

SCOTTISH  WIDOWS

Scottish Widows Platform

Key Features of the Scottish Widows
Junior Individual Savings Account

keyfacts®



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Please read this document carefully so you fully understand the implications of any financial decisions, and keep it safe for future reference. It may also help to refer to our online **glossary** for explanations of technical or unfamiliar terms.

Scottish Widows Platform is a trading name of Embark Investment Services Limited (EISL) which is a wholly owned subsidiary of Embark Group, a company incorporated in England and Wales (company number 09955930). Embark Investment Services Limited is authorised and regulated by the Financial Conduct Authority (Financial Services Register number 737356). The Financial Conduct Authority is a financial services regulator. It requires us (Scottish Widows Platform) to give you this important information to help you to decide whether our Individual Savings Account (JISA) is right for you.

Scottish Widows Platform does not offer financial advice and we always recommend you seek independent financial advice before making any investment decisions. If you don't currently have a financial adviser, you can find one at **unbiased.co.uk**.

If you have any questions or there is anything you do not understand, please speak with your financial adviser.



Its aims

The Scottish Widows Junior Individual Savings Account (JISA), the 'Account', is a stocks and shares ISA product provided by Embark Investment Services Limited, trading as Scottish Widows Platform. Unless otherwise agreed with us, it is only available to you through a financial adviser.

The Account provides access to a wide range of investments that have the potential to provide capital growth and income, with favourable tax allowances. The value of these investments, can go down as well as up and you may get back less than you originally invested. Your financial adviser will help you to decide if this product is right for you.

What does the JISA do?

The Scottish Widows JISA allows you to invest in investments such as unit trusts, OEICs, shares, investment trusts and bonds on behalf of your child. This tax efficient form of investing has the aim of growing your child's investment over the medium to long term (typically at least five years).

You and your financial adviser can choose which investments are right for your child.

Your child will benefit from favourable tax advantages offered by the Government on savings and the income from investments held within the JISA.

Your commitment

What do we need you to do?

Take time to read the information in this document about the Account, including its features and risks and any other documentation we provide either directly or through your financial adviser.

Regularly review the subscriptions you make and your investment approach to make sure the Account meets your child's needs.

Make sure we have up-to-date information about you and your child. Always tell your financial adviser when you or your child's circumstances change. For example, if you or your child move house or change bank account details.

Make sure you provide an email address to us that you access regularly. We will use this email address to keep you updated about the documentation we need you to read in your Document Library. It is important to log in and read these documents carefully, so you fully understand what is happening with your child's account and speak to your financial adviser if you have any questions. Refer to

How will I know how my child's JISA is doing? within this document for more information.

Keep an ongoing relationship with a financial adviser who has an appropriate agreement with us. They will provide you with advice and take responsibility for setting up and administering the Account on your behalf.

You should review the investments held in your Account on a regular basis and speak with your financial adviser about their performance, taking into account your child's financial goals and risk profile. You should consider getting advice whenever your child's circumstances change.

Agree with your financial adviser how you will pay them, or their associates, for their services to you. This will be the adviser charge. You can authorise us to deduct the adviser charge from your Account and pay it to them. If applicable we will also deduct your discretionary investment manager's charge and pay it to them.

Ensure your child only has one stocks and shares JISA at any one time, and pay in no more than HM Revenue and Customs (HMRC) allows each tax year.



Risks

What could go wrong?

The value of your child's Account depends on the performance of the investments you and your financial adviser choose to invest in. The value of these investments, and therefore the Account, can go down as well as up and your child may get back less than was originally invested.

The level of risk and potential investment performance depends on the investments you invest in. Past performance is no guide or guarantee of how your investments will perform in the future.

Many of the investments available to you are intended as medium to long term commitments, meaning you should usually plan to hold them for five years or more.

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 also a matter of opinion rather than fact.

When you want to buy or sell shares there may not be a market for the shares you are interested in.

If you cancel a transfer from another provider to us, the other provider may refuse to accept the return of the transfer money. Should this happen, it is recommended you discuss the options you have with your financial adviser.

Any charges we apply to the Account will affect the value of your child's Account. These charges may vary from time to time. You can find more about our charges and how we apply them in the Client Charges Guide. When a charge is applied to the Account you will receive confirmation details in the Charges Information Document that we issue which is published in the your Document Library.

If you decide to leave your financial adviser and do not appoint a new one, your options to manage the Account may become restricted. This could lead to poor financial outcomes. More details are available in our Client Terms & Conditions.

