

Stocks & Shares ISA

Key Facts

April 2018

KEY FACTS

The Financial Conduct Authority is the independent financial services regulator. It requires us, Alliance Trust Savings Limited, to give you this important information to help you decide whether our Stocks & Shares ISA is right for you. You should read this document carefully so that you understand what you are applying for and keep it safe for future reference.

HELPING YOU DECIDE

What you should know before you invest.

What is the purpose of this document?

To give you a summary of information to help you decide if you want to invest in our Stocks & Shares ISA.

What questions should I ask before I invest?

This document answers some important questions about our Stocks & Shares ISA and provides information to help you make your investment decisions.

Who is our Stock & Shares ISA suitable for?

Our Stocks & Shares ISA and Stocks & Shares ISAs in general, are suited for clients over 18 and a UK resident who are comfortable managing their own investments or have a Financial Adviser to assist them. If you only plan to invest a small amount in our Stocks & Shares ISA and not add to it over time our flat fee may not be suitable to your personal circumstances. Our Stocks & Shares ISA offers a wide investment choice. Therefore, individuals who are comfortable with the risks of investing and have an understanding of various investments and wish to invest across different asset types may be attracted to a Stocks & Shares ISA.

AIMS OF A STOCKS & SHARES ISA

- To offer you a tax-advantaged way to invest.
- To let you choose from a range of investments.
- To give you potential for capital growth, or income, or a combination of both.
- To let you take money out on a regular or one-off basis, or a combination of both.

YOUR COMMITMENT

- To choose investments that match the risks you are willing to take with your money.
- To view those investments as being for the medium to longer term, meaning you should usually plan to hold them for 5 years or more.
- To pay us your Account charge.
- To pay into only one Stocks & Shares ISA each tax year and no more than HMRC allows each tax year (£20,000 for 2018/19).

RISKS

General risks

- The value of your investments, and any income you get from them, can go down as well as up and are not guaranteed.
- You may get back less than you put in. That includes if you cancel in the first 30 days and the value of your investment has fallen by the time we get your instruction.
- Past performance is not a guide to future performance.
- Both the rules for ISAs and tax, and our charges, might change in the future.
- Laws and tax rules may change in the future without notice. The information here is our understanding in April 2018.

Investment specific risks

- Different investments have different levels of risk. Some have more risk than others.
- You can find details of the specific risks for a fund or PRIIP (e.g. Investment Trust or ETF) in their prospectus and a summary in the *Key Investor Information Document (KIID)/Key Information Document (KID)*.
- Fund managers make their own investment decisions based on the investment objectives of their fund. They don't make decisions based on your personal circumstances.
- Investments in property funds can be difficult to sell. You might not be able to sell them when you want to. The valuation of property is generally a matter of opinion, rather than fact.
- If you invest directly in the shares of a company you become a joint owner of that company with the other shareholders. The company, or the industry it is part of, might fail.
- Factors outside of the control of a company's managers can affect the price of shares. These can be national or global. They include political, economic and social factors and the actions of governments and other organisations.

- Investment trusts may borrow to finance further investment (gearing). The use of gearing is likely to lead to increased volatility meaning that a relatively small movement, down or up, in the value of a trust's assets will result in a magnified movement, in the same direction.
- When you want to trade there may not be a market to buy or sell the shares you are interested in.
- If investments have holdings which are denominated in a currency other than Sterling they may be affected by movements in exchange rates. Consequently the value of an investment may rise or fall in line with exchange rates.
- Over time cash that remains uninvested in your Account, could be eroded by inflation and zero or low interest rates.

OUR LEGAL RELATIONSHIP WITH YOU

You should read this document along with the:

- The *Terms and Conditions*
- Our *Charges Guide*

Together with your application, these documents give a full picture of how we manage your Stocks & Shares ISA Account the legal relationship with us.

YOUR STOCKS & SHARES ISA QUESTIONS ANSWERED

What is a Stocks & Shares ISA?

