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## Product spotlight

# Tempo Long Income Builder Plan: August 2018

## What is this plan?

This is a maximum 10 year plan, linked to the UK stock market, offering conditional income that increases each year – with an innovative ‘memory’ feature.

The potential income payments depend on the level of the UK stock market, represented by the FTSE 100. We have designed the plan to generate an increasing level of income each year, if the FTSE 100 is at or above 80% of the start level on each annual income date.

The plan also includes a memory feature, which means that it is possible for any missed income payments to be paid on a future annual income date, depending on the level of the FTSE 100.

The plan does not need the FTSE 100 to rise in order to generate income payments. In addition, it provides a defined level of protection on the end date, if it falls.

ANNUAL INCOME FEATURE	The plan offers the potential for an increasing level of income each year, which is payable on each annual income date at which the FTSE 100 closes at or above 80% of the start level. The potential income payments start at 4.95% for the first year and increase by 0.25% each year.
MEMORY FEATURE	The memory feature means that if an income payment is missed due to the level of the FTSE 100 on an annual income date, the missed payment can potentially be paid on a future annual income date. On the next annual income date at which the FTSE 100 closes at or above 80% of the start level, any missed income payments will be paid, together with the income payment due for that year.

## What are the risks of the plan?

Both the potential income payments and repaying the money invested at maturity are linked to the level of the UK stock market – and depend upon the financial stability of the Issuer and Counterparty Bank.

Income will not be payable on any annual income date at which the FTSE 100 is below 80% of the start level (although it might be paid on a later annual income date due to the memory feature). In addition, repaying the money invested will depend on the level of the FTSE 100 on the end date:

If on the end date the FTSE 100 closes at or above 60% of the start level, money invested will be repaid in full (less any agreed adviser fees and withdrawals).

If on the end date the FTSE 100 closes below 60% of the start level, the amount of money repaid will be reduced by the amount that the FTSE 100 has fallen. For example, if the FTSE 100 has fallen by 45%, the repayment of money will be reduced by 45%.

As with most structured products, the plan also depends on the financial stability of the Issuer and Counterparty Bank. Both the potential returns of the plan and money invested are at risk if the Issuer and Counterparty Bank fail during the investment term.

STOCK MARKET RISK

ISSUER RISK

## Who has this plan been designed for?

This plan has been designed for professionally advised investors, who are clients of authorised and regulated investment firms, investing as part of a diversified and balanced portfolio. Prospective investors will want the potential for an increasing level of income each year, which will be paid if the FTSE 100 is at or above the level needed, and will be prepared and able to leave their money invested for up to 10 years. **As with all forms of investment, there are risks involved. This plan does not guarantee to repay the money invested. The potential returns of the plan and repaying the money invested are linked to the level of the FTSE 100 and also depend on the financial stability of the Issuer and Counterparty Bank. Prospective investors should only consider this plan if they understand and accept the risk of losing some or all of any money invested.**

## If you would like to find out more about this plan, please contact us...

Professional advisers should refer to the plan brochure and plan application pack, and other important documents, for full details of the plan, including its features and risks. We also provide professional adviser information packs, which include information regarding the identified target market for our plans; and details of the stress testing that we undertake, including the back-testing, forward-modelling and value-for-money assessments. If you would like to find out more about this plan, please contact us...