If we cannot take charges or other payments from the Account due to insufficient cash, we may need to sell investments to meet the outstanding charges. This could be from an investment you would not choose to disinvest from.

If you are transferring from a Cash JISA you should be aware of the increased risks of investing in a Stocks and Shares JISA.

Over time, inflation will reduce the buying power of the money your child has saved. For example, if inflation is 2% p.a., then in 20 years' time £10,000 will only buy the equivalent of what £6,729 buys today.

Applicable law and tax rules that affect JISAs may change in the future without notice.

In order to obtain better interest rates, we may place money in a 95-day notice account, or on deposit for fixed terms of up to 95 days. Account holders' cash holdings are segregated in accordance with the FCA rules and deposited in one or more pooled bank accounts. If account holders decide to withdraw all of their cash at the same time, either to buy assets or take a withdrawal, there could be a delay of up to 95 days in us being able to access the cash holdings.



Questions & answers

Who can invest?

To open a JISA Account for your child, they must:

- be under 18 years of age;
- be resident in the UK for tax purposes;
- not be a citizen or resident of the United States;
- not hold a Child Trust Fund unless you plan to transfer this to the Scottish Widows JISA;
- not hold another stocks and shares JISA (unless you are transferring it to the Scottish Widows JISA).

The Registered Contact must have parental responsibility for the child and be aged over 18 years.

You cannot open a JISA jointly with any other person.

When the JISA becomes an ISA in your child's name at age 18, proof of identity will be required before any withdrawals can be made.

Is this the right option for my child?

The Account may be right for your child if you:

- want potentially higher returns on your savings than in a regular bank or building society account;
- are comfortable investing in investments that do not give a guaranteed rate of return and could put your capital at risk;
- want to invest through mutual funds or equities directly or a combination of both;
- want a tax efficient way of saving;
- want a discretionary investment manager to help manage investments in your child's Account;
- are prepared to maintain an ongoing relationship with a financial adviser who has an appropriate agreement with us.

Your financial adviser will help you to decide whether the Account is right for your child. They will also help you to understand how applicable tax and regulations could affect your choices.

How do I start saving in a Scottish Widows JISA?

You can start saving in a Scottish Widows JISA once your financial adviser recommends it is the right product for your

child's needs. Once you have agreed to the recommendation, your financial adviser will set up the Account in accordance with the Client Terms & Conditions (these contain the specific JISA terms).

Subscriptions paid into the Scottish Widows JISA are a gift to your child and cannot be returned to the subscriber.

How much can I save in the JISA?

A Scottish Widows JISA can be started with a minimum payment of £50 paid regularly, as a one-off, or as a transfer.

The following types of payments can be made into a Scottish Widows JISA:

- regular payments (monthly, quarterly, half-yearly and yearly);
- one-off payments;
- a transfer of investments and/or cash from an existing JISA.

You can make payments in the following way:

- by Direct Debit;
- electronically by Direct Credit (BACS, CHAPS, Faster Payment);
- by cheque.

The Government sets a JISA payment annual allowance that you are not allowed to go over in any one tax year. If you do, you may lose any tax advantages offered by this type of product. You can confirm the current JISA annual subscription limit by contacting your financial adviser or visiting gov.uk/junior-individual-savings-accounts.

Can I transfer in from other JISAs and child Trust Funds?

We accept transfer from other stocks and shares ISA, Cash ISA and Child Trust Funds. We recommend you speak with your financial adviser to find out which investments we can accept.

Your financial adviser should also tell you whether or not transferring is the right option for your child, along with the benefits and risks involved.

If you do transfer, we will normally receive the money in one of two ways:

- a cash transfer;
- the re-registration of existing investments.

A full re-registration transfer can only happen if the Scottish Widows JISA offers the same type of investments held in your existing JISA. Your financial adviser will be able to check this for you.

What are the charges?

The following shows the type of charges that could be applied to your Account depending on the services you choose to buy. Charges are deducted from the Available Cash in your Account. A more detailed description of our charges is available in our Client Terms & Conditions. To find out the actual charges, refer to our Client Charges Guide.

- Initial charges, include an:
- initial adviser charge
- regular initial adviser charge.

Ongoing and ad-hoc charges, include an:

- ongoing Scottish Widows Platform charge;
- ongoing adviser charge;
- ongoing discretionary investment manager charge;
- ad-hoc adviser charge;
- manual communication charge;
- applicable Stockbroker Partner charge.