It is a tax-advantaged Account designed for medium to long term investment (5 years or more).

Who can apply for a Stocks & Shares ISA?

If you are 18 or over and resident in the UK you can apply for a Stocks & Shares ISA. You must hold it in your own name and you can only pay in to one Stocks & Shares ISA each tax year.

We don't accept applications by or on behalf of any US Persons.

Is this Stocks & Shares ISA for me?

This Stocks & Shares ISA is for people who are:

- looking to invest from a range of investments including Funds, Investment Trusts, ETFs and Equities
- looking to hold their investments in a tax-advantaged Account
- willing to view these as medium to long term investments (5 years or more)
- comfortable with putting their capital at risk for the possibility of better returns.

I'm not sure, what if I need advice?

Alliance Trust Savings can't give you financial advice. You should understand the risks and commitments of a Stocks & Shares ISA before you invest. If you feel you need advice to decide whether a Stocks & Shares ISA is right for you and don't already have a Financial Adviser, you can search for one near you at www.unbiased.co.uk.

Can I change my mind?

Yes. You have the right to cancel your Stocks & Shares ISA within 30 days of us accepting your application. You just need to contact us to let us know. We will give you your money back, unless your investment has fallen in value by the time we get your instruction. In that case we will take off the amount by which it has fallen first.



We'll remind you of your right to cancel in your Stocks & Shares ISA Welcome Pack, including the address to write to and all the details you'll need to include.

How much can I pay in?

You can pay in up to £20,000 to an ISA in the 2018/19 tax year.

You can hold some or all of this as cash if you like.

If you have already paid into a Cash ISA, Innovative Finance ISA or Lifetime ISA this tax year with any provider, that reduces the amount you can pay in to this ISA. This ISA is non-flexible so the amount subscribed is not reduced if you make a subsequent withdrawal.

How flexible can I be with my payments?

Each payment you make must be £50 or more. Otherwise, you can be very flexible with your payments. You can set up regular monthly or quarterly payments. You can also make one-off payments. And you can start, stop and vary your payments whenever you like.

Can I transfer a Stocks & Shares ISA I have with another manager to you?

Yes. You can transfer all or part of an existing Stocks & Shares ISA to us. If you are transferring payments from the current tax year, you have to transfer these to us in full.

If we offer the same investments in our Stocks & Shares ISA as you hold with your current ISA manager you can ask to transfer these to us without having to sell them first.

Your current manager might charge you for transferring and you should work out the impact of any charges on your investment before going ahead.



You can find details of the different payment methods we accept, how to go about setting up your payments, and also how to transfer a Stocks & Shares ISA from another manager to us in your Welcome Pack.

What about taking money out?

You can take money out (make withdrawals) at any time. Each withdrawal you make must be at least £100 unless you are closing your ISA. You can make one-off withdrawals. You can also set up regular withdrawals on a monthly, quarterly, half-yearly or annual basis.

Withdrawals will reduce the value of your ISA.

All payments in to this ISA count towards your £20,000 limit for a tax year. So you can't withdraw money and then pay it back in later that same tax year if doing this would put you over your limit. This ISA is non-flexible so the amount subscribed is not reduced if you make a subsequent withdrawal.

Can I transfer my Stocks & Shares ISA from you to another manager?

Yes. You can transfer all or part of your Stocks & Shares ISA to another ISA manager. If you want to transfer payments from the current tax year, you have to transfer these to the other manager in full.

If your new manager offers the same investments in their Stocks & Shares ISA as you hold with us, you can ask to transfer these to your new manager without having to sell them first.

We will charge you for transferring to another manager, for full details view our *Charges Guide* at alliancetrustsavings.co.uk.

What are the charges?

You pay us an Account charge for holding your Stocks & Shares ISA. We may also charge separately for some transactions (for example, buying and selling investments and transferring your ISA to another manager).

Our charges may change in future.

If you invest in funds, you will also pay charges to the fund manager(s). You will find details for each fund in the fund prospectus or in the KID/KIID (for funds that have one). See our *Generic Investment Illustration* document for more details of the effect of charging on investments at alliancetrustsavings.co.uk.



