

# Important Information Guide

## Stocks and Shares ISA



A tax-efficient way to invest, tailored  
to your financial goals

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## 1 Welcome

Shepherds Friendly was founded in 1826, and has since become a modern mutual built for today.

We believe in offering you a fairer, simpler way of investing. Our members have always come first and they always will. We help them plan their finances in ways that take care of them and their families. And just as we help our members secure their future, they help define ours. All our members have a say in how we're run.

If you choose to invest in our “unit-linked” Stocks and Shares ISA (which we will also refer to as a “plan”), you'll become one of our members as well. And we'll be always here to support you.

If you have any questions or feedback, please call us on **0800 526 249**. We can also supply this document in large print or braille. If you prefer to write to us, we've included our address and email details near the end.

## 2 Key Features of our ISA

This Important Information Guide tells you the key points. That includes what an Individual Savings Account (ISA) is, how to apply for it and how it works. Plus, what we ask from you and what you can expect from us.

You can find the Terms and Conditions for this ISA in this document too. There are contact details of others who might help you with your savings journey as well, such as the tax office (HMRC).

The Shepherds Friendly Society Limited is required by the Financial Conduct Authority (FCA), the independent financial services regulator, to provide you with this Important Information Guide. This is to help you decide whether our unit-linked Stocks and Shares ISA is right for you.

The products we provide are Shepherds Friendly's own products.

Please read this document carefully to make sure you fully understand the plan and what you need to do. As you might want to look at it again in the future, please also keep it in a safe place.

By law, each year we publish a Solvency and Financial Condition Report (SFCR), which provides information about our financial health. We also publish our Annual Reports and Accounts, which show how we've managed our money and operated over the year. You can find these at: [shepherdsfriendly.co.uk/about/reports-and-accounts](https://shepherdsfriendly.co.uk/about/reports-and-accounts).

### **The aims of our “unit-linked” Stocks and Shares ISA**

- To increase the value of the money you've invested over the medium- to long-term (five years or more).
- To let you benefit from the tax advantages of investing in an ISA investment which you can easily add to or take out money from.

## 2 Key Features of our ISA (continued)

### Your investment in the plan

- You can invest a single lump sum and/or monthly amounts, up to the limits the Government allows. You should choose which one of the available Funds you want your investment to be linked to, please see the **'What are the Funds I can choose from?'** section below.
- There's no fixed term, but it's usually best to think of it as a medium- or long-term investment (five years or more).
- You can take out some of your money, but you need to tell us – for details, please see **'Withdrawals'** section below.

### Risks associated with the plan

- The value of your investment can go down as well as up and you may get back less than you invested. Your level of risk depends on which of the five Funds you choose your investment to be linked to. Past performance is not a guarantee of future results.
- Like all ISAs, our “unit-linked” Stocks and Shares ISA has a number of tax advantages. However, the Government may decide to change this in the future.
- Inflation and taking out money will affect what your investment is worth.
- Stocks and shares ISAs carry a higher risk than a bank or building society cash ISA.
- This “unit-linked” Stocks and Shares ISA is a medium- to long-term investment. If you close it early, it may mean you get back less than you expected.

## 2 Frequently asked questions about the plan

Here are answers to some of the questions we're often asked about the plan. We explain these in more detail in our Terms and Conditions later on in this guide.

### What's a stocks and shares ISA?

An ISA is a tax-efficient way in which you can save without having to pay any Income or Capital Gains tax. This ISA is a Stocks and Shares ISA, which means it's based on stocks and shares, equities, bonds, and property. There are five different Funds to choose from, and each has a different mix in them.

It's one of the various types of ISAs which you're allowed to hold, and you can have ISAs with different providers. There is an annual limit of how much you can save in ISAs which is currently £20,000. Every Tax Year you can save up to £20,000 in one ISA (such as this Stocks and Shares ISA or split the allowance between multiple ISAs, including those with different providers. Please note that some ISAs (such as Lifetime ISAs) may have lower individual limits and you must keep within these as well.

### Who can have a stocks and shares ISA?

Anyone aged 18 or over can open a stocks and shares ISA as long as they're resident in the UK. You can find out what we mean by '**resident**' in the '**Eligibility for the ISA**' section below.

### How much can I invest?

Each year, the Government sets an annual ISA allowance for each type of ISA. You can invest up to the limit allowed for a stocks and shares ISA, which is currently £20,000. There's more on this in the '**Amount you can invest**' in the Terms and Conditions later on in this guide.

### How do I invest?

You can easily open your "unit-linked" Stocks and Shares ISA online. You can invest regular monthly amounts and/or lump sums. Please make sure the total amount each Tax Year isn't more than the Government allows.

If paying into your "unit-linked" Stocks and Shares ISA by Direct Debit, the minimum monthly amount is £25. You can increase this at any time by increments of at least £5 a month.

The minimum initial lump sum you can invest is £100. You can add further lump sums of at least £5 at any time.

There are more details in '**Amount you can invest**' in our Terms and Conditions later on in this guide.

