
20 January, 2011

Standard Life allows investors build their own low risk/higher return alternative to deposits?

Standard Life is pleased to launch its new Combination Option which allows investors build their own bespoke investment portfolio, ranging from low risk upwards. This option is available within its Synergy Investment Bond for lumpsum investors.

This may suit:

1. Investors/savers with money on deposit who believe it is not working hard enough for them
2. Investors who are cautious following the past two tumultuous years and like the option of spreading their money between deposits and lower risk alternatives (to pure equity funds) e.g Global Absolute Return Strategies fund (GARS), Euro Inflation Linked Bond fund etc. (*GARS is Standard Life's top selling fund for 2009 and 2010. It returned 9.8% in 2010 and 26% since launch in September 2008*)*.
3. Investors who want to spread their money between lower risk deposits and medium to higher risk investments e.g deposits plus Standard Life's European Equity fund, Corporate Bond fund, UK Property, Global Selector, multiple award winning UK Smaller Companies Fund, UK Equity etc.

Investors can have:

- Up to 25% of their total investment earning 5% AER** fixed for 12 months with Nationwide UK (Ireland)
- The remainder can be invested in Standard Life's 38 Synergy funds/deposit options or Exchange Traded Funds (ETFs).
- Access to deposits from two of the "World's 50 Safest Banks" ***, RaboDirect and Nationwide UK (Ireland).

The minimum amount that can be invested in Standard Life's Combination Option is €20,000.

The minimum deposit in Nationwide UK (Ireland) 12 month fixed term is €5,000.

"Many investors are understandably afraid to move their money from deposits, despite knowing it should be more diversified and working harder for them," said Nigel Monaghan, head of distribution, Standard Life. Our clients say they like being able to split their money between deposits and a relatively low to medium volatility fund like GARS - which might outperform deposits without taking too much risk."

Monaghan said the Combination Option is also considered a good longer term solution for investors as they can adjust their level of investment risk as their confidence levels improve or disimprove.

Closing date for applications is 28 February, 2011

N.B. As Standard Life in Ireland operates as a branch of our UK parent company, policies taken out since 1 December 2001 are covered by the UK's Financial Services Compensation Scheme in the event that Standard Life is in default.

This means that if you invest in a Standard Life pension or investment policy in Ireland, your policy is covered by the FSCS, which covers 90% of the claim, without any upper limit.#

Notes for editors

- *Source: Datastream. GARS aims to exceed **cash returns** by 5% per annum (gross of charges) over rolling three year periods. Cash returns as measured by the six month European Interbank Offered Rate – the interest rate banks use as a reference when lending to each other.
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- **The 5% AER fixed rate includes an enhancement from Standard Life. Nationwide UK (Ireland) pays 2.9% AER and Standard Life enhances the rate by 2.1% AER.
- *** Global Finance Magazine, 30 August, 2010.
- When the portion invested in the Nationwide UK (Ireland) 12 month fixed term deposit matures it will be repaid to the policy cash account and can then be reinvested in Standard Life's range of Synergy funds or other self-directed options e.g deposits or exchange traded funds (ETFs).
- The total investment in this Combination Option must remain invested for six years or exit penalties will apply at 5% of the value cashed in from year one and two, decreasing on a sliding scale to 0% after year six.
- Synergy product charges apply. The annual management charge for Synergy funds varies from 1% to 1.8%, depending on the fund chosen. Deposit terms and conditions with each of the deposit providers apply.
- Standard Life recommends investors speak to a financial adviser about suitable investment choices for their needs.
- Execution-only investors (no advice given) can contact Standard Life directly on: 01 – 639 7515/7183 or Tom_Pitt@standardlife.ie
- #For more information visit the FSCS website, www.fscs.org.uk

For media queries contact:

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