



STERLING

Sterling Investment Bond Death benefits guide

What happens to the investment bond if I die?

We'll pay out a lump sum if the life insured dies.

If the investment bond has more than one life insured, we'll pay the lump sum if the last life insured dies. If the investment bond is in trust, we'll pay the lump sum to the trustees.

You have a choice of three death benefit options at the start of your investment bond. The table below gives a summary of the options available. These are explained in more detail below and on the next page.

Further details of the death benefits can be found in our terms & conditions, which are available on request.

Your death benefit options at a glance

	Standard death benefit	Standard death benefit removed	Enhanced death benefit added
Payment on death	<p>If death is within 10 years of your first payment, we'll pay the higher of:</p> <ul style="list-style-type: none">• 100.1% of your investment bond's value• the value of your total payments less any withdrawals, including any adviser remuneration. <p>If death is on or after 10 years, we'll pay 100.1% of your investment bond's value.</p>	<p>We'll pay 100.1% of your investment bond's value.</p>	<p>We'll pay the higher of:</p> <ul style="list-style-type: none">• 100.1% of your investment bond's value• the enhanced death benefit value.
Impact on charges	<p>This option is offered as standard and does not affect the charges.</p>	<p>If you choose this option we will reduce the fund base charge by 0.075% – your adviser can give you details.</p>	<p>There is an additional charge for this option. We'll stop taking the charge at the enhanced death benefit review date after the youngest life insured's 75th birthday. Your adviser can give you more details.</p>

Accidental death benefit

If death within ten years of your first payment is due to an accident, we'll pay 110% of the investment bond's value if this is greater than your death benefit option.

Standard death benefit

The standard death benefit applies, unless you choose to remove it or add the enhanced death benefit – see below.

If you die within ten years of your first payment, we'll pay out the higher of:

- 100.1% of your investment bond's value
- your total payments less any withdrawals, including any adviser remuneration.

For joint life investment bonds, this payment will be made if the last of the lives insured dies.

If your death within ten years of your first payment is due to an accident, we'll pay out the higher of:

- 110% of your investment bond's value
- your total payments less any withdrawals, including any adviser remuneration.

If you die ten years or more after making your first payment, we'll pay out 100.1% of the investment bond's value.

Removing standard death benefit

If you don't want the standard death benefit, you can choose to remove it. If you do we'll payout either:

- 100.1% of your investment bond's value if you die
- 110% of your investment bond's value if your death within ten years of your first payment is due to an accident.

If you choose to remove the standard death benefit we will reduce the fund based charge by 0.075%.

For joint life investment bonds, this payment will be made if the last of the lives insured dies.

You will not be able to choose the enhanced death benefit or the standard death benefit on or after ten years of your first payment if you have removed standard death benefit.

Enhanced death benefit

If you choose the enhanced death benefit, on your death we'll pay out the higher of:

- 100.1% of your investment bond's value
- the enhanced death benefit value.

If your death within ten years of your first payment is due to an accident, we'll pay out the higher of:

- 110% of your investment bond's value
- the enhanced death benefit value.

For joint life investment bonds, this payment will be made if the last of the lives insured dies.

The enhanced death benefit value is equal to your first payment when you take out your investment bond, but can increase. We review your investment bond every six months and if the value of the bond at review is greater than the current enhanced death benefit value, we will increase the enhanced death benefit value to this higher amount. This process is then repeated in six months' time.

A new enhanced death benefit value cannot be more than 105% of the previous enhanced death benefit value.

The enhanced death benefit value will be adjusted in line with any new payments or withdrawals you make.

If you make a new payment, we'll add the same amount to the enhanced death benefit value as soon as you make the payment. If you make regular or one-off withdrawals, we'll deduct the amount of the withdrawal from the enhanced death benefit value.

You can only choose the enhanced death benefit option when your investment bond starts or on its tenth anniversary, provided the standard death benefit applies at the start of your investment bond. To choose the

enhanced death benefit, at least one of the lives insured must be 65 or under and confirm they haven't suffered from specified illnesses in the last 12 months. The specified illnesses are a stroke, heart attack, cancer, kidney failure or being diagnosed with an advanced or rapidly progressing incurable illness.

The enhanced death benefit option is not available for applications made by trustees.

If you choose the enhanced death benefit you'll pay a yearly fund-based charge of 0.55% of the investment bond value. We'll take this charge by deducting units from your investment bond every month. There may be a different fund-based charge if you make a new payment.

When the youngest life insured reaches 75, we'll stop the fund-based charge at the next six-monthly review. The enhanced death benefit value at that time will continue to apply until your investment bond ends, adjusted for any new payments or withdrawals.

You can stop paying the fund-based charge before the youngest life insured reaches 75.

If you do this within ten years of making your first payment, the enhanced death benefit value at the previous six-monthly review will apply until the tenth anniversary of the first payment, adjusted for any new payments or withdrawals. At the tenth anniversary of making the first payment your enhanced death benefit value reduces to zero. We'll then pay 100.1% of your investment bond's value if the life insured dies.

If you stop paying the fund-based charge after 10 years of making the first payment but before the youngest life insured reaches 75, the enhanced death benefit value will immediately reduce to zero. We'll then pay 100.1% of your investment bond's value if the life insured dies.

We'd like everyone to find it easy to deal with us. Please let us know if you need information about our plans and services in a different format.

All our literature is available in large print, braille and on audiotope or CD.

If you are a textphone user, we can answer any questions you have through a Typetalk Operator. Please call us on **18001 0370 909 6010**. Or, if you prefer, we can introduce your adviser to a sign language interpreter.

Please let us know if you would like a copy of this
in large print or braille, or on audiotape or CD.

Sterling. Sterling Centre, PO Box 461, Bishops Cleeve, Cheltenham, Gloucestershire, GL52 8ZN
Telephone number 0370 909 6010. Email: Info@sterling-assurance.co.uk

Sterling is a trading name of Zurich Assurance Ltd. Zurich Assurance Ltd, authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Registered in England and Wales under company number 02456671.

Registered Office: Unity Place, 1 Carfax Close, Swindon, SN1 1AP.

We may record or monitor calls to improve our service.