## 2 Frequently asked questions about the plan (continued)

### How do I transfer my ISA?

To transfer an existing ISA to us from another ISA provider, or an existing Shepherds Friendly ISA, you must complete a transfer form. You can only transfer a full ISA to us, not part of it. We will then contact your existing ISA provider and contact you when we have received the money.

If you have a Shepherds Friendly “unit-linked” Stocks and Shares ISA and want to transfer it to the new provider, please ask them to request the transfer. You can transfer your full ISA to another provider, or just part of it. We’ll transfer your ISA to the new provider within 30 days of your request, which is the current timeframe set by HMRC. We’ll also send them a closing statement once the transfer is complete.

**Please note:** if you want a transfer, don’t just take out and pay in the money yourself. The transfer must be done by an ISA registered company if you want to keep the tax benefit.

You can only transfer cash in this way and not investments or other assets.

You can find out more about transferring an ISA in the ‘**ISA transfers**’ section below.

### How could my investment grow?

The amount of growth you might receive is based on factors such as:

- When you made the investment
- The Fund’s performance over time
- The costs related to running your plan

### What’s the charge for this ISA?

We apply an Annual Management Charge of 0.75% to this ISA. For more information, please see the ‘**Charges**’ section below.

## 2 Frequently asked questions about the plan (continued)

### **What are the Funds I can choose from?**

The “unit-linked” Stocks and Shares ISA allows you to choose from five different Funds to which your plan can be linked. Each of the Funds is actively managed by expert Fund managers. Each Fund invests in a range of assets and has its own risk level. More detail on each Fund can be found in the Fund Fact Sheets and the Key Information Documents for each Fund.

#### **Low Risk Fund**

A defensive low-risk Fund that aims to achieve a low level of risk and return.

#### **Medium-Low Risk Fund**

A balanced Fund that aims to provide you with low to moderate level of risk and return.

#### **Medium Risk Fund**

A growth Fund that aims to achieve a moderate level of risk and return.

#### **Medium-High Risk Fund**

An adventurous Fund that aims for higher returns for those willing to accept a medium-high level of risk and return.

### **High Risk Fund**

A dynamic Fund that aims for higher returns and for those willing to accept a high level of risk and return.

In times of adverse market movements, we may give you the option to switch all of your investment to be linked to the Cash Fund. The Cash Fund aims to achieve a very low level of risk and return. This is a separate Fund that the Society offers to plan holders as a linked investment during periods of adverse market movements. The Fund will focus on fixed income assets such as bonds and cash, which generally carry low risk. The unit price is guaranteed not to fall for this fund and any growth is expected to be nil or limited.

### **What happens if I die?**

If you die, the money in your plan will go to your estate. Whoever is responsible can make a claim by calling us on **0800 526 249**. We will explain the claims process and send out a claim form.

The amount we pay will be 101% of the current plan value on death.

## 2 Frequently asked questions about the plan (continued)

There are also rules and guidelines about what happens to your money in this plan if you die, and we can help with these.

To find out more, please call our Member Services team on **0800 526 249**, or get in touch online at **shepherdsfriendly.co.uk/help-and-support/**

Please see also the **'If you die - life assurance'** section below.

### **How will I be kept informed?**

You can see your plan details in the mobile app, or on your online account. You'll also be able to add to your ISA and update any Direct Debit securely online.

We'll send you a statement at least annually. This will show the total value of your plan.

### **How do I take out money?**

You can take money out of your ISA at any time, in the mobile app or in your online account. The minimum amount is £5 and there are no charges.

Please note that this doesn't affect your ISA limits. If you put money into an ISA, it counts towards your

allowance. This ISA is not a flexible ISA - if you withdraw money in the same Tax Year, you can't put it back.

When you take money from your ISA you must leave at least £25, otherwise we will close it and return the value to you. Please see the **'Withdrawals'** section below.

### **How do I close my ISA?**

You can close your ISA at any time in the mobile app or on your online account. There are no charges.

### **What if I change my mind about opening an ISA?**

You're free to change your mind any time in the 30 days after we send your welcome pack. You'll also get back your ISA allowance, which you can use to add to a different ISA, or to open a new one. You may get back less than your initial investment if the value of your plan has reduced since opening it. For more details please see the **'Closing or ending your ISA'** section below.

There follows the Terms and Conditions which is the basis of the contract between you and us. We give you some pointers below as to some of the sections in the Terms and Conditions (but if anything in this brochure is inconsistent with the Terms and Conditions, then the Terms and Conditions will govern). You should still read the full Terms and Conditions.

**3**

## **Some further information about the Terms and Conditions**

### **The information we'll send you (see section 1 of the Terms and Conditions)**

We will always aim to provide you with all the information you need about our products and the service that comes with them.

Once we've accepted your application, we'll send you the following information:

- A Key Information Document (available on our website).
- A statement which sets out why this ISA might be right for you.
- This Important Information Guide (which also contains our Terms and Conditions).
- A cancellation form which you can use during the cooling-off period if you change your mind.
- Confirmation about collecting payments, if you've opted for a Direct Debit.

We also make available our 'Guide to Unit-Linked Investing', which gives further details about how we manage products like this.

