

Assessment Date: July 2025

This information is, only, intended for professional advisers and intermediaries such as financial and investment advisers. It is not intended for customers' use.

The information provided is designed to help you understand the value that the International Purchased Life Annuity ("IPLA"), issued by International Investments & Annuities PCC Limited ("IIAP"), provides your customers in line with the Financial Conduct Authority's ("FCA") Consumer Duty Policy Statement PS22/9 and Finalised Guidance FG22/5.

Overview

Our Board of Directors periodically scrutinise the suitability of products and ensure they continue to offer fair value to customers.

We aim to develop products that deliver good outcomes for customers in our identified target markets. Our product development process is designed to ensure we act in good faith, avoid causing foreseeable harm to customers, and support customers to pursue their financial objectives.

Fair Value Assessment Summary

Our assessment confirms

- The IPLA meets the needs of our target markets.
- The IPLA provides fair value to our target markets when considering features, services, pricing, and distribution.
- The distribution channels for the IPLA is appropriate.

Our assessment is based on our understanding of the current legislation as at the Assessment Date. Tax regulations are subject to change and will depend on your customer's personal circumstances.

Product Description

The IPLA is a purchased life annuity written on a single or joint life (first or last death) basis. It is designed to be acquired by international trusts which allow annuities to be purchased on behalf of their clients ('Annuitants') for a fixed period or the Annuitant's life or until the assets within the fund have been exhausted with the annuity payment going directly to their underlying client and for the underlying investment capital to be bequeathed potentially free of UK inheritance tax.

As this is a flexible annuity which can be invested in a variety of assets, the value of it can go up as well as down, and we want to ensure the level of annuity payments can continue to be supported for the customer's specified period. Therefore, we provide periodic valuations to you and the Customer so that you can have a conversation with your customer as to their future annuity payment needs.

Product features

- To provide flexible annuity payments at different amounts and frequency intervals based upon your customer's needs.
- To allow your customer to invest additional amounts in the future.
- To provide a tax-exempt sum each year in line with current legislation which can be carried forward to future years, if not taken.

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- To give you or the investment adviser (including discretionary fund managers) the opportunity to invest in a wide range of assets for your customer.
- To provide an estate planning solution, as the preference shares, which result in any value left in the IPLA being available for your customer's dependents or beneficiaries on their death.

Target Markets

- High net worth UK tax residents, or those intending to become UK tax residents, aged 18 and over who have £250,000 or more to invest to generate income for the specified period.
- Customers at any life stage that need flexible access to their investment depending on their individual circumstances. For example, allowing annuity payments to be increased or decreased depending on their individual income needs in a particular tax year.
- Customers that want an estate planning solution but require access to their investment.
- Customers who have used their ISA or pension allowances and could benefit from other ways to invest tax-efficiently.
- Customers who wish to retain control of their investment during their lifetime (and on death, leaving the remaining value of the IPLA available to provide benefits for dependants and other beneficiaries).

Not Suitable For

- Non-UK tax residents, individuals aged 17 and under and/or individuals with less than £250,000 to invest.
- Customers not prepared to accept the risk of potential investment losses.
- Customers requiring immediate access to all their investment or guaranteed annuity payments for the rest of their lives.
- Customers who are solely dependent on the annuity payments provided.
- Customers who have been diagnosed with a terminal illness.

Product Distribution

This product is designed to be distributed to high net worth sophisticated investors or through financial advisers with the appropriate FCA qualifications on an advised basis only. With the investments being managed by an appointed investment adviser, which maybe a discretionary fund manager or someone else, subject to IIAP's agreement.

All firms distributing the IPLA must have entered Terms of Business with IIAP.

Products and services

- We have assessed the IPLA and the services we offer to our target markets and are satisfied that it helps your customers to achieve their financial objectives while mitigating foreseeable harm.
- We have clearly defined our target markets and are satisfied that the IPLA is being distributed to the right customers.

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- We are satisfied that customers are using the products and features in line with expected behaviour.
- Our target markets include customers who may exhibit characteristics of vulnerability initially or at a future date. For example, physical, mental health, and/or financial vulnerabilities.

Price and Value

- We have assessed the IPLA charges and are satisfied that they are competitive in the markets.
- We regularly review our pricing approach to ensure it remains appropriate for our target markets (for example, in line with the costs we incur).
- We have reviewed the flexibility and features of the IPLA and are satisfied that these are fair, reasonable and offer good value.
- We have priced the IPLA to ensure fair value for all the features offered. However, distributors will need to decide if their fee levels maintain fair value.

Customer Understanding

- We have assessed our range of communication channels and are satisfied that we cater for the needs of our target markets. Overall, customers are receiving timely, accurate and accessible communications.
- To us communication is key. That is why we regularly test our customer and adviser understanding of our communications. Areas for improvement are considered and incorporated depending on the needs of the target markets.
- We strive to always learn; by periodically reviewing our products and services with the intention of continuously improving our products and services.

Customer support

- We have assessed our ability to provide a consistent and high-quality service to our target markets and are satisfied that our support delivers good outcomes to the customer within our target markets.
- We are satisfied that these services are being delivered in line with our internal levels of service. Feedback received from both customers and advisers has been positive.
- We are satisfied that complaint levels are low and we analyse any complaints received to identify the root cause of the issue and act to address each in a timely manner.
- We strive to continually improve our ability to identify customers who need additional support.



INTERNATIONAL PURCHASED LIFE ANNUITY FAIR VALUE ASSESSMENT



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About us

International Investments & Annuities PCC Limited ("IIAP") is an independently owned international life insurance company in Guernsey regulated by the Guernsey Financial Services Commission ("GFSC") that was established in 2009.

Guernsey is a UK Crown Dependency and is a highly regulated jurisdiction, with significant depth and breadth of expertise in the financial services sector, particularly in the insurance sector. Guernsey observes high standards of supervision and financial regulation. The GFSC is the regulatory authority for all financial services providers operating in and from Guernsey. All financial services providers, both companies and individuals (including where the latter act as directors of client companies), are required to be licensed and subject to regular inspection by the GFSC.

If you would like further details on our products or services, please contact us on the details below:

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International Investments & Annuities PCC Limited is a Protected Cell Company. Its liabilities for transactions in respect of any cell is statutorily limited to the assets of that cell. Its liability for transactions that are not in respect of a cell is limited to the extent of its non-cellular assets.