

# Key Information Document



## Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

## Product

Investment Bond investing in the SWIS Balanced Fund

ISIN: GB0002028628

Provided by Scottish Widows Limited ([www.scottishwidows.co.uk](http://www.scottishwidows.co.uk)). Call 0800 592925 for more information. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Financial Services Register number 181655.

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## What is this product?

It is an insurance-based investment contract. You can choose to invest in one or more funds we offer. Each fund is divided into units (like shares). Your bond's value is determined by the number of units it holds in each fund, and the price of those units.

The Fund aims to provide long-term capital growth through exposure in shares, bonds, property, and cash. Between 40% and 80% of the Fund will provide exposure to shares. This may include UK, overseas and emerging market companies. Between 10% and 50% of the Fund will provide exposure to bonds. This will include UK and overseas investment grade corporate bonds and also government bonds. It may also include high yield corporate and emerging market bonds. Up to 15% of the Fund may provide exposure to UK and overseas property. Investment in these assets is through a range of index-tracking and actively managed funds including those considering Environmental, Social and Governance factors. Index-tracking funds aim to match their benchmark return. Actively managed funds aim to outperform the market. The Fund may also utilise derivatives in pursuit of its aims. The Fund's asset class allocations are based on Scottish Widows' medium to long-term outlook. These allocations may be reviewed and updated periodically. The Fund may invest in different assets over time.

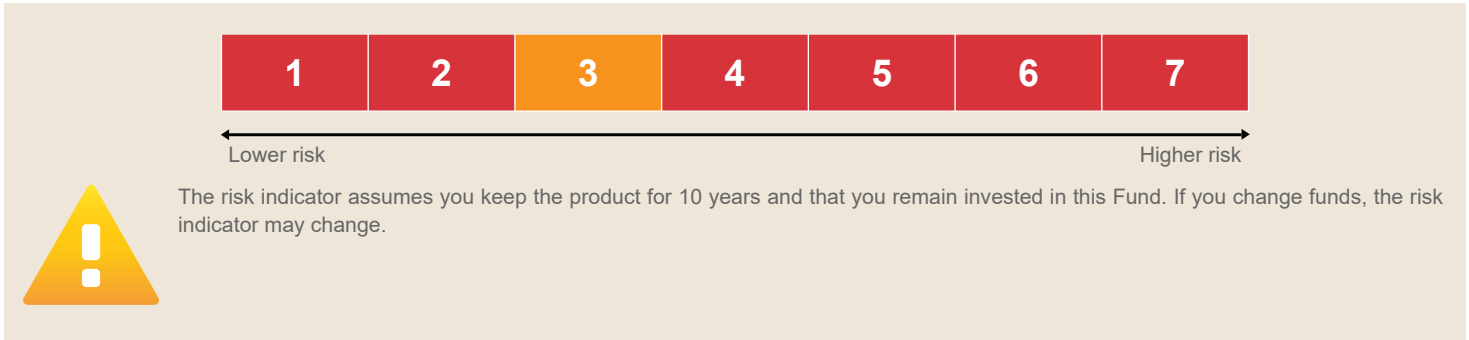
The bond is designed for investors who:

- want potential capital growth or an income over the medium to long-term (at least 5 to 10 years).
- want to initially invest at least £10,000 or make additional payments of at least £1,000.
- accept their bond's value will fluctuate and they might not get back the full amount invested.

On death, we'll pay either 100% or 101% of the bond's value, depending on your age at the start of the bond (or 110% if death is caused by an accident). There is no additional cost for this cover. The bond has no fixed term and will continue until you ask us to cash it in, or you die.

## What are the risks and what could I get in return?

The summary risk indicator is a guide to the level of risk of the Investment Bond investing in the SWIS Balanced Fund compared to other products and funds. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.



We have classified this Fund as 3 out of 7, which is a medium low risk class. This rates the potential losses from future performance at a medium low level.

The value of your investment, and any income from it, is not guaranteed and can go up and down depending on the performance of each of the assets in the Fund. This product does not include any protection from future market performance so you could lose some or all of your investment.

If we are not able to pay you what is owed, you could lose your entire investment. However, you may benefit from a consumer protection scheme - see the section 'What happens if Scottish Widows Limited is unable to pay out'. The indicator shown above does not consider this protection.