We aim to be as accurate, clear and easy to understand as possible. If there's anything that you're not sure about, please feel free to ask. You can ask us to email any information or documents, or we can post them in paper form if you prefer. Whatever you choose, please make sure you read all the information we send you carefully. If there's anything you're not sure about, please get in touch and we'll be happy to help.

### 3 **Some further information about the Terms and Conditions** (continued)

#### **Answering your questions**

We agree to do the best we reasonably can for you at all times. Our Member Services team is there to make sure you have all the information you need and to answer your questions openly and honestly.

#### **Checking this ISA is right for you (see section 1.5 of the Terms and Conditions)**

Please note that while we offer this ISA, we don't know if it's right for you – we aren't offering financial advice. All we look to do is to give you all the information and help you need. That way you can make a decision based on your understanding of your own needs.

You may want to contact a regulated financial adviser if you're unsure if our ISA is right for you. If you buy a plan on your own without guidance, you may lose some consumer protection benefits. This means that you may not be able to claim against us.

#### **Your personal information (see section 17 of the Terms and Conditions)**

We'll hold your personal information securely and only use it for reasons allowed by the UK data protection regulation (GDPR) and other data protection legislation. You can find out more in section 17 of the Terms and Conditions headed 'Data Protection'. You can also see our privacy notice online at: [shepherdsfriendly.co.uk/privacy-policy](https://shepherdsfriendly.co.uk/privacy-policy) or ask us for a printed version.

Under the Data Protection legislation, you have the right to ask to see any personal information which we may hold about you. You can have any mistakes in this information corrected. This is called a Data Subject Access request, or DSAR. You can do this by writing to our Data Protection Officer. Our address is in the '**How you and we communicate**' section below.

We will do what we can to protect you against financial crime. We may need proof of who you are when you apply or contact us or at other times.

### **3** **Some further information about the Terms and Conditions** (continued)

#### **Our obligations to you (see section 18 of the Terms and Conditions)**

This sets out what we will do and what we will be liable for. We will aim to act honestly, fairly and professionally to you at all times.

This includes our obligations to you in respect of conflicts of interest. We agree to identify and manage these as required by FCA Rules. We should add:

#### **How we pay our people**

We pay our employees by salaries with a discretionary bonus element for satisfactorily doing their job. These payments are made by Shepherds Friendly.

#### **How we pay our introducers**

We often receive applications for products such as this ISA which have been referred to us by someone else. These are businesses we have chosen to work with – they may for example be affiliate websites. We call these people “introducers” and may pay them a fee. We aim to ensure they follow our guidelines and have a similar approach to us.

#### **What we expect from you (see section 19 of the Terms and Conditions)**

This and other parts of the Terms and Conditions require you to keep us up to date with all relevant information about you. The information you provide must be complete, accurate and truthful at all times. If it is not, we may close your ISA and you may lose any tax benefits.

#### **Changing these Terms and Conditions (see section 20 of these Terms and Conditions)**

We may sometimes change our Terms and Conditions by giving you notice as set out in this section. We will only do this for a good reason as set out in section 20 and will notify you of any changes as appropriate.

If a change benefits you, like making things clearer or fixing a mistake.

If you don't agree with a change, you can close or transfer your ISA at any time.

### 3 **Some further information about the Terms and Conditions** (continued)

#### **Notices – how you and we communicate (see section 22 of the Terms and Conditions)**

Our focus is on customer service. In particular, we always look to provide as much help and support to our members as we can. That also goes for anyone else looking to take out an ISA with us.

You can open your ISA online via our website. You can ask us questions via our website or by calling us for free:

Online: [shepherdsfriendly.co.uk/help-and-support](https://shepherdsfriendly.co.uk/help-and-support)

Freephone: **0800 526 249**

You can also write to us at:

**Shepherds Friendly,  
Haw Bank House,  
High Street,  
Cheadle,  
Cheshire SK8 1AL**

#### **How to make a complaint (see Complaints and compensation section 23 of the Terms and Conditions)**

If you're not happy with our service, please let us know. We can usually sort it out quickly and fairly. If you want to make a complaint, please contact:

**Member Services,  
Shepherds Friendly,  
Haw Bank House,  
High Street,  
Cheadle, Cheshire SK8 1AL**

You can also phone: **0800 526 249** or email [complaints@shepherdsfriendly.co.uk](mailto:complaints@shepherdsfriendly.co.uk)

### 3 **Some further information about the Terms and Conditions** (continued)

We'll handle any complaint in line with the standards set by the Financial Conduct Authority. We publish our complaints procedure on our website and can also supply a written version if you ask for it.

If you're not happy with the way we deal with your complaint, you can refer it to the Financial Ombudsman. Write to:

**The Financial Ombudsman Service,  
Exchange Tower,  
London, E14 9SR,  
United Kingdom**

Or phone: **0800 023 4567**. There are also more details on their website at: **financial-ombudsman.org.uk**. Making a complaint will not affect your right to take legal action.

We are covered by the Financial Services Compensation Scheme (FSCS). This means you may be entitled to compensation under the terms of the scheme if we are unable to pay out money.

