

for the international investor

securing a
comfortable retirement
with the **managed**
pension account



investing in your future

Retirement may seem a long way off at the moment, but it's all too easy to fall into the trap of thinking there is plenty of time to prepare financially.

Many people are choosing to retire at a far younger age than they would have done 10 years ago. Plus, with advancements in healthcare, health education and social conditions, life expectancy has significantly increased in recent times.

All this adds up to the possibility that a far greater proportion of your life will be spent in retirement. So, all the more reason to start planning now to ensure you can enjoy a care-free retirement, without compromising the lifestyle to which you and your family have grown accustomed.

Planning for your retirement does not need to be complicated. It is simply about setting aside some of your current income and investing it wisely for your future security. Investing into the stock market is one of the most efficient ways to accumulate capital over the medium- to long-term.



the ideal retirement savings solution

Our Managed Pension Account has won many awards from the industry, including 'best regular premium product and best savings product' from International Money Marketing 2004 and Portfolio International 2003. It allows you to select a term and premium amount to sustain the income you would wish to receive at retirement and, in return, we will offer you excellent growth potential and flexibility on your savings.

Saving with Royal Skandia will help to reassure you that your retirement savings are in the best hands.

Other benefits are:

- An additional 5% allocation for the first 12 months of any contribution and premium increase
- Loyalty bonus of up to 5% payable at the end of the savings term
- Extensive range of top-performing investment funds and a panel of expert fund managers
- An allowance given each year free from financial penalty, so you can either make a withdrawal during the plan or use it to take a premium holiday
- Automatic payment increase (5% or 10%) each year to keep pace with inflation
- Flexibility to pay additional lump sum premiums at any time
- Option to build in additional life cover
- Flexibility to choose your own payment methods, currencies and frequency of payments (monthly/quarterly/half-yearly/annually).



how the managed pension account works

The investment funds you choose are likely to be determined by your income requirements and the length of time until you retire. The closer you are to retirement, the more 'secure' you may want your investment to be. If, however, you won't be retiring for another 20 years, you might want to maximise your

growth and use a range of funds, gradually switching your capital into a more secure investment as you get older. The Managed Pension Account allows you to do this thanks to Royal Skandia's unrivalled approach to MultiManager investing.

options at maturity

Your Managed Pension Account gives you maximum flexibility. At the end of your selected savings term, you will receive a loyalty bonus of up to 5%. You then have two options:

withdraw your money as a lump sum

If you wish to bring an end to your investment, you can of course withdraw your money at maturity.

continue to grow your investment

Many investors choose to leave their money invested in order to benefit from the potential for further growth. In this way, money can be withdrawn to provide an 'income', such as for retirement. Withdrawals for retirement income can be made any time you wish without encashment charges. You are also free to contribute further premiums as often as you wish - or not at all.

saving for retirement - a case study

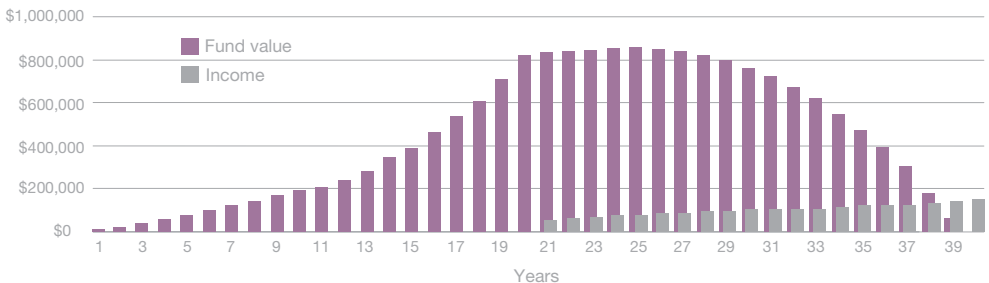
So, you want to save for your retirement over a 20 year term. At the end of this account term you would like to receive an annual 'income' for a further 20 years. You want your income to start at \$50,000, increasing by \$5,000 each year to cover inflation.

To provide the income you need, you estimate you will have to pay \$650 each month over the 20 year savings term. You choose to kick-start your

retirement fund with a lump sum of \$5,000, and select the 'automatic escalation' option to automatically increase your monthly premiums each year.

At the end of the account term your monthly contributions cease and you begin withdrawing an annual income from your retirement fund (annually in arrears), allowing your remaining capital to continue to grow.

how the managed pension account supports retirement planning



The above figures are based on an investment of \$650 per month over a 20 year term, assuming a 10% escalation option and a 9% growth. (Includes all charges except external management charges).

getting started

Speak to your professional adviser, who will give you a copy of our product brochure for more detail on the Managed Pension Account. Together they will help you determine the best approach to make the most of your retirement.

If you know your requirements and are ready to invest, your adviser can help you complete the application today.

Investors should be aware that the value of unit-linked contracts is not guaranteed as the prices of units may fall as well as rise. The value of funds which hold assets designated in a different currency to the fund may rise and fall purely as a result of exchange rate fluctuations. Royal Skandia can give no guarantee that tax relief and the tax treatment of funds will remain the same in the future. The value of any funds will depend on individuals' financial circumstances.

Full details of the Managed Pension Account can be found in the Product brochure or Policy Terms, available from any Skandia office.

Certain investment income is subject to a non-reclaimable tax deduction at source in its country of origin.

In order to avoid misunderstandings Royal Skandia may record telephone conversations.
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