

ISA

# Key features

## CONTENTS

<b><u>Its aims</u></b>	<b>2</b>	<b><u>Investments</u></b>	<b>3</b>
What is an ISA and what benefits does it offer me?	2	Which investments can I deal in?	3
<b><u>Your commitment</u></b>	<b>2</b>	Can I make regular investments?	3
What you have to do as an ISA investor	2	Do I pay tax on any dividends or gains within my ISA?	4
<b><u>Risks</u></b>	<b>2</b>	How do I obtain a valuation of my ISA?	4
Factors that could affect the return you make on ISA investments	2	Are there any restrictions on what I can invest in?	4
<b><u>Questions and answers</u></b>	<b>2</b>	<b><u>Withdrawing money from your ISA</u></b>	<b>4</b>
Could your ISA be right for me?	2	When can I take money out of an ISA?	4
Can I have an ISA?	2	Can I set up a regular withdrawal facility?	4
What are your ISA charges?	2	What happens to the ISA if I die?	4
What other terms and conditions apply?	2	<b><u>Miscellaneous</u></b>	<b>4</b>
Who can pay subscriptions into my ISA?	3	Is the AJ Bell Youinvest ISA a 'flexible' ISA?	4
Are there any minimum and maximum subscription limits?	3	How secure is my money?	4
How can subscriptions be paid?	3	Your right to change your mind	4
What is the annual limit for ISA subscriptions?	3	Are there any compensation arrangements covering my ISA?	5
<b><u>Transfers</u></b>	<b>3</b>	Can you provide me with advice?	5
Can I transfer existing ISA investments to you?	3	What if I have any further questions?	5
Can I transfer my ISA to another ISA provider?	3	What if I have a complaint?	5

**keyfacts**®

The Financial Conduct Authority is the independent financial services regulator. It requires us, AJ Bell Securities Limited, to give you this important information to help you to decide whether our ISA is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.

## Its aims

### What is an ISA and what benefits does it offer me?

An ISA is a tax-efficient savings vehicle designed to help you grow your money. Our Stocks and shares ISA lets you choose from a wide range of investments – including shares, investment trusts, unit trusts, gilts, corporate bonds and OEICs. You select and manage the ISA's portfolio yourself.

An ISA has various tax privileges. To take advantage of them, you can make one-off or regular payments, or subscriptions, into your ISA. You can also transfer investments you hold in an ISA elsewhere into an ISA with us.

## Your commitment

### What you have to do as an ISA investor

You must ensure that you understand the features, benefits and risks of our ISA, so you're certain it will meet your needs and expectations.

You must ensure that any regular or single subscriptions you make don't exceed the ISA subscription limits.

You must agree to be bound by our ISA terms and conditions and pay the charges set out in the ISA charges & rates.

You must review regularly whether our ISA remains appropriate.

## Risks

### Factors that could affect the return you make on ISA investments

The value of investments you hold in your ISA and the income you receive from them can fall as well as rise. As a result, you may get back less than you invested.

Past performance isn't an indication of future performance, and some investments need to be held for the long term to achieve a return.

Our ISA offers a range of investments – and some investments carry a higher degree of risk than others. Below are some specific examples of riskier investments:

- Smaller companies, the price of which can be more volatile – and there may be a large difference between their buying and selling prices
- Overseas investments, which may carry an exchange-rate risk, and may be based in less well-regulated jurisdictions
- Highly geared investments, the prices of which can be extremely volatile

Some investments are described as complex financial instruments. If you invest in one of these, you should be aware that you could lose all your money. Before investing in a complex financial instrument, you have to complete an appropriateness test, as required by the rules of the Financial Conduct Authority.

As AJ Bell Youinvest is an execution-only service, we don't provide investment advice. We do, however, provide information about investments, but this is to help you make your own investment decisions – it mustn't be treated as a recommendation. If you need advice about whether an investment is suitable, you need to consult a suitably qualified financial adviser.

If the value of your ISA is small and/or you deal frequently in small amounts, dealing costs may be disproportionately high and the value of your ISA may be eroded.

You don't currently pay tax on income or capital gains from investments in an ISA, however you should note these rules are subject to change.

Having considered these risks, if you have any doubts about the suitability of our ISA or you need advice, you must seek advice from a suitably qualified financial adviser.

## Questions and answers

### Could your ISA be right for me?

Our ISA could be right for you if you:

- Are looking to build up a portfolio of investments in a tax-efficient way
- Understand that growth isn't guaranteed
- Want unrestricted access to your money
- Require access to a wide range of investment opportunities, such as an investment in a portfolio of listed stocks and shares

If you have any doubts about the suitability of our ISA, you should contact a suitably qualified financial adviser.

### Can I have an ISA?

To open and subscribe to an ISA with us, you need to be aged 18 and over. You also need to be resident in the UK, or a Crown employee serving overseas, or their spouse/civil partner.