If we are unable to meet our liabilities, compensation may be payable by the Financial Services Compensation Scheme ("FSCS"). Further information on the FSCS is available from the Financial Services Compensation Scheme on **020 7892 7300**. As this is a contract of life insurance, you may be able to claim up to 101% of the value of your ISA but this will not cover investment losses – your claim may be for less than you have paid in.

**These are pointers only. The Terms and Conditions also have sections dealing with cancellation (and your cooling off period (in section 8); how we value your Units (section 10); our Charges (section 11); and circumstances in which we may close your ISA (section 16). You should contact us if there is anything you don't understand.**

## 4 Terms and conditions

### 1. Terms and Conditions

These are the Terms and Conditions of the Shepherds Friendly Society “unit-linked” Stocks and Shares ISA (“the ISA” or “your ISA”). You should read them carefully and if there is anything you do not understand, you should contact us using the contact details at section 22.2.

1.1. You will also receive other important documents including:

1.1.1. the Information Guide of which these Terms and Conditions are part;

1.1.2. a Key Information Document which gives you information required by law on the key risks and features of the ISA;

1.1.3. a statement of demands and needs which sets out why (on the information given to us) the ISA may be right for you;

1.1.4. a cancellation form which you can use during the cooling-off period if you change your mind;

1.1.5. confirmation about collecting payments, if you’ve opted for a direct debit;

1.1.6. a welcome pack, and;

1.1.7. any letters, emails or text messages we may send you.

You should read these carefully and keep them in a way which you can easily access them.

1.2. We also make available our ‘Guide to Unit-Linked Investing’ which sets out in detail how we manage our unit-linked basis. This is available at [shepherdsfriendly.co.uk/investments/isa/stocks-and-shares-isa](https://shepherdsfriendly.co.uk/investments/isa/stocks-and-shares-isa) and you should consider this before investing.

1.3. Please note that this is not the only individual savings account that we offer and there are different risks for each product. You should understand the difference between them.

## 4 Terms and conditions (continued)

- 1.4. Your capital may be at risk if you invest in this ISA i.e. depending on investment performance, you may get back less than you have invested.
- 1.5. We have not and will not give you any advice or make any personal recommendation to you about this ISA. If you are in any doubt as to whether the ISA is suitable for you, you should contact an independent financial adviser. If you do contact an independent financial adviser, there may be a cost involved and you should confirm and agree this with the adviser beforehand.

### 2. Understanding these Terms and Conditions

- 2.1. Sometimes we use words and phrases which begin with a capital letter, these are defined in the Glossary on page 31.
- 2.2. When we refer to sections, we mean the numbered sections of these Terms and Conditions.

### 3. Who are we

- 3.1. We are The Shepherds Friendly Society Limited.
- 3.2. We are an incorporated friendly society within the meaning of the Friendly Societies Act 1992 and are registered in the UK.
- 3.3. We are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under firm registration number 10997.
- 3.4. Further information about us can be found on our website at [shepherdsfriendly.co.uk/](https://shepherdsfriendly.co.uk/).

## 4 Terms and conditions (continued)

### 4. The ISA

- 4.1. The ISA is a unit-linked insurance plan. This means that you have life assurance (explained in section 15) and that you may receive investment gains based on how well certain Funds perform (explained further in sections 9 and 10).
- 4.2. The ISA is an individual savings account, which means that it will be exempt from UK capital gains and income tax for as long as it is valid under the ISA Rules. We are the ISA manager.
- 4.3. The ISA is a stocks and shares ISA under the ISA Rules.

### 5. Eligibility for the ISA

- 5.1. Only individuals who are resident in the United Kingdom are eligible for the ISA. The ISA can't be taken out in joint names or in the name of a company, club or other legal entity or group of persons.
- 5.2. The United Kingdom means England and Wales, Scotland and Northern Ireland. It does not include the Channel Isles or the Isle of Man.
- 5.3. If you do not live in the UK, you may still be eligible for the ISA if you are a Crown Employee (which includes some diplomats, civil servants and members of the armed forces) or a spouse or civil partner of a Crown Employee.
- 5.4. You can open and pay into other ISAs (including innovative finance ISAs, lifetime ISAs, cash ISAs and stocks and shares ISAs) with us or other providers. You must not, however, pay more than is allowed for investing in ISAs in any Tax Year (currently £20,000 but subject to change) (the "Annual Subscription Limit"). Other ISAs (such as lifetime ISAs) will have separate individual subscription limits, and you should be aware of these.

## 4 Terms and conditions (continued)

- 5.5. You may have only one “unit-linked” Stocks and Shares ISA and one with-profits Investment ISA with us.
- 5.6. You must tell us if you move overseas or are no longer eligible for the ISA for any other reason.
- 5.7. While we have measures in place so that you cannot invest more than your Annual ISA Subscription Limit in the ISAs that you hold with us but we cannot monitor ISAs you may have with other providers. It is your responsibility to ensure you don't exceed your Annual Subscription Limit across all ISAs which you hold.
- 5.8. If you're not sure whether or not you are eligible for this ISA, please check the Government guidelines: [gov.uk/individual-savings-accounts](https://gov.uk/individual-savings-accounts) or contact HMRC. You can also ask us by using our online Help & Support form: [shepherdsfriendly.co.uk/help-and-support/](https://shepherdsfriendly.co.uk/help-and-support/).

