

IMPORTANT DOCUMENT – PLEASE READ

keyfacts<sup>®</sup>

**WESLEYAN**  
UNIT TRUST JUNIOR  
INDIVIDUAL SAVINGS  
ACCOUNT (JUNIOR ISA)  
(INCLUDING THE TERMS  
AND CONDITIONS)

**WESLEYAN**

*we are all about you*

# KEY FEATURES OF THE JUNIOR INDIVIDUAL SAVINGS ACCOUNT (JUNIOR 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 Junior Individual Savings Account (Junior ISA) is right for you. You should read this document carefully so that you understand what you are buying, and keep it safe for future reference.

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This is a stocks and shares junior ISA and is intended for retail clients. It allows you to invest in our range of unit trust funds on behalf of a child.

The money invested in a junior ISA can provide a tax-free amount to the child when they reach the age of 18.

There is no income tax to pay on any income made from a junior ISA and no capital gains tax to pay on any increase in value.

The money paid into a junior ISA is called a subscription.

When we use 'account' in this document we mean the junior ISA.

When we use 'fund' or 'funds' in this document we mean the sub-funds of the Wesleyan Unit Trust that can be invested in through the junior ISA.

When we use 'you' or 'your' in this document, we mean the registered contact - the person who manages the junior ISA on behalf of the child. This could also be the child themselves if they are eligible.

When we use the word 'account holder' we mean the child who will own and benefit from the junior ISA.

## Helping you decide

This document and our key investor information documents (KIIDs) give the main points about the junior ISA. They don't explain all the definitions which are in the terms and conditions (included at the back of this document) and the scheme prospectus, which has detailed information about the funds. You can get a free copy of the scheme prospectus and the most recent reports about the funds from our Administration Centre (see page 8 for contact details).

## Aims

To allow you and other family members and friends to invest in the Wesleyan Unit Trust fund range on behalf of a child, so that they can benefit from the tax advantages of a junior ISA.



## Your commitment

All subscriptions to the account are considered a gift to the child and cannot be returned to the original subscriber. They can only be accessed by the child once they reach age 18.

This is a medium- to long-term investment so you should plan to invest in the plan for five years or more. If there are less than five years until the child is 18, they can continue to keep the money invested in an adult ISA from age 18.

We ask you to do the following.

- ▶ If you are the registered contact, you'll need to act on behalf of the child until they take over responsibility of the account. The child can choose to do this from age 16 and will automatically get full control of the account from age 18 when the account becomes an adult ISA.
- ▶ Make a one-off subscription, monthly subscriptions or both. Or you need to transfer a junior ISA or Child Trust Fund (CTF) account held with another provider. (The subscriptions made need to be within the limits set by HM Revenue & Customs.)

## Risks

- ▶ Investing in funds involves more risk than bank or building society accounts but there is more potential for growth. The value of investments in the junior ISA can go down as well as up and may return less than 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 Wesleyan Financial Consultant will give you or you can get a copy from our website ([www.wesleyan.co.uk](http://www.wesleyan.co.uk)).
- ▶ There is no guarantee if you transfer money into the junior ISA that it will perform better than where it is currently invested.
- ▶ If you cancel an investment in the cancellation period, you may get back less than invested if the value has fallen by the time we receive the Cancellation Notice from you (this is a form we send to you with the Junior ISA account documents).

## Questions and answers

### What is a junior ISA?

A junior ISA is a type of children's savings account with tax advantages.

Junior ISAs are sometimes called tax wrappers.

This means that the junior ISA is 'wrapped around' the investments held in it (in this case in Wesleyan Unit Trust funds) to provide tax advantages. HM Revenue & Customs (HMRC) set how much can be invested in a junior ISA each tax year. (The tax year runs from 6 April one year to 5 April the following year.)

There is no income tax or capital gains tax to pay on investments held in a junior ISA.

A child can hold one cash junior ISA and one stocks and shares junior ISA. They cannot have a junior ISA if they hold a Child Trust Fund (CTF) account but a CTF account can be transferred to a junior ISA.

### Who can take out a junior ISA?

Our junior ISA can be opened by a person with parental responsibility for a child. The child must:

- ▶ be under 18 years of age
- ▶ be a UK resident at the time the account is opened, and
- ▶ not hold an existing CTF account or stocks and shares junior ISA (unless they are to be transferred to the Wesleyan Junior ISA).

The person who opens the account is the 'registered contact' and the child is the 'account holder'. We will only accept instructions relating to the account from the registered contact.

Another person with parental responsibility can take over as the registered contact.

The child has the right to become the registered contact from age 16.

If you want to change the registered contact, you should write to us. Our contact details are in 'How to contact us' on page 8.

### How do I know if a Unit Trust Junior ISA is right for me?

Investing in a Unit Trust Junior ISA may be right for you if you want to invest either a lump sum or regular amounts, on behalf of a child, in unit trust funds for the medium- to long-term, and wish to benefit from the tax advantages of investing in a Junior ISA. This is with the

aim of achieving growth on your investment, although this is not guaranteed.

It may not be right for you if you are not confident about making your own investment decisions, unless you first receive professional advice, if you are unable to accept the risk of fluctuations in the value of your investment, or if you cannot invest the money for 5 years or more.