## Investment performance information

The performance of the Fund's assets will be significantly influenced by a range of economic and market performance factors such as interest rates, foreign exchange rate, economic growth, political, economic and international developments and market trends prevalent during the period of investment. Investment decisions taken by the Fund manager are also likely to have a material impact on performance. This includes investment decisions to allocate more or less to permitted asset classes such as equity, fixed interest, property and cash as well as decisions taken about the investment strategy utilised within each asset class (such as actively managed versus passive). The Fund typically holds a majority exposure to equity with smaller allocations to fixed interest and property.

The Fund is not managed with reference to a specific index or benchmark.

### What could affect my return positively?

The Fund will achieve higher returns if the asset classes it is exposed to provide positive returns. If the Fund manager selects actively managed investment strategies for specific asset classes and regions, and the manager selects securities that provide positive returns, this will affect the Fund returns positively.

### What could affect my return negatively?

The Fund will achieve lower returns if the asset classes it is exposed to provide negative returns. If the Fund manager selects actively managed investment strategies for specific asset classes and regions, and the securities selected within those strategies provide negative returns, this will affect the Fund returns negatively.

If you cash in your investment at a time of adverse market conditions, when values of investments such as equity, fixed interest securities or property are down, you could achieve lower than expected returns, including the possibility that you will make a loss on your investment.

## What happens if Scottish Widows is unable to pay out?

Your Plan is fully covered by the Financial Services Compensation Scheme. More information about compensation arrangements is available from the Financial Services Compensation Scheme, who can be contacted on 0800 678 1100 or 0207 741 4100 or via their website at [www.fscs.org.uk](http://www.fscs.org.uk)

## What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. The monetary figures shown assume you invest £10000. The figures are estimates and may change in the future.

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

| Investment £10000               |                             |                              |                            |
|---------------------------------|-----------------------------|------------------------------|----------------------------|
| Scenarios                       | If you cash in after 1 year | If you cash in after 5 years | If you cash in at 10 years |
| Total costs                     | £188                        | £812                         | £1780                      |
| Impact on return (RIY) per year | 1.83%                       | 1.41%                        | 1.36%                      |

## What are the costs? (continued)

The table below shows the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period and the meaning of the different cost categories.

**This table shows the impact on return per year**

|                  |                             |       |  |
|------------------|-----------------------------|-------|--|
| One-off costs    | Entry costs                 | 0.05% | The impact of the costs you pay when entering your investment.                           |
|                  | Exit costs                  | N/A   | The impact of the costs of exiting your investment when it matures.                      |
| Ongoing costs    | Portfolio transaction costs | 0.24% | The impact of the costs of us buying and selling underlying investments for the product. |
|                  | Other ongoing costs         | 1.07% | The impact of the costs that we take each year for managing your investments.            |
| Incidental costs | Performance fees            | N/A   | There are no performance fees.   |
|                  | Carried interests           | N/A   | There are no carried interests.  |

## How long should I hold it and can I take money out early?

As the bond is a medium to long-term investment, it's designed to be held for at least five to ten years, but can be held for as long as you want. When you cash in, or if you switch between funds, there may be a delay of up to one month for this Fund. The value of your bond can go down as well as up and you could get back less than you invested, particularly if you cash in your bond in the short term.

You can make regular and one-off withdrawals. Withdrawals could be greater than any growth achieved and could reduce your bond's value below the amount invested. You should refer to the Additional Information Document for the conditions that apply and information on tax.

For new investments, you can change your mind within 30 days of when you receive your cancellation notice. You'll need to tell us in writing and we'll return your money less any fall in its value.

## How can I complain?

If you ever need to complain, please contact our Customer Relations Department at:  
 Scottish Widows Limited, 69 Morrison Street, Edinburgh EH3 1HL  
 Telephone: 0800 592925. E-mail: CPDRTeam.IFABond@scottishwidows.co.uk

If you're not satisfied with our response you can complain to the Financial Ombudsman Service at:  
 Exchange Tower, London E14 9SR  
 Telephone: 0800 023 4567 or via their website at: [www.financial-ombudsman.org.uk/contact/index.html](http://www.financial-ombudsman.org.uk/contact/index.html)  
 E-mail: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

Complaining to the Ombudsman won't affect your legal rights.

## Other relevant information

Portfolio Transaction Costs as at 31/12/2024.

Please contact us if you require any additional information on the Investment Bond and the alternative investment choices available to you.

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