You can find details of all our charges in our *Charges Guide*. If you invest through us directly you can find this online in the ISA Forms and Documents section at alliancetrustsavings.co.uk. And you can find the KID/KIID for each fund, including the charges, at alliancetrustsavings.co.uk. If you work with a Financial Adviser, these documents are available from them or by contacting us.

If you have a Financial Adviser you may also pay charges to them. They will agree these with you separately.

What about tax?

An ISA is a tax-advantaged Account.

You don't have to pay tax on any income or capital gains from your ISA or declare these on your tax return. That includes any interest we might pay on cash you hold in your ISA, which we will pay to you gross (without deducting tax). You can view our *Interest Rate Table* at alliancetrustsavings.co.uk.

Laws and tax rules may change in the future without notice. The information given here is based on our understanding in April 2018. It takes no account of your personal circumstances which may impact on tax treatment.

What happens when I die?

If you die on or before 5 April 2018 the tax advantages of your ISA will end as at your date of death. Tax won't be backdated, but your legal representatives will pay tax on income or capital gains from the date you die until your ISA is closed. Your ISA will also be part of your estate for working out any Inheritance Tax that might be due.

If you die on or after 6 April 2018 your ISA will retain its tax advantages. The Account will remain as an ISA until the earlier of

- the completion of the administration of your estate;
- the closure of your Account; or
- the 3rd anniversary of your date you death. After which the ISA will lose its tax advantages.

If you have a spouse or civil partner who is living with you when you die, special rules for ISA allowances in this case mean they may be able to continue benefitting from the tax advantages by transferring your ISA savings to an ISA in their name.

What information do you send me?

We send you a Welcome Pack when we accept your application.

We also send you statement and valuation reports in line with regulations.

Can I access my Account online?

Yes. When we open your Account we automatically send you a user ID and password (under separate cover for security). These let you access your Account online and check the value of your Stocks & Shares ISA at any time.

The Law

The law of England applies if you have a dispute with us.

Language

We will communicate with each other in English.

Complaints

If you have a complaint about your Stocks & Shares ISA, please contact our Service Quality Team in writing, by email or on the phone using the contact details shown at the end of this document.

You can make a complaint yourself or someone else can complain on your behalf, as long as you have given them written authority to do this.

If you are not satisfied with our answer to your complaint you can contact the Financial Ombudsman Service by writing to **The Financial Ombudsman Service, Exchange Tower, London, E14 9SR** or calling **0800 023 4567**.



Our *Complaints Leaflet* gives all the details of our complaints process. You can find this online at alliancetrustsavings.co.uk.

COMPENSATION

We are covered by the Financial Services Compensation Scheme (FSCS). The FSCS can pay compensation to depositors if a bank is unable to meet its financial obligations. Most depositors – including most individuals and small businesses – are covered by the scheme. In respect of investments held in Accounts, you may be eligible for compensation under the FSCS, up to £50,000. In respect of deposits, an eligible depositor is entitled to claim up to £85,000. The £85,000 limit relates to the combined amount in all the eligible depositor's Accounts with the bank, including their share of any joint Account, and not to each separate Account.



Our *Compensation Statement* gives more details about the FSCS and what it covers. You can find this online at alliancetrustsavings.co.uk in the ISA Forms and Documents section.

CONFLICTS OF INTEREST POLICY


We have regulatory obligations to identify and manage conflicts of interest. Our *Conflicts of Interest Policy* explains how conflicts can arise in our business, and the arrangements we have for managing them.

You can find our *Conflicts of Interest Policy* online at alliancetrustsavings.co.uk in the Forms and Documents section, under useful information.

You should read this document along with our *Terms and Conditions* and our *Charges Guide*. You can find both at alliancetrustsavings.co.uk and together with these *Key Facts* they give the full picture of how we manage your Stocks & Shares ISA and the legal relationship between us.

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