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IMPORTANT DOCUMENT
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UNIT TRUST INDIVIDUAL SAVINGS ACCOUNT (ISA)

Key Features Document (advised)

WESLEYAN

we are all about you

KEY FEATURES OF THE UNIT TRUST INDIVIDUAL SAVINGS ACCOUNT (ISA)

The Financial Conduct Authority is a financial services regulator. It requires us, Wesleyan Unit Trust Managers, to give you this important information to help you to decide whether our Unit Trust Individual Savings Account (ISA) is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.

This is a stocks and shares ISA and is intended for retail clients. It allows you to invest in our range of unit trust funds in a tax-efficient way.

You don't have to pay income tax or capital gains tax on any income or investment gains you make from your ISA and you don't need to declare it on your tax return.

The money you pay into an ISA is called a subscription.

When we use 'account' in this document we mean your ISA.

When we use 'fund' or 'funds' in this document we mean the sub-funds of the Wesleyan Authorised Unit Trust that you can invest in through the ISA.

HELPING YOU DECIDE

This document and our Key Investor Information Documents (KIIDs) give the main points about the ISA. They don't explain all the definitions which are in the terms and conditions and the scheme prospectus, which has detailed information about the funds. The terms and conditions, scheme prospectus and the most recent reports about the funds are available at www.wesleyan.co.uk. You can get a free copy of these from our Administration Centre (see page 7 for contact details).

AIMS

To let you invest in our unit trust fund range and also benefit from the tax advantages of investing in an ISA.

YOUR COMMITMENT

You can invest your money for as long as you want to. However, this is a medium- to long-term investment so you should plan to keep your money in the account for five years or more.

We ask you to do the following.

- Make a one-off subscription, regular subscriptions or both. Or you need to transfer an ISA you hold with another ISA manager. The subscriptions you make need to be within the ISA limits set by the Government.
- Leave at least £500 in your account when you make a withdrawal, otherwise your account may be closed.

RISKS

- Investing in funds involves more risk than bank or building society accounts but there is more potential for growth. The value of your investments in the ISA can go down as well as up and you may get back less money than you invested.
- The charges may increase.
- The tax rules that apply to the account could change.
- The funds have different levels of risk. There is more information about these risks in the KIIDs which your Specialist Financial Adviser (from Wesleyan Financial Services) will give you or you can get copies online (www.wesleyan.co.uk).
- There is no guarantee if you transfer your money into the ISA that it will perform better than where it is currently invested.
- If you cancel your investment in the cancellation period, you may get back less than you invested if the value has fallen by the time we receive your Cancellation Notice (this is a form we send to you with your account documents).

QUESTIONS AND ANSWERS

What is an ISA?

- An ISA is a type of savings account with tax advantages.
- ISAs are sometimes called tax wrappers. This means that the ISA is 'wrapped around' the investments that you have in it (in this case, our unit trust funds) so you pay less or no tax. The Government set how much you can invest each tax year. The tax year runs from 6 April one year to 5 April the following year.
- You don't have to pay income tax on any income your ISA investments make.
- You don't have to pay capital gains tax on any money you make from your ISA.
- You can invest in a stocks and shares ISA, a cash ISA, an Innovative Finance ISA, a Lifetime ISA, or a combination of all four types during the tax year.
- You can choose one ISA manager for each ISA type.

Is our Unit Trust ISA right for you?

It may be right for you if you want to invest either a lump sum or regular amounts for the medium to long term, and wish to benefit from the tax advantages of investing in an ISA. This is with the aim of achieving growth on your investment, although this is not guaranteed and the value of your investment can go down as well as up.

It may not be right for you if you:

- are not confident about making your own investment decisions, even after having received professional financial advice
- do not want to accept the risk of fluctuations in the value of your investment, or
- cannot invest the money for five years or more.

Who can invest in our Unit Trust ISA?

You can take out our Unit Trust ISA if you are a UK resident for tax purposes and aged 18 or over.

You can only subscribe to (invest in) one stocks and shares ISA, one cash ISA, one Lifetime ISA, and one Innovative Finance ISA in each tax year. However, you can transfer your investments from one ISA manager to another.

How much can I pay in?