## 6. Amount you can invest

- 6.1. You must not invest more than the Annual Subscription Limit (currently £20,000) across all ISAs – see section 5.4. If you do exceed the Annual Subscription Limit, the ISA may not be valid under the ISA Rules and we may have to close it under section 16.
- 6.2. Our own rules (i.e. not the Government Rules) as to how much you can invest are set out in sections 6.3. to 6.5.
- 6.3. If you choose monthly payments, the minimum amount is £25 a month. You can increase this at any time by increments of at least £5 a month. You can also reduce monthly payments, as long as the payment does not go below £25 a month. You can stop paying in at any time, using our online Help & Support form: [shepherdsfriendly.co.uk/help-and-support](https://shepherdsfriendly.co.uk/help-and-support/). If you stop paying then your plan will not be closed unless you or us close it (section 16).

## **4** Terms and conditions (continued)

- 6.4. You can make lump sum payments in the mobile app, or on your online account, so long as you do not exceed the Annual Subscription Limit. These can be by a debit or credit card in your name. The minimum initial payment is £100, which will be automatically taken from the card you provide when you apply. After the initial payment, you can add more payments of at least £5 at any time.
- 6.5. We may review and change these limits from time to time and will give you notice of any changes.

### **7. Applying for the ISA**

- 7.1. Before you apply for the ISA, we will give you information such as a 'Key Information Document' and an 'Important Information Guide'. We also make available our 'Guide to Unit-Linked Investing' which sets out in detail how we manage our unit-linked business. You should read these carefully and raise any questions you have with us or a financial adviser.
- 7.2. To apply for the ISA, you must follow our online application procedures.
- 7.3. When you apply for this ISA, you must give complete accurate and truthful information. If you don't we may close the ISA under section 16 and it may not be valid under the ISA Rules, so you will lose all tax benefits.
- 7.4. If we accept your application, we will send you a confirmation that the ISA meets your demands and needs and why, we believe it does so, together with a cooling-off period cancellation notice and a welcome pack.
- 7.5. Unless you cancel your ISA under section 8 there will be a contract between you and us on the Terms of the application form and these Terms and Conditions (as changed from time to time in accordance with section 20).

## 4 Terms and conditions (continued)

### 8. Cancellation

- 8.1. You can cancel your ISA within 30 days of receiving your confirmation under section 7.4. We will send you a cancellation cooling-off notice when we set up your ISA telling you of this.
- 8.2. You agree that we can start to provide services under these Terms when we provide the confirmation to you.
- 8.3. If you cancel within this 30-day period, the amount you get back will be based on the price on the next available Trading Window after your request has been processed. This means you may get back less than your initial investment.
- 8.4. If you cancel within the 30-day cooling off period, your contributions will not count towards the Annual Subscription Limit for the relevant Tax Year.

### 9. The Funds

- 9.1. When you invest in the ISA, you choose from one of the following five Funds to which your investment will be linked. Each Fund will have different features, investment styles and levels of risk. See the 'Guide to Unit-Linked Investing' and 'Key Information Documents' and any 'Fund Fact Sheets' for full information of the Funds.

#### **Low Risk Fund**

The Low Risk Fund aims to achieve a low level of risk and return. The Fund will focus on fixed income assets such as bonds and cash, which generally carry low risk. It will also invest, to a limited extent, in higher-risk assets like shares, property, and commodities with the potential for greater returns.

## 4 Terms and conditions (continued)

### **Medium-Low Risk Fund**

The Medium-Low Risk Fund aims to achieve a medium-low level of risk and return. The Fund will balance investments equally between fixed income assets such as bonds and cash, which generally have low risk. It may also invest in some higher risk assets like shares, property, and commodities with the potential for greater returns.

### **Medium Risk Fund**

The Medium Risk Fund aims to achieve a medium level of risk and return. The Fund will focus more on assets with the potential for higher returns but greater risk, such as shares, property, and commodities. It will reduce investments in low risk assets like bonds and cash.

### **Medium-High Risk Fund**

The Medium-High Risk Fund aims to achieve a medium-high level of risk and return. The Fund prioritises assets with higher return potential, such as shares, property, and commodities. This means there is a higher risk of getting less back than what you have paid in. It invests less in low risk, lower return fixed income assets like bonds and cash.

### **High Risk Fund**

The High Risk Fund aims to achieve a high level of risk and return. The Fund typically invests in shares in both UK and overseas markets but may also place a limited amount of investments in other assets including cash and cash-like assets.

- 9.2. The Funds are authorised Open Ended Investment Companies (OEIC) which are Non-UCITS Retail Schemes. If we change the linked Fund(s), any new Fund(s) will be authorised retail schemes.
- 9.3. Where you buy Units, we will undertake the necessary transactions in your chosen Fund on the next Trading Window for the Fund after confirming the opening of your ISA and receiving your money.

