only refund your Premium less an amount equal to the fall in value.

### What should I do if I have any questions or complaints?

For further information or if you wish to complain about any aspect of the service you have received, please contact your insurance intermediary or SEB Life International.

In the event of a dispute between SEB Life International and the Policyholder, the laws of Finland will apply. This means that the Policyholder will have all procedures and remedies available to them that currently exist under Finnish Law.

### Sustainability related information regarding this product

The person or legal entity nominated to make investment decisions in respect of this insurance product decides on the financial instruments in which the insurance premium shall be invested, the insurance company does not involve itself in investment decisions. Due to the nature of the insurance product offered and the lack of involvement of the insurance company in investment decisions; the insurance company does not apply limitations on the offering of financial instruments with regard to sustainability risks. References to 'sustainability risks' in this context includes environmental, social or governance related events or conditions which may have negative impact on the value of the investment.

SEB Life International Assurance Company Designated Activity Company trading as SEB Life International is regulated by the Central Bank of Ireland. Registered in the Republic of Ireland. Registered office: SEB Life International, Bloodstone Building, Riverside IV, Sir John Rogerson's Quay, Dublin 2, D02 KF24, Ireland. Registration number 218391. Past performance is not a reliable guide to future performance. The value of investments may go down as well as up. All information is correct as at December 2023 but is subject to change.