- There is a limit to the amount you can subscribe to ISAs in a tax year, which is set by the Government.
- You can invest up to the limit in a cash ISA, a stocks and shares ISA, an innovative finance ISA, a lifetime ISA, or a combination of all four.
- The amount you invest in a cash ISA, a lifetime ISA, an innovative finance ISA (or all three) will reduce how much you can invest in a stocks and shares ISA.
- If you have chosen the Wesleyan Unit Trust Managers ISA to make use of an Additional Permitted Subscription (APS) allowance you have inherited, you can make subscriptions up to the level of your APS allowance, over and above the personal annual ISA allowance.
- You can make regular subscriptions, one-off subscriptions or both.
- If you don't use all of your ISA allowance in any tax year you can't carry it forward.
- We take the Initial Charge from subscriptions to the ISA. This will use some of the ISA allowance. For more details, please see 'What are the charges?' on page 5.

Regular subscriptions

- If you make regular subscriptions, you need to pay £50 or more each month, or £600 or more each year, by direct debit. This can be arranged by calling or writing to our Administration Centre. When you are paying into more than one fund, you need to pay £50 or more each month, or £600 or more each year, into each fund you are investing in.
- You can increase your regular subscriptions by £10 or more per month at any time.
- You can reduce your subscriptions at any time, as long as they don't go below £50 a month or £600 per year.
- You cannot pay monthly Additional Permitted Subscriptions.
- We reserve the right to close your account if you stop your regular subscriptions and you hold less than £500 in your account.

One-off subscriptions

- You can make one-off subscriptions to your ISA. This includes Additional Permitted Subscriptions.
- The minimum one-off subscription is £1,000 (or £500 if you have already invested in the Unit Trust ISA).
- You can make one-off subscriptions by BACS or cheque with a paper application, or by debit card either online or by calling our Administration Centre.

Before you increase your monthly subscriptions or add one-off subscriptions, you should read the most recent KIID for the funds you are investing in. You can ask us for a copy or you can get one from www.wesleyan.co.uk

Auto-ISA subscriptions

If you hold our Unit Trust Investment Account, you can authorise us to sell units in your investment account each year to fund your Unit Trust ISA. This is known as an auto-ISA subscription.

With an auto-ISA subscription, each tax year we move (on your behalf) an amount equal to the maximum ISA allowance.

For us to be able to move funds from your investment account into your ISA, we will sell units in the investment account proportionately across the funds you hold and buy units in the same funds within the ISA account. No bid-offer spread will apply, and you will receive the same value of units in the ISA as were sold in the investment account. The bid-offer spread is explained in 'What are the charges?' on page 5.

Once the money has moved into the ISA, the Unit Trust ISA terms and conditions will apply to this money.

You must make sure you do not go over your ISA allowance by subscribing to another ISA in the same tax year that an auto-ISA subscription is made.

Can I use the Unit Trust ISA to make use of an increased ISA allowance I've inherited?

Yes, you can use a Unit Trust ISA to make extra payments using an increased ISA allowance called an Additional Permitted Subscription (APS). You can only do this if your husband, wife or legal civil partner died on or after 3 December 2014, and they held one or more ISAs when they died.

This allows you to pay subscriptions up to the level of your APS allowance, over and above the personal annual ISA allowance.

If your husband's, wife's or legal civil partner's ISA was not a Unit Trust ISA, you'll need to transfer the allowance to us before you can make an APS.

You can only pay an APS in cash and as a single lump sum, or a series of lump sums. They must each meet the minimum premium levels set out in 'How much can I pay in?'

Once you have subscribed to the Unit Trust ISA using an APS allowance, you cannot transfer that allowance to another ISA manager. You can only use it to pay subscriptions to the Unit Trust ISA.

If you want to make APSs, you must do this within the timescales set out by HMRC. This is either within:

- three years of the date of your husband, wife or legal civil partner having died, or
- 180 days of the administration of their estate being completed, if this is later.

Can I transfer an existing ISA to the Unit Trust ISA?

- You can apply to transfer an ISA that you hold with another ISA manager to the Unit Trust ISA.
- You need to transfer £1,000 or more from an existing ISA (or £500 if transferring to an existing Unit Trust ISA).
- If you transfer money you have invested in the current tax year, you can add extra subscriptions up to the maximum ISA allowance.
- If you transfer what you have invested in previous tax years, this won't affect how much you can invest in the current tax year.

Where is my money invested?

You can invest in the following funds.