## 4 Terms and conditions (continued)

- 9.4. The value of your ISA and any investment gains or losses you may make will depend entirely on the value of your Units. We will add no additional bonuses to your ISA.
- 9.5. You may switch between Funds by using your online account or via the mobile app. If you choose to do this, you must move 100% of your investment to the new linked Fund.
- 9.6. In times of adverse market movements, we may give you the option to switch all of your investment to be linked to the Cash Fund. The Cash Fund aims to achieve a very low level of risk and return. Please note, money in the Cash Fund is still part of a stocks and shares ISA – it is not part of a cash ISA.
- 9.7. We may withdraw a Fund (i.e. make it no longer available for linked investment) if we believe it is reasonable to do. We may also merge or substitute a Fund. See the ‘Guide to Unit-Linked Investing’ for a full explanation as to when we might do this.
- 9.8. If we withdraw, merge or substitute a Fund, we will replace it with a Fund which reasonably seems to us to be similar in terms of risk and investment style. We will give you at least 30 days’ notice in accordance with section 20 of these Terms and Conditions that we intend to do this and give you the option of withdrawing your investment or switching to any other Fund we offer.

### 10. Valuation of Funds and Units

- 10.1. We calculate the price of Units on each working day. Units are part of the contract between you and us – the value of each Unit is based on the valuation of the linked Fund but will not (for example because of our charges) be exactly the same as the price or value of shares in the linked Fund. You will have no direct interest in the linked Fund.

## 4 Terms and conditions (continued)

- 10.2. We will create or cancel Units when the number of Units in the Fund is either increasing or decreasing respectively. When we create or cancel Units, we will use reasonable efforts so that existing plan holders are not adversely affected by these transactions. The creation or cancellation of Units is done on the day that we buy or sell shares in the linked Fund. This may mean that the value of the Units may be different from the value of Units on the day of instruction.
- 10.3. If instructions are received for a purchase or sale of Units before 11.59pm on a particular working day then it will be deemed to be received on that working day; if instructions are received for a purchase or sale of Units after 11.59pm on a particular working day or on a non-working day then it will be deemed to be received on the next available working day. We will buy or sell shares in the linked Fund on the next available Trading Window.
- 10.4. The value of your investment (for the purposes of investment gains or losses, or the amount you can transfer or withdraw) depends on our valuation of Units under sections 10.1. to 10.3.
- 10.5. Units are single priced. Single pricing means the price at which Units are bought and sold is the same.
- 10.6. You can find more detailed information on Unit pricing in our 'Guide to Unit-Linked Investing'.

### 11. Charges

- 11.1. We make an annual management charge of 0.75% of the value of your Units. This will be charged each day as an equivalent daily rate.
- 11.2. We may increase the charge under section 19 if we have a good reason for doing so and we have given you at least 30 days' notice under section 20.

## 4 **Terms and conditions** (continued)

11.3. We may reduce the annual management charge and we will notify you of the reduction when we next issue a statement.

### **12. Statements**

12.1. We will send you a statement at least annually showing the value of the ISA.

12.2. We will send a closing statement if you transfer the ISA to another provider.

### **13. ISA transfers**

13.1. Where the ISA Rules allow this, you can transfer all of your cash to your ISA from another ISA that you hold with another provider. Also subject to the ISA Rules, you can also transfer the cash value of all or part of your ISA to another provider. You can only transfer cash in this way and not investments or other assets.

13.2. If you want to transfer your full ISA with another provider to us, you should complete the transfer-in application online. You should not close the ISA yourself as you will no longer be protected by the ISA Rules. You can only do this by applying to your ISA provider who will make the transfer for you (selling any assets or investments if it is necessary to do so).

13.3. If you want to transfer part or all of your ISA to another provider, you should do this using the transfer form of the new ISA provider. We will work with the new ISA provider in making the transfer. We'll transfer your ISA to the new provider within 30 days of your request, which is the current time frame set by HMRC.

## 4 Terms and conditions (continued)

13.4. You can transfer all or part of an ISA from previous Tax Years without affecting your current Annual Subscription Limit. However, if you transfer all or part of an ISA you've opened and paid into in the current Tax Year, it will count towards your current Annual Subscription Limit.

### 14. Withdrawals

14.1. You should regard your ISA as a medium- to long-term investment. You can, however, can take money out of your ISA at any time.

14.2. You should note that this is not a Flexible ISA. If you do take money out of your ISA, you can't replace it without using up (and possibly exceeding) your Annual Subscription Limit.

14.3. The minimum withdrawal is £5. If your withdrawal takes the balance below the minimum of £25, or is less than 5% of your total plan value, you must close your ISA.

14.4. You can make withdrawals using the mobile app or your online account.

14.5. We need to make sure that the money is going to the right person, so we'll carry out some identity checks before we make a payment.

### 15. If you die – life assurance

15.1. Your ISA includes life cover on the life of the ISA holder. This means that if you die, an amount will be payable to your estate.

15.2. The amount we will pay will be 101% of the value of your Units on death.

15.3. To claim under this life cover, your representatives must send us a copy of the death certificate and a copy of your will, if you made one.

