

Myth: Structured Deposits Are Overly Complex and High-Risk

Structured products—particularly structured deposits and plans—have long been cloaked in confusion. Despite growing adoption across UK investment platforms, many investors remain wary, often due to outdated assumptions. It's time to revisit these assumptions and consider what structured deposits actually offer in today's market. Structured deposits are **NOT** overly complex nor high risk.

What Are Structured Deposits?

Structured deposits combine the safety of a traditional cash deposit with the potential upside of market-linked returns. Offered over a fixed term, these products guarantee the return of your initial capital (subject to FSCS protection limits), while providing the possibility of returns based on the performance of a market index or basket of assets.

Our products are especially appealing for cautious investors seeking more than standard savings accounts offer—without exposing their capital to direct market risk.

Key Benefits

✓ Capital Protection

Most structured deposits in the UK are covered under the Financial Services Compensation Scheme (FSCS) up to £85,000 per individual, per provider. This gives peace of mind that capital is secure, even in adverse conditions.

✓ Defined Outcomes

These aren't vague investment vehicles. They provide clear "if-then" scenarios: e.g. "If the FTSE 100 is at or above a certain level on a specified date, the investor receives X%." There's no guesswork. Just clarity.



✓ Attractive in Volatile Markets

In times of market uncertainty, structured deposits can provide a middle ground between low-yielding cash accounts and higher-volatility equity investments.

✓ Tax Efficiency

Structured deposits can be tax-efficient—particularly when held within tax wrappers such as ISAs or SIPPs, where returns are completely tax-free. Outside of these wrappers, returns are typically treated as interest income, which may still be tax-efficient up to your Personal Savings Allowance.

Who Are Structured Deposits For?

The idea that structured deposits are only for sophisticated or wealthy investors is outdated. Many IDAD products have minimum investment levels accessible to everyday investors. Financial advisers increasingly recommend them as part of a diversified strategy—especially for clients seeking capital protection with the potential to earn more than 2–4.5% bank interest.

Structured deposits are no longer a niche product.

They're a mainstream investment tool for those who value security, transparency, and the potential to earn more than what high-street savings accounts offer. Structured plans can play a pivotal role in building resilient portfolios in a changing world.

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