- Risk Averse Fund
- Low Risk/Reward Growth Fund
- Moderate Risk/Reward Growth Fund
- Moderate-High Risk/Reward Income Fund
- UK Growth Fund
- International Growth Fund

Will I receive income from my investment?

The investments held within a fund may produce an income such as dividends from shares or interest from bonds or cash deposits. If you hold 'accumulation' units, this income will be retained in the fund and utilised by the fund manager to make new investments, pay fund charges or meet any redemption requests.

Some funds offer the option of 'income' units. These funds will distribute some or all of this income on set dates during the year. These dates are set out in the scheme prospectus (which you can ask us for).

Accumulation units will rise in value more than income units, to offset the lack of income.

If you have income units, any income will be paid to a bank account you have nominated (unless the income is to be reinvested, in which case it will be used to buy new units).

If you have selected income units but have not provided us with account details to pay your income to, we will reinvest your income to buy more units.

Can I move my money to another fund?

- If you want to switch money into a different fund, you can do so by instructing a 'switch'. This will result in units of one fund being sold, and used to buy units in another.
- You won't pay the bid-offer spread if you switch between funds in the Unit Trust ISA or different unit classes of the same fund.

Can I take some money out?

One-off withdrawals

- You can withdraw £250 or more from your account at any time online, or by writing to or calling our Administration Centre.
- We will pay one-off withdrawals directly into your bank account or send you a cheque.
- When you have taken money out, you can't put it back into your ISA if it would take you over the maximum you're allowed to subscribe to for the tax year.
- When you make a withdrawal, you must leave a minimum of £500 in your account or we reserve the right to close it.

Regular withdrawals

- You can ask us to set up regular withdrawals. These can be once a month, once every three months, once every six months, or once a year.
- Regular withdrawals can only be made from accumulation units.
- Withdrawals are made in arrears. So if, for example, you are making monthly withdrawals, the first payment is made a month after we receive your withdrawal instructions. For quarterly withdrawals, the first payment is made after three months and so on.
- You can change the level of withdrawals at any time but the minimum amount that can be paid is £50 per month (£600 per year or the equivalent for the frequencies listed above).
- You can specify the amount you would like to withdraw per fund or ask us to disinvest proportionately across your funds (that is, in proportion to the amount you hold in each fund). If you do not specify the amount, we will automatically disinvest proportionately.
- At the point you take each of your regular withdrawals, you must leave a minimum of £500 in your account or we reserve the right to close it.
- Regular withdrawal payments are made on or around the 15th of the month directly to your nominated bank account.

How do I cash in my account?

- You can withdraw all of your money by writing to or calling our Administration Centre, or through your online account.
- We will close your account and either pay the money direct into your bank account or send you a cheque – whichever you prefer.

How much will I get back?

- You'll get back the full value of your account if you decide to cash it in.
- How much your account is worth if you decide to cash it in depends on a number of things, including:
  - how much you've invested
  - how much you've already taken out
  - how long your money has been invested for
  - how well your investments have performed, and
  - the level of our charges.

What happens to my ISA if I die?

If you die your account will remain open until such time your personal representatives have completed the necessary formalities to close the account (for example, obtaining the grant of representation).

From 6 April 2018, any income earned between the date of your death and the earlier of:

- the date the account is closed
- the third anniversary of your death, or
- the date the administration of your estate is finalised

will continue to be free from income tax.

During this time the account will be a continuing account for a deceased investor. Your investment will be part of your estate and there may be inheritance tax to pay. Any subscriptions made after the date of death will not be valid.

From 6 April 2015, your husband, wife or legal civil partner has been able to inherit your ISA benefits if you die (known as an Additional Permitted Subscription). They will be given an enhanced ISA limit for a specified amount of time, which will be equal to the higher of

- the value of the account when you die, or
- the value of the account when it ceases to be a continuing account of a deceased investor.

This only applies to deaths on or after 3 December 2014.

What are the charges?

We collect charges from your ISA product to cover our costs in managing your account and investments. If you have received advice from WFS about your investment or you are opted into their Ongoing Advice Service (OAS), part of the charges we collect will also cover the costs of these services. We will take the necessary charges from your account and pay them to WFS.

Bid-offer spread

We sell units in the funds to you at a higher price than you can sell them back to us. The difference between the two prices is called the 'bid-offer spread'.