## 4 **Terms and conditions** (continued)

- 15.4. If you die, the ISA can be transferred to your spouse or civil partner. They will have the benefit of this in addition to their own ISA allowance (this is called an “Additional Permitted Subscription”).
- 15.5. The life assurance cover can only be held as part of your ISA. It will no longer apply if your ISA is closed by you or us.

### **16. Closing or ending your ISA**

- 16.1. This section is additional to your right to cancel your ISA within the 30-day cooling off period referred to in section 8 and your right to transfer your ISA under section 13.
- 16.2. You can end your ISA at any time by making a full withdrawal via your online account or our mobile app.
- 16.3. We can close or end your ISA:
- 16.3.1. if you cannot hold it as an ISA because of breach of the ISA Rules and we cannot repair this;
  - 16.3.2. if you seriously and persistently breach these Terms or those of any of our other products;
  - 16.3.3. if we reasonably suspect your ISA or any of our other products which you hold is being used to facilitate fraud;
  - 16.3.4. if we reasonably believe we can no longer offer your ISA under Applicable Law (including FCA Rules); or
  - 16.3.5. if we do not receive a deposit of the minimum amount within 60 days of your application to open the ISA.
- 16.4. If we believe that any of 16.3.1. – 16.3.5. applies, we will act reasonably by consulting with you in so far as we can do so under Applicable Law. We will also aim to give you reasonable notice.

## 4 Terms and conditions (continued)

- 16.5. We may also decide that we will no longer offer this ISA or ISAs in general. If we do this, we will give you at least three months' notice and will help you to transfer to another product (with us or another provider).
- 16.6. If your ISA is closed by you or us, you will be paid the value of your Units on closure. The amount you get back will be based on the price on the next available Trading Window after your request has been processed. This may mean that you receive back less than you paid in.

### 17. Data protection

- 17.1. Our Privacy Policy at [shepherdsfriendly.co.uk/privacy policy](https://shepherdsfriendly.co.uk/privacy-policy) explains how we will hold and use your information. These Terms may also give further circumstances in which we may hold and use your information which will govern if they are inconsistent with our Privacy Notice.

You can also ask us for a written copy.

**Just write to:**

Shepherds Friendly,  
Haw Bank House,  
High Street,  
Cheadle,  
Cheshire SK8 1AL.

- 17.2. Please note in particular that we may:
- 17.2.1. make such checks as we consider reasonable under Applicable Law (including anti-money laundering requirements) such as checks with credit reference agencies and the electoral register;

## 4 Terms and conditions (continued)

- 17.2.2. disclose your information to HMRC or any regulatory agency where we consider it necessary to do so under Applicable Law;
- 17.2.3. record or monitor your telephone calls with us for monitoring and training purposes.
- 17.3. You specifically agree to us using your information in any way referred to in this section 17.

### **18. Our obligations to you**

- 18.1. We will at all times aim to act in accordance with Applicable Law (including FCA Rules and the ISA Rules) in relation to your ISA.
- 18.2. We will treat you as a retail client unless we specifically agree otherwise. This gives you the highest degree of protection under FCA Rules.
- 18.3. We will be liable to you for losses or costs arising from:
  - 18.3.1. fraud by us or our employees;
  - 18.3.2. negligence; and
  - 18.3.3. breach of Applicable Law, including FCA Rules.
- 18.4. We will tell you if we are aware of your ISA no longer being valid under the ISA Rules and will make reasonable efforts to repair it, if it can be repaired.
- 18.5. Under FCA Rules we are required to have a policy on how to identify and manage conflicts of interest. A copy of this policy is available on request.

## 4 **Terms and conditions** (continued)

18.6. We may delegate some or all of our functions and responsibilities in relation to your ISA. If we do so, we shall satisfy ourselves that any person to whom we delegate is competent to carry out these functions and responsibilities.

18.7. Nothing in this section excludes or restricts any obligation which cannot be restricted under Applicable Law (including FCA Rules).

### **19. Your obligations to us**

19.1. The information you provide to us must be accurate and truthful in all respects. In particular, if you take out money, transfer or close your ISA, you must supply us with all the details we ask for. There is a risk that providing anything inaccurate or false could cause your ISA to be invalid and you may suffer loss as a result.

19.2. You must keep us up to date with information as to how we contact you. That's particularly important for your home address but you must also let us know any changes to your other contact details including your email or phone number.

### **20. Changing these Terms and Conditions**

20.1. We may change these Terms of this agreement at any time where any change:

20.1.1. is to respond to a change to Applicable Law (including FCA Rules or the ISA Rules or any change in the practice of HMRC), to new industry guidance or codes of practice, or decisions or recommendations that we have to follow (such as those from the Financial Ombudsman Service or a court);

20.1.2. is an increase which we consider reasonable to our costs and charges to respond to cost increases associated with providing your ISA;