### What are your ISA charges?

Full details of our ISA charges are available at [www.youinvest.co.uk](http://www.youinvest.co.uk).

### What other terms and conditions apply?

Our AJ Bell Youinvest terms and conditions set out the full terms and conditions for our ISA.

## Who can pay subscriptions into my ISA?

You can pay subscriptions into your ISA if you're aged 18 or over, are resident in the UK, and haven't subscribed to another stocks and shares ISA in the current tax year.

Once your ISA is set up, you can pay a single subscription at any time, and/or increase/decrease your regular subscriptions at any time – subject to the minimum and maximum subscription levels described below.

## Are there any minimum and maximum subscription limits?

If you want to make a subscription, the minimum single subscription is £500. The minimum level for your regular monthly subscriptions is £25.

## How can subscriptions be paid?

Single subscriptions can only be paid by debit card or pay from my bank. We don't accept cheques as a payment option, any cheques we receive will be returned by post. Regular subscriptions must be paid monthly by Direct Debit. Subscriptions paid by Direct Debit will be taken on the first working day of the month.

You can't pay subscriptions in the form of shares or other investments.

## What is the annual limit for ISA subscriptions?

The annual limit for subscriptions in the tax year 2022/23 is £20,000.

If you've already subscribed to another stocks and shares ISA in the current tax year, you aren't permitted to subscribe to our ISA for the remainder of the tax year.

If you've subscribed to a cash ISA, an innovative finance ISA or you have made a payment into a Lifetime ISA in the current tax year, you're able to subscribe to our ISA – but the combined ISA subscriptions must not exceed £20,000.

## Transfers

### Can I transfer existing ISA investments to you?

Yes. You can transfer existing ISA investments – whether cash or stocks and shares – into an ISA with us.

To get started, you need to send us a transfer form. We'll then contact your existing ISA manager to start your transfer. Keep in mind it may take some time for us to receive the transfer payment from your existing ISA manager.

If your transfer to us includes any funds that aren't clean funds (i.e. funds with a more transparent pricing structure) we'll convert these funds into their clean fund equivalent, if a clean fund equivalent exists. If there isn't a clean fund

equivalent, we'll hold the fund in its existing form until an equivalent clean fund is created – and we're able to convert to the clean fund.

### Can I transfer my ISA to another ISA provider?

Yes, you can transfer the value of your ISA to any other ISA whenever you like.

The transfer can be in the form of a cash payment – in which case, you'll need to sell all of the investments held in your ISA before the transfer is completed – or you can transfer the investments.

## Investments

### Which investments can I deal in?

You can invest in any securities quoted on a recognised stock exchange that are settled within CREST. This covers securities across the UK and more than 20 overseas markets, and includes

- Shares
- Funds (unit trusts and OEICs)
- Government bonds
- Corporate bonds
- Permanent interest bearing shares (PIBS)
- Investment trusts
- Exchange traded funds
- Exchange traded commodities

Further information about buying and selling investments is available in the Dealing FAQs.

### Can I make regular investments?

Yes, you can.

Our regular investment service lets you invest automatically, every month, in a wide range of investments, including the FTSE 350, a selected range of funds, ETFs and investment trusts.

Setting up a regular investment is simple. Once we've received your instruction, we'll automatically make your deals on the 10th calendar day of each month (or the next working day).

Obviously for us to make your deals, there must be sufficient money in your cash account to pay for them. If there isn't, we won't make your deals that month and will try again the next month.

You can amend your regular investment instructions up until midnight on the 9th calendar day of each month (or midnight on the day before the regular investment dealing day).

## Do I pay tax on any dividends or gains within my ISA?

In an ISA, there's no tax to pay on any dividends or capital gains.

Also, no tax is deducted from any interest paid on cash held in an ISA.

## How do I obtain a valuation of my ISA?

You can obtain a valuation of your ISA 24 hours a day, 365 days a year via our website. An online cash transaction summary is also available.

## Are there any restrictions on what I can invest in?

Yes, there are. Your ISA can't invest directly in

- Warrants
- Private (unquoted) shares

You also can't borrow any money under your ISA.

## Withdrawing money from your ISA

### When can I take money out of an ISA?

You can take cash out of an ISA at any time. You can make a one-off withdrawal, or set up a regular withdrawal facility.

You can choose to withdraw the full balance held in your ISA, or withdraw part of that balance. There's no charge for withdrawing money from your ISA, though if you need to sell investments, you may need to pay dealing charges.

The AJ Bell Youinvest ISA isn't a flexible ISA. That means once you withdraw money from the ISA, you'll only be able to pay it back in if you haven't paid to a different stocks and shares ISA in that tax year. You'll also be subject to the annual subscription limits.

### Can I set up a regular withdrawal facility?

Yes. Our regular withdrawal facility allows you to withdraw an amount of money on a regular basis (i.e. monthly, quarterly, half yearly and annually).