The bid-offer spread is around 4% and includes:

- an initial charge of 3%, and
- dealing costs, which vary by fund up to around 1%.

The initial charge is discounted to 0% for transactions that you make without advice. If you set up a regular payment, this will cease when it reaches its ten-year anniversary and then the full regular payment will be invested into the funds your plan invests in. This charge covers the cost of the initial advice you have received from your Specialist Financial Adviser.

There is no or bid-offer spread if you subscribe to the ISA directly from an existing Unit Trust Investment Account held with us in your name, or if you switch between funds or unit classes within the Unit Trust ISA.

Annual Management Charge (AMC)

We also charge you an AMC. A portion of this pays for the management of the fund and the remainder pays for the running of the account. The AMC is a percentage of how much your account is worth each year. We don't take the whole AMC at once – we split it up and take part of it every day before we set the unit price.

Paying for ongoing advice

If you are opted into the OAS that WFS provide, your money will be invested in a unit class that includes the cost of the OAS in the AMC. This OAS is then paid to WFS. If you opt out of the OAS, your money will be invested in a unit class that does not include the cost of the OAS.

Summary of ongoing charges

The table below shows the AMC (including the cost of the OAS) and fund expenses that will apply to the funds held in your account.

Your personal illustration shows how these charges, as well as transaction costs and the bid-offer spread, may affect your account.

Fund	Annual Management Charge (AMC) (Includes the cost of the Ongoing Advice Service)	Fund expenses	Ongoing Charges Figure (OCF) (Total of the AMC, including cost of OAS, and fund expenses)
Risk Averse	0.50%	0.01%	0.51%
Low Risk/ Reward Growth	1.5%	0.14%	1.64%
Moderate Risk/Reward Growth	1.6%	0.12%	1.72%
Moderate-High Risk/ Reward Income	1.7%	0.20%	1.90%
UK Growth	1.5%	0.20%	1.70%
International Growth	1.75%	0.20%	1.95%

Note: The percentages shown in the table above are correct as at March 2022. Fund expenses can vary over time, and by unit class. The charges above reflect those for the unit class with the highest OCF. Please refer to the KIID for the fund and unit class you are invested in for the most up-to-date figures.

The ongoing charges are taken from the income made by the funds. If there is not enough income to pay the charges, we will take the money from capital. For the Moderate-High Risk/ Reward Income Fund, ongoing charges are currently taken from capital only.

We may change our charges in certain circumstances, for example if our costs change. For more details see the terms and conditions document, section 8 - Charges. We will give you 60 days' notice if we need to change our charges.

What about tax?

- You don't have to pay income tax on any income your ISA investments make.
- You don't have to pay capital gains tax on any money you make from your ISA.
- You don't have to put the ISA on your tax return.

This is how we understand the current tax rules, but they may change in the future and your actual tax treatment depends on your personal circumstances.

How can I find out how my ISA is doing?

You can:

- log in to your online account
- check the statement we send to you every six months, or
- call our Administration Centre on 0330 123 3813 for an up-to-date valuation.

Can I change my mind?

Yes, you can change your mind. Simply fill in the Cancellation Notice we send to you and return it to us within 14 days of the investment being made.

If you decide to cancel, we will give you back any money you have paid to us less the amount (if any) your investments have fallen by when we receive your Cancellation Notice. We will pay this money back to you by cheque or bank transfer.

If you decide to cancel after we've received the money from an ISA transfer, you will get back:

- the original transfer value if you cancel before the money is invested, or
- the value of your investments when you cancel if the money has already been invested in our funds. This means you could get back less than you invested.

We can arrange for the money to be paid directly to you by cheque, transferred to another ISA manager or returned to the original ISA manager. However, if the original ISA manager does not accept the return of your investment, we will contact you to let you know. If we return the investment to you, you will lose your ISA tax advantages for that money.

You cannot cancel the transfer of an APS allowance from another ISA manager if you have already made an APS to the Wesleyan Unit Trust ISA using that allowance.

OTHER INFORMATION

Safeguarding of assets

HSBC Bank plc are the appointed trustee and depository for Wesleyan Unit Trust Managers Limited. They are responsible for the holding of the funds and safekeeping of client assets. For further information on HSBC Bank plc's duties, responsibilities and liabilities please refer to the Prospectus of the Wesleyan Authorised Unit Trust.

