



Standard  
Bank

## Portfolio Bond Lending - Loans Secured against Portfolio Value

Product Details	
<b>Eligibility</b>	Portfolio Bond lending is only available to clients advised and introduced by Standard Bank Group Relationship Managers or by an Independent Financial Advisor that has current terms of Business (TOB) with Standard Bank Isle of Man Limited.
<b>Minimum Loan</b>	GBP 150,000 (or currency equivalent).
<b>Maximum Loan</b>	<b>Reinvestment</b> 100% of initial investment or current market value of portfolio, whichever is the lower. For example, if a client has 150,000 in a moderate risk portfolio, then the Bank will lend 150,000 to leverage the portfolio, giving a portfolio value of 300,000 against a loan of 150,000 (50% loan to value). <b>Equity release</b> Clients can borrow up to 50% of their current portfolio value for equity release to purchase an asset outside the life policy investment.
<b>Term</b>	A continuing facility, subject to annual review and remaining in force until cancelled by the Bank or the Borrower.
<b>Interest Rate</b>	3.25% + Market Rate
<b>Market Rate</b>	Means the Bank of England base rate or, in respect of loans in currencies other than GBP, the relevant equivalent reference rate as applicable to that currency or, another reference rate selected by the Bank in its sole discretion as notified to the Borrower in writing. If the Market Rate is negative, Market Rate shall be set at 0%.
<b>Arrangement Fee</b>	1.00% arrangement fee. Cross currency facilities will have an additional 0.50% added to the arrangement fee due to the additional monitoring required.
<b>Continuing Loan Charge</b>	0.25% three years from draw down of the facility and every three years thereafter. Cross currency facilities will have an additional 0.25% added to the continuing loan charge due to the additional monitoring required.
<b>Withdrawal Charge</b>	GBP 100 (or currency equivalent) admin fee per one off withdrawal from the secured life policy (the charge does not apply to regular withdrawals which are set up to cover the loan debit interest).
<b>Debit Interest</b>	Charged quarterly in arrears. Regular withdrawal to be set up with Life Company, or if covered from client's own sources, six months interest cover to be held on Deposit with Standard Bank Isle of Man Limited.
<b>Dealing Instructions</b>	12 deals per year are available free of charge – GBP50 charge per deal thereafter. This will only apply to a purchase or switch instruction. If a client submits a dealing instruction with several purchases or switches this will be classed as one of the twelve deals. A simple sale instruction will not be included in the 12 deals as they do not require the same internal processing as a purchase or a switch.

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<b>Call/Close</b>	If at any time the value of the Bank's security should fall below 175% of the sum outstanding under the facility from time to time, the Bank reserves the right to request that additional security is provided by the borrowers or that a reduction in the current drawing under the facility is effected so as to rectify the position. In the event that additional security or a reduction is not forthcoming within 14 days of being so requested by the Bank, or at any time the security value should fall to 150% (or less) of the sum outstanding under the facility at any time, then the Bank reserves the right to realise sufficient of the security to rectify the position or terminate the facility.								
<b>Risk Rating</b>	The portfolio must be invested on a diversified basis and assessed as a moderate risk or lower by the Bank at all times. Investment may only be made in line with this diversification and risk profile (please refer to the current investment criteria on the reverse of this fact sheet).								
<b>Policies</b>	We will accept policies issued by the following companies (Capital or Redemption):  <table border="0"> <tr> <td>Canada Life International</td> <td>RL360</td> </tr> <tr> <td>Friends Provident International</td> <td>Utmost Worldwide</td> </tr> <tr> <td>Prudential International Assurance</td> <td></td> </tr> <tr> <td>Quilter International</td> <td></td> </tr> </table>	Canada Life International	RL360	Friends Provident International	Utmost Worldwide	Prudential International Assurance		Quilter International	
Canada Life International	RL360								
Friends Provident International	Utmost Worldwide								
Prudential International Assurance									
Quilter International									



## CURRENT INVESTMENT CRITERIA

A minimum of 50% of the outstanding loan balance must be invested within the policy in Assets which are dealt daily or weekly, with the remaining 50% of the outstanding loan balance invested within the policy to be held in Assets dealt no longer than monthly with a 10 day notice period. Up to 10% of the policy value can be held in Assets which are dealt monthly and have a notice period of 11 – 30 days. Assets which are dealt quarterly, or monthly with a notice period of 31 days or more are not permitted within the policy. No single investment held within the policy is to exceed 20% of the overall policy value. Investments in the same sector (such as property funds) or by the same issuer will be aggregated where appropriate when applying this 20% cap. Investment into speculative grade Assets is limited to a maximum of 10% of the policy value.

(Speculative grade = sub-investment grade or "junk" bonds.)



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## CONTACT US

### Online

Visit our website [www.standardbank.com/international](http://www.standardbank.com/international)

### Phone

Speak to your representative / agent of Standard Bank or Independent Financial Advisor (IFA)

+27 (0) 860 333 383 for South African residents

+44 (0) 1624 643631 for non-South African residents if you have an appointed IFA

+44 (0) 1624 643700 for all other applicants

### Email

[OffshoreSA@standardbank.com](mailto:OffshoreSA@standardbank.com) for South African residents

[IFAsupport@standardbank.com](mailto:IFAsupport@standardbank.com) for all other applicants

[www.standardbank.com/corporate](http://www.standardbank.com/corporate)

### Risk Warning

The gearing effect of leveraging increases the level of risk associated with the underlying investments held within the life policy, in addition to the risks associated with the investment itself. A client's investment time horizon may be different from the term of the loan agreed by the Bank and the value of the underlying investment charged to the Bank as security for the Leveraging Loan Facility may fall as well as rise. For example in the event of a fall in the value of the underlying investment and the Bank exercising its call and/or close options then a client's Assets may be at risk of being sold in order to reduce or repay the loan and this action may result in a loss of capital to the client. If a client is in any doubt with regard to the risk factors involved with taking out a loan or the consequences of being unable to cover the interest payments or meet any requirements for additional security in respect of the loan they should contact their professional advisor before entering into any contractual obligations.

### Important Information

This document is not designed to be distributed to UK residents and must not be acted on or relied on by persons who are UK residents. Standard Bank Isle of Man Limited is not regulated in the UK to provide home mortgages and nor is it licensed to provide consumer credit to UK resident individuals.

Terms and conditions apply. Visit [www.standardbank.com/terms](http://www.standardbank.com/terms) for more information.

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All transactions to the Account must be in line with Current Exchange Control Legislative requirements applicable to the country in which you are resident or working.

Telephone calls may be recorded. Please refer to the Standard Bank Offshore Group Client Privacy Statement available from: [www.standardbank.com/international](http://www.standardbank.com/international)

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