Depending on the type of investments that you chose there will also be charges taken directly on your investments. Your financial adviser will tell you what charges will apply and they will be detailed on your Charges Information Document.

How is my child's JISA set up and managed?

Your child's Account is set up and managed online by your financial adviser, who should complete all transactions for you.

This will include:

- setting up a new subscription or transfer;
- changing the investments you are investing in;
- setting up any financial adviser charges;
- making any other changes.

You will also be given access to view your child's Account online. This will allow you to see:

- which investments your child is invested in;
- the value of those investments and how they are performing;
- any charges applied;
- any Account literature that we need you to read (placed in your Document Library).

Your adviser can opt to provide you with additional access for managing your child's account. For more information on the access available please refer to the the Account Charges.

How will I know how my child's JISA is doing?

There are several ways you can keep up-to-date with how your child's Account is performing:

You can get an up-to-date valuation of the investments in the Account at any time by logging in to your Scottish Widows Platform Account online. You will be required to supply an email address when your financial adviser applies for the Scottish Widows JISA on your child's behalf. These details will be used to provide you with a secure username and password.

We provide you with a statement every three months showing the value of the investments in your Account. The first statement will be issued three months after your child's Account is opened and will be placed in your Document Library.

You can ask your financial adviser for an up-to-date valuation at any time.

What about tax?

Currently your child does not have to pay income or capital gains tax on any investment gains within a Scottish Widows JISA.

Your child therefore does not have to include any information about the Scottish Widows JISA in a tax return. On reaching the age of 18 or anytime thereafter your child may withdraw money from the Account tax-free.

This information is based on our current understanding of current UK law and HMRC practice. Changes in the law or your child's personal circumstances could affect the amount of tax they are required to pay in the future.

What if I leave my financial adviser?

As the Scottish Widows JISA is set up and managed for clients by a financial adviser, it is important that if you leave an existing financial adviser you appoint a new one as soon as possible.

Appointing a new financial adviser could mean there are changes to our platform charges and to the financial adviser charges you pay. You should check these details with your new financial adviser before you proceed.

If you leave your financial adviser and do not appoint a new one, we may restrict some of the Account features. We also reserve the right to change the Scottish Widows Platform charge. For more information please refer to the appropriate Client Charges Guide.

The Client Terms & Conditions provide more detail on the consequences of leaving your financial adviser.

How do I know where to invest?

This is one of the most important decisions you will make. Your financial adviser will help you to choose your investments. Whether a particular investment is suitable for your child will depend on your child's circumstances and your investment goals for your child. Our service is execution only. Therefore we will never advise or instruct you on investing money.

Each investment your child invests in will have specific investment risks associated with it and your financial adviser will tell you what these are.

The range of investments we make available include:

- mutual funds;
- exchange-traded instruments (ETIs) including securities;
- mutual funds and ETIs that make up model portfolios.

You can find out more about these types of investments from your financial adviser or in our Client Terms & Conditions.

What about cash?

Within each Account we offer a cash facility. We do this by providing access to a bank account operated by our banking partner. This bank account is not unique to your child's JISA Account. It holds money for all Scottish Widows Platform investors centrally.

There are two accounts. One for the Scottish Widows Personal Pension and Scottish Widows Junior Personal Pension and the other for the Scottish Widows ISA, the Scottish Widows JISA, the Scottish Widows GIA and the Scottish Widows Third Party Investment Account (TPIA).

Any money held in the cash facility may be eligible for interest payments. The rate applied will be determined by us and can be found on scottishwidows.co.uk/platform.

What is a disinvestment strategy?

If we are due to take money from your Account to pay our charges, comply with any contractual obligations you have or to facilitate financial adviser charges and there is not enough Available Cash, we may automatically disinvest from your investments. This action will raise cash so the charges and costs can be deducted.

Where investments in your child's Account are held in a model portfolio managed by a discretionary investment manager, and there is insufficient cash available to cover our charges, any financial adviser charges or the discretionary investment manager charges, investments within the model portfolio may be sold to raise cash to cover these.

You can find out more about our disinvestment strategies in the Client Terms & Conditions.

Can I change my child's investments?

Yes, you should ask your financial adviser to change the investments on your child's behalf.

You may ask your financial adviser to:

- buy and sell investments;
- redirect regular payments to different investments.

If your child is invested in a model portfolio, the discretionary investment manager may also instruct us to buy and sell investments when necessary to rebalance the model portfolio. This is done to make sure that the overall objective of the portfolio is maintained.