Regulator

We are regulated by the Financial Conduct Authority (FCA), 12 Endeavour Square, London, E20 1JN. We classify all our customers as retail investors which means you benefit from the highest levels of regulatory protection.

How to complain

We do everything we can to make sure we always give you the best possible service. If you are unhappy with the advice you were given by your Specialist Financial Adviser, and want to complain, you can contact us in the following ways:

- Speak to our Customer Relationship Centre on 0800 092 1990. Our lines are open from 9am to 5pm, Monday to Friday.
- Fill in the online contact form which you can find on our website www.wesleyan.co.uk
- Email the Complaints Team at complaints@wesleyan.co.uk
- Write to:
  Complaints Team
  Customer Operations - Birmingham
  Wesleyan Assurance Society
  Colmore Circus
  Birmingham B4 6AR

If you want to complain about how our Administration Centre is dealing with your account, please contact them at the address below.

The Administration Centre
PO Box 9033
Chelmsford CM99 2WQ
Phone: 0330 123 3813

If, after receiving our response, you're still not happy, you can refer your complaint to the Financial Ombudsman Service.

The Financial Ombudsman Service
Exchange Tower
Harbour Exchange Square
London E14 9SR

Phone: 0800 023 4567 or 0300 123 9123
Email: complaint.info@financial-ombudsman.org.uk
Website: www.financial-ombudsman.org.uk

Complaining to the Ombudsman won't affect your legal rights.

Law

The account is governed by the law of England.

Conflicts of interest

You can find a copy of our conflicts of interest policy on our website at: www.wesleyan.co.uk/pdf/wesleyan-conflicts-of-interest-and-anti-bribery-policy or you can ask us for a copy.

Compensation and client money

There may be times when we need to hold money that belongs to you but is not invested. If this happens we will hold your money in an account held in trust with Lloyds Bank in accordance with the client money rules.

If we cannot meet our financial obligations to you, you may be entitled to compensation from the Financial Services Compensation Scheme (FSCS) under the Financial Services and Markets Act 2000.

You can get details of the scheme from the FSCS at:

FSCS
PO Box 300
Mitcheldean
GL17 1DY

Phone: 0800 678 1100 or 020 7741 4100
Email: enquiries@fscs.org.uk
Website: www.fscs.org.uk

How to contact us

If you have any questions about how we are dealing with your account, or you want to tell us to do something, for example, to increase your monthly subscriptions, please contact our Administration Centre in any of the following ways.

Write to:

The Administration Centre
PO Box 9033
Chelmsford CM99 2WQ.

Call us on 0330 123 3813. Our lines are open from 9am to 5pm, Monday to Friday. We may monitor our calls to improve our service.

A guide to the many ways in which the Wesleyan Group of companies can help you to plan, prioritise and secure your financial future.

For you

- Savings & Investments
- Mortgages
- Retirement Planning
- Insurance
- Life & Income Protection

For your business

- Equipment Insurance
- Personal Protection
- Premises Insurance

For more information about the Wesleyan Group of companies, visit **wesleyan.co.uk/ourcompanies**

If you would like this document in Braille, large print or audio format, please contact **0800 975 3710.**

Wesleyan Unit Trust Managers Ltd.

Administration Centre: PO Box 9033, Chelmsford CM99 2WQ Telephone: 0330 123 3813

Registered Office: Colmore Circus, Birmingham B4 6AR. Telephone: 0121 200 3003. Fax: 0121 200 2971. Website: www.wesleyan.co.uk

Advice is provided by Wesleyan Financial Services Ltd.

'WESLEYAN' is a trading name of the Wesleyan Group of companies.

Wesleyan Unit Trust Managers Ltd (Registered in England and Wales No. 2114859) is authorised and regulated by the Financial Conduct Authority. Wesleyan Financial Services Ltd. (Registered in England and Wales No 1651212) is authorised and regulated by the Financial Conduct Authority. Wesleyan Unit Trust Managers Ltd and Wesleyan Financial Services are wholly owned by Wesleyan Assurance Society which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Wesleyan Unit Trust Managers Ltd is also a member of The Investment Association. Calls may be recorded to help us provide, monitor and improve our services to you. Copies of the Scheme Prospectus, Key Investor Information Documents (KIIDs) and the most recent Annual Report and Half-Yearly Report on authorised funds are available free of charge from the Administration Centre.

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