This can be a fixed amount, or can be your consolidated natural income (i.e. all income generated by your investments that's been paid into your account). Regular withdrawal payments will be made to your nominated UK bank/building society account by on the first day of the month. If the first working day falls on a weekend or bank holiday, it will be paid on the working day immediately preceding this. Your money should be available in your nominated bank/building society account within one to three working days.

At any time, you can stop the payment, or change the amount or frequency.

To view your nominated bank/building society account, visit the secure area of the website under the 'My Details' option.

Where you choose to receive consolidated natural income, the income you accrue won't be included in the cash available for investment.

## What happens to the ISA if I die?

If you die, your ISA will retain its tax benefits until the completion of the administration of your estate, the third anniversary of your death, or the closure of your account – whichever event happens first.

Your spouse, if applicable, will be given an increased ISA allowance equal to the value of your ISA at the date of your death or the value at the point your account is closed – whichever is higher. Any interest, dividends or gains arising on investments after your death will continue to be tax free.

## Miscellaneous

### Is the AJ Bell Youinvest ISA a 'flexible' ISA?

No, our ISA is not a flexible ISA. A flexible ISA allows investors to take money out of their ISA and put it back in during the same tax year without affecting the total subscription. Our ISA will allow you to take money out of your ISA, but you won't be able to pay back in if you've reached your annual subscription limit.

### How secure is my money?

AJ Bell Securities Limited is the manager of your ISA and is responsible for the day-to-day administration and management of the plan. It also provides the investment dealing service.

AJ Bell Securities Limited is part of AJ Bell, one of the largest providers of low cost, online investment platforms and stockbroker services in the UK, with assets under administration of £74.1 billion and 418,000 customers.

AJ Bell Securities Limited is a member of the London Stock Exchange, is authorised by HMRC to act as an ISA manager, and is authorised and regulated by the Financial Conduct Authority.

### Your right to change your mind

You have a legal right to cancel your ISA if you change your mind. If you want to cancel, you have to do it within 30 days of the date you receive our email confirming the establishment of your ISA.

Cancellation rights will also apply to the receipt of transfer payments. You have 30 days from the date that you receive our email acknowledging the transfer to exercise your right to cancel.

If you want, you can make an investment during the 30-day cancellation period. But if the investments fall in value you may get back less than the original value of the subscription or transfer.

You can exercise your right to cancel by writing to us at

AJ Bell Youinvest  
4 Exchange Quay  
Salford Quays  
Manchester  
M5 3EE

Email: [enquiry@youinvest.co.uk](mailto:enquiry@youinvest.co.uk) quoting your name and ISA reference number.

You must tell us whether you want to cancel your ISA or a specific transfer.

Further information about your cancellation rights is included in the terms and conditions.

### **Are there any compensation arrangements covering my ISA?**

Yes. The Financial Services Compensation Scheme (FSCS) has been set up to deal with compensation, if firms are unable to meet claims against them.

For bank deposits, the maximum claim that could be made by your ISA is £85,000.

For investments, in general up to £85,000 may be claimed if an investment firm goes out of business and cannot return investments or money.

Further information about the compensation arrangements is available from the Financial Services Compensation Scheme at [www.fscs.org.uk](http://www.fscs.org.uk).

### **Can you provide me with advice?**

No. We are not authorised to provide any advice on tax or financial services-related matters.

If you need any advice then you must contact a suitably qualified financial adviser. Your adviser will give you details about the cost of advice.

### **What if I have any further questions?**

You can contact us at the address shown below or via our website [www.youinvest.co.uk](http://www.youinvest.co.uk).

### **What if I have a complaint?**

Customer satisfaction is very important to us and if you do have any cause to complain about the services provided, there are clear procedures laid down by the Financial Conduct Authority to ensure your complaint is dealt with fairly.

Please contact us in the first instance at

AJ Bell Youinvest  
4 Exchange Quay  
Salford Quays  
Manchester  
M5 3EE

Tel: 0345 54 32 600

Email: [enquiry@youinvest.co.uk](mailto:enquiry@youinvest.co.uk)

If you aren't satisfied with our response, you may refer your complaint to the Financial Ombudsman Service, free of charge at

Financial Ombudsman Service  
Exchange Tower  
London  
E14 9SR

Tel: 0300 123 9123

Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

Making a complaint will not affect your right to take legal proceedings.

### **IMPORTANT**

The information provided in this key features document is provided based on our understanding of current law, practice and taxation, which may be subject to change.

Full details of the legally binding contract between you and AJ Bell Securities Limited are included in the ISA terms and conditions.

The laws of England and Wales will apply in all legal disputes.

If you would like a copy of this or any other item of our literature in large print, Braille or in audio format, please contact us on 0345 54 32 600 or by email [enquiry@youinvest.co.uk](mailto:enquiry@youinvest.co.uk)

All of our literature and future communication to you will be in English.