In some instances, there may be restrictions on the sale of investments, for example, if an investment is suspended from trading or where there are restrictions on when an investment can be sold.

What if my child moves abroad?

Your child must be a UK resident to open our JISA.

It is important that you inform us immediately if it is your intention for your child to move abroad. You may also want to speak with your financial adviser as the move may affect other savings and investments you hold.

Who can be a registered contact for a child?

You must have parental responsibility for the child and you must be at least 18 years old and resident in the UK for tax purposes. You must not be a US person as defined by the US Internal Revenue Service. You are responsible for determining whether you meet these eligibility criteria and providing us with supporting documentation. If, after taking out an Account your eligibility status changes, it is your responsibility to tell us immediately, as you may no longer be eligible to contribute or have the Account(s).

Can money be taken out of a Scottish Widows JISA?

No, not until your child has reached the age of 18 at which point we will open a Scottish Widows ISA for them, which they can instruct a withdrawal against. The only circumstances in which withdrawals from the Scottish Widows JISA are permitted is upon the death or diagnosis of terminal illness of your child.

What are distribution, dividend and interest payments?

Depending on the type of investments held, you may be eligible to receive a certain type of income payment from an investment. These payments are not guaranteed and can go down as well as up. The different types of income payments are:

- distribution payments;
- dividend payments;
- interest payments.

More information on these payments is available from your financial adviser or in our Client Terms & Conditions.

Can I transfer the account to another JISA manager?

Yes, you can arrange to transfer the value of the Account to another JISA manager at any time. You can do this either as a cash transfer or by re-registering assets (if the receiving provider can accept the re-registration of your investments).

If you choose to transfer the value of the Account to another JISA manager, the whole value of the Account must be transferred.

If using a cash transfer, there will be a period of time between when we sell your child's investments and when your new JISA manager invests the proceeds from that sale.

What happens to the Scottish Widows JISA if my child is diagnosed with a terminal illness?

The Registered Contact will need to make a claim to HMRC for the release of the funds. If they agree to the request, HMRC will issue a letter to confirm this. You or your financial adviser must forward this letter to us and we will retain it.

The return of funds can be made to the Registered Contact in cash held in the Scottish Widows JISA. Partial withdrawals are permissible and the Scottish Widows JISA can remain open.

What happens if my child dies before age 18?

In the event of your child's death, the tax benefits of the Account will end immediately. Any regular contributions will also cease. Investment growth received into the Scottish Widows JISA after the death of your child will no longer be tax-free.

We will then move all investments and Available Cash from the JISA into a Scottish Widows General Investment Account (GIA).

We will attempt to move the investments through an administrative process, however we should point out that:

- any interest, dividends and/or distributions received after your child's death will be subject to the standard tax treatment applied to other investments in the Scottish Widows GIA.
- this movement of investments from a Scottish Widows JISA to a Scottish Widows GIA will not incur any charges from us.
- any financial adviser charges will also be stopped.

Until we receive the appropriate instruction or required documentation from your child's Legal Personal Representatives that allows us to distribute any proceeds, the investments will remain in a Scottish Widows GIA.

Please be aware that the value of the Scottish Widows JISA may be included as part of your child's estate for inheritance tax purposes.

What happens to the Scottish Widows JISA if the registered contact dies?

We are unable to complete any instructions, including trade instructions and the investments will remain unchanged until a new Registered Contact is appointed. The new Registered Contact must appoint a financial adviser who has a relationship with Scottish Widows Platform.

What if the registered contact needs to be changed?

The transfer of Registered Contact status while your child is under 18 years of age will usually require the consent of the current Registered Contact. However, there are certain circumstances where this may not be required. Please contact your financial adviser to discuss your position.

What happens to a Scottish Widows JISA when your child reaches age 18 Years?

We will write to the Registered Contact and (where noted) the financial adviser prior to your child's 18th birthday. This letter will remind you that your child is approaching the age at which their JISA will be converted to an ISA. Alternatively, your child can choose to withdraw the funds from the Scottish Widows Platform. Proof of identity will be required before funds can be withdrawn.

Scottish Widows Platform charges will continue to be deducted until the necessary instructions are received.

Financial adviser charges will cease until the financial adviser has been re-appointed to the new ISA Account by the 18 year old.

Any regular subscriptions in the form of a Direct Debit will be stopped and the Direct Debit cancelled.



Cancellation

Can I change my mind?