## 4 Terms and conditions (continued)

- 20.1.3. is to take account of changes in technology, the systems we use to provide the service, or the investment and financial systems.
- 20.2. We may also change these Terms at any time for any other good reason not specified in section 20.1 above.
- 20.3. We'll only make changes for the reasons in section 20.1 and 20.2, if it's reasonable for us to pass the impact of that change on to you. In all cases, we'll always be proportionate in how we respond to a change. Unless we can't do so because of Applicable Law or it's impractical, we will give you at least 30 days' notice of any change, also telling you of why we are making the change and when it will take effect.
- 20.4. We may also make changes to these Terms and Conditions at any time where the change would not be to your disadvantage (for example to make the agreement fairer to you or to correct an obvious mistake). We will tell you of any such changes.
- 20.5. Without limiting the above, our 'Guide to Unit-Linked Investing' at **[shepherdsfriendly.co.uk/investments/isa/stocks-and-shares-isa](https://shepherdsfriendly.co.uk/investments/isa/stocks-and-shares-isa)** sets out the principles on which we manage our unit-linked business ("Principles") and our day to day practices ("Practices"). We will:
- 20.5.1. notify you with at least three months' notice of any change to the Principles; and
- 20.5.2. notify you in accordance with section 20.1 with 30 days' of any change to the Practices which we reasonably consider to be material.
- 20.6. If you are not willing to accept a change we make to these Terms, you may choose to end your ISA this agreement immediately, by closing it or transferring to another provider.

## 4 **Terms and conditions** (continued)

### **21. General**

- 21.1. Apart from ISA transfers, you may not transfer your rights or obligations under your ISA to any third party.
- 21.2. You may not use your ISA as security for a loan or other financial arrangement.
- 21.3. Apart from your representatives if you die, no person apart from you or us can enforce or enjoy the benefit of these Terms.

### **22. How you and we communicate**

- 22.1. You and we may communicate by post, email, telephone, or mobile app depending on your communication preferences.

- 22.2. Our contact details are:

Contact us online: [shepherdsfriendly.co.uk/help-and-support](https://shepherdsfriendly.co.uk/help-and-support)

Freephone: **0800 526 249**

You can also write to us at:

**Shepherds Friendly,  
Haw Bank House,  
High Street,  
Cheadle,  
Cheshire SK8 1AL**

- 22.3. We may contact you by post, email, telephone, or mobile app using the contact details you most recently gave us.

### **23. Complaints and Compensation**

## 4 Terms and conditions (continued)

23.1. If for any reason you are dissatisfied about anything we have done or failed to do, you should contact us, and we will try our best to resolve any problem. We have a formal complaints procedure, and you can have a copy of this whenever you want simply by contacting us.

23.2. If you are not satisfied with how we have dealt with your complaint, you may be able to refer it to complaint to the Financial Ombudsman Service. Their address and contact details are:

Financial Ombudsman Service,  
Exchange Tower,  
London,  
E14 9SR

Telephone: **0800 023 4567**

Website: **[financial-ombudsman.org.uk/](https://financial-ombudsman.org.uk/)**

23.3. We are covered by the Financial Services Compensation Scheme (**'FSCS'**) in the event that we are unable to meet our obligations. Further information is available from us or the FSCS. Financial Services Compensation Scheme, PO Box 300, Mitcheldean GL17 1DY.

## 24. Law and disputes

24.1. English law applies to these Terms and Conditions and any dealings we had before you and we entered into the contract for your ISA.

24.2. The courts of England and Wales have jurisdiction to hear any disputes about this agreement, unless you live in another part of the UK in which case any disputes may be brought in that part of the UK.

## 6 Glossary

Term	Definition
Additional Subscription Limit	The amount that is allowed to be transferred to your spouse or civil partner as explained in section 15.4.
Annual Subscription Limit	The maximum that can be invested in ISAs in any Tax Year.
Applicable Law	(a) Any obligation that applies under any law or regulation (including any tax legislation or rules made by an applicable regulatory body), or as the result of a decision by a court, ombudsman or similar body;  (b) any obligation under any industry guidance or codes of practice which we follow; or  (c) any other legal or regulatory requirement, which, in each case, is applicable to these Terms and/or our provision of the ISA to you.
Cash Fund	A Fund selected by us as a linked investment which we may give you the option to switch to, in accordance with section 9.6. The Cash Fund aims to achieve a very low level of risk and return. The unit price is guaranteed not to fall for this fund but any growth is expected to be nil or limited.
Crown Employee	An individual who performs duties which by virtue of the Income Tax (Earnings and Pensions) Act 2003 or the spouse or civil partner of a Crown Employee.
FCA	The Financial Conduct Authority or successor to the FCA.
FCA Rules	The handbook of Rules and Guidance of the FCA as amended from time to time.
Fund	A collective investment scheme to which your investment can be linked under these Terms and Conditions.
HMRC	Her Majesty's Customs and Revenue.
ISA Regulations	The Individual Savings Account Regulations 1988 as amended from time to time.
Tax Year	The period starting on 6th April and ending on 5th April in any period of 12 months.
Trading Window	A business day on which it is possible to carry out transactions in relation to your linked Fund.
Unit	One of the equal parts that a Fund is divided into for the purpose of recording the investments in respect of your ISA.
Unit Price	The price at which a Unit in a Fund is purchased, sold or cancelled calculated in accordance with these Terms and Conditions which may vary from time to time, calculated in accordance with these Terms and Conditions.

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