Subscriptions paid into a Scottish Widows JISA are a gift to the child and cannot be returned to the subscriber. You can arrange for the JISA to be transferred to another provider.



Other information

How to complain

If you are unhappy with the way you have been treated by us, you always have the right to complain. You can write or call us at the address and number in the How to Contact Us section.

If you are not satisfied with our response, you can then raise the issue with:

Financial Ombudsman Service
Exchange Tower
London
E14 9SR

Phone: **0800 023 4567**

Email: **complaint.info@financial-ombudsman.org.uk**

Website: **financial-ombudsman.org.uk**

Referring the matter to the Ombudsman will not affect your right to take legal action later on.

Terms & conditions

This document provides information on the key features of our Scottish Widows ISA. It does not include all the definitions, exclusions and terms and conditions. You can find full details in our Client Terms & Conditions, available on our website. We will also provide an electronic copy in your Document Library if you decide to open a Scottish Widows ISA.

We have the right to make changes to the Client Terms & Conditions. If this happens, we will let you know and explain the changes. Any changes will be added to your Document Library and posted on our website.

In the event of a conflict between the Scottish Widows Client Terms & Conditions and this Key Features document, the Scottish Widows Client Terms & Conditions will prevail.

Client categorisation

We categorise all of our clients as 'Retail Clients' under the Financial Conduct Authority (FCA) rules for all services and transactions. This helps us to make sure that you receive appropriate disclosure documents from us and that you are told everything you need to know in a timely fashion.

Communication

Our contract with you is in English and all future communication about it will be in English.

Financial services compensation scheme

Scottish Widows Platform is authorised by the FCA so you will have access to the Financial Services Compensation Scheme (FSCS).

In the event you suffer financial loss because of our failure or an investment failure, the actual level of compensation you receive will depend on the basis of your claim and where the money you have with us is invested. The FSCS only pays compensation for financial loss. Compensation limits are per person per firm and per claim category.

The FSCS may be able to pay you compensation if we or any banks with whom we place your money are no longer able to meet our or their financial obligations. If certain investments fail, you may also be eligible for compensation.

- **Scottish Widows Platform Failure** – In the unlikely event the Scottish Widows Platform fails, you may be eligible to make a claim for compensation as a consequence of losing Investments you held in the Scottish Widows Personal Pension, the Scottish Widows ISA, the Scottish Widows JISA, the Scottish Widows GIA, and/or the Scottish Widows TPIA for up to a maximum of £120,000. It is however unlikely you would need to make an FSCS claim for compensation in the event of a Scottish Widows Platform failure because your Cash and Assets are held by appointed third party custodians on a segregated basis and in accordance with FCA Client Money Rules. This means your Cash and Assets are always protected from such an event.
- **Bank Failure** – In the event a Banking Partner is unable to meet its Financial obligations to you, you may be eligible to make a claim for any losses up to a maximum of £120,000.
- **Asset Failure** – In the event of an Asset failure meaning the Asset may no longer be able to trade, you may be eligible to make a claim for any losses up to a maximum of £120,000 per Asset.

You can find out more about the FSCS and how it covers your savings in our Client Terms & Conditions.

Law

The Scottish Widows JISA will be set up and governed by the law of England and Wales.

Where you have declared to us to being tax resident in any non-UK country, or where based on information you have provided to us, or where based on publicly available information, we have assessed you to be tax resident in any non-UK country, we reserve the right to place restrictions on your account to limit further subscriptions, investment execution and any activity as we see fit.



How to contact us

If you have any questions about the Scottish Widows JISA you should contact your financial adviser in the first instance. If you feel that you need to contact us, you can do so using any of the methods opposite.

Scottish Widows Platform
PO Box 24065
1 Tanfield
Edinburgh
EH3 1EY

Email: service@scottishwidowsplatform.co.uk
Phone: **0330 024 2345**

Available Monday to Friday 8.30am to 5pm. Calls may be recorded for training purposes.



0330 024 2345



service@scottishwidowsplatform.co.uk



scottishwidows.co.uk/platform

Keeping in touch

Please tell your adviser if you change your postal address, telephone number or email address.

If you no longer have an adviser, please contact us directly to ensure Scottish Widows Platform holds your up-to-date contact details.

It's especially important that we are able to send you information by email.

Digital communication is fast, secure, environmentally friendly and costs less than print.

Please let your adviser or us know if you have any problem receiving or reading digital communications like email or on-screen literature.

SCOTTISH  **WIDOWS**