Your Wesleyan Financial Services Financial Consultant will help you understand if a unit trust investment account is likely to meet your investment needs.

### Who can pay into a junior ISA?

Subscriptions can be made by anyone.

More than one person can pay into one junior ISA.

The total of all of the subscriptions made in a tax year must not go over the maximum subscription limit.

### How much can be paid in?

There is a limit to the amount that can be subscribed to (invested in) junior ISAs in a tax year.

The most that can be subscribed to junior ISAs in the current tax year (6 April 2019 to 5 April 2020) is £4,368. It is possible to invest up to £4,368 in a cash junior ISA, a stocks and shares junior ISA or a combination of both.

Both monthly subscriptions and one-off subscriptions can be made.

If the junior ISA allowance is not used in any tax year it cannot be carried forward.

We take the Initial Charge from subscriptions to the junior ISA. This will use some of the junior ISA allowance. (For more details, please see 'What are the charges?' on page 6.)

### Regular subscriptions

- ▶ Regular subscriptions can be made to the junior ISA.
- ▶ Total regular subscriptions need to be £100 or more each month, or £1,200 or more each year, paid by direct debit. (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.)
- ▶ More than one subscriber can pay regular premiums but, if regular premiums are being made, at least one subscriber must pay the minimum outlined above.
- ▶ Regular subscriptions can be increased by £10 or more at any time.
- ▶ Subscriptions can be reduced at any time, as long as one subscriber pays the minimum.



### One-off subscriptions

One-off subscriptions can be made to the junior ISA.

The minimum one-off subscription is £1,000 (unless subscriptions have already been made to the junior ISA, then the minimum one-off subscription is £500).

One-off subscriptions must be made by cheque.

Before you increase monthly subscriptions or add one-off subscriptions, you need to read the most recent KIID for the funds being invested. You can ask us for a copy or get a copy from our website.

### Can I transfer an existing junior ISA or CTF account to the Wesleyan Unit Trust Junior ISA?

You can apply to transfer an existing junior ISA held with another ISA manager or CTF account to the Wesleyan Unit Trust Junior ISA.

You need to transfer £1,000 or more from an existing junior ISA or CTF account.

If you transfer money invested in the current tax year, you can add any extra subscriptions up to the maximum junior ISA allowance.

If you transfer subscriptions invested in previous tax years, this won't affect how much can be invested in the current tax year.

### Where are subscriptions invested?

Money can be invested in the following Wesleyan Unit Trust 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 there be any income from investments?

The fund or funds you are invested in may produce an income through dividends from shares or interest from bonds or cash deposits. The funds in the unit trust will distribute any income on set dates during the year. These dates are set out in the scheme prospectus, which you can ask us for.

Only accumulation units are available in the junior ISA, which means that any income will be automatically reinvested with the aim of increasing the unit price.

### Can I move money to another fund?

If you want to switch money into a different fund, you will have to ask us to sell units in the fund and then use the money to buy new ones.

You won't have to pay the bid-offer spread if you switch between funds in the Wesleyan Unit Trust ISA or different unit classes of the same fund. Please see page 12, for what we mean by 'unit class'. The bid-offer spread is explained in 'What are the charges?' on page 6.

### Can I take some money out?

Junior ISA regulations mean that you cannot access the money in the junior ISA. The child can access the money once they reach age 18 and the account becomes an adult ISA. For more information, please see 'What happens when the child turns 18?' below.

It is possible to transfer the full value of the junior ISA to another provider.

You may be able to withdraw the full investment if the child is diagnosed with a terminal illness. For more details, please see 'What happens to the junior ISA if the child dies?' shown opposite.

### What happens when the child turns 18?

The junior ISA automatically becomes an adult ISA.

The investments will continue as before but ISA terms and conditions will apply.

Any regular subscriptions into the account will also automatically stop at this point.

The child (now 18) will have full control over the investments and can make withdrawals or new subscriptions.



### How much will the child get back?

- ▶ The child will get back the full value of the account if they decide to cash it in once they have reached age 18.
- ▶ How much the account is worth, if the child cashes it in once they have turned 18, depends on a number of things, including:
  - how much has been invested
  - how much has been taken out (after age 18)
  - how long the money has been invested for
  - how well the investments have performed, and
  - the level of our charges.

### What happens to the junior ISA if the child dies?

If the child dies, the junior ISA tax advantages will no longer apply. The money will carry on being invested in the account until the child's personal representatives decide what they want to do with it. The investment will be part of the child's estate and there may be inheritance tax to pay.

### What are the charges?

We (Wesleyan Unit Trust Managers) collect charges from the Junior ISA to cover our costs in managing the account and investments. If you have received advice from Wesleyan Financial Services (WFS) about

the account 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 the account and pay them to WFS.

### Bid Offer Spread

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

The bid offer spread is around 4% and includes:

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

There is no initial charge or bid-offer spread if you switch between funds or unit classes within the Wesleyan Unit Trust Junior ISA.

### Annual Management Charge

We also charge an Annual Management Charge (AMC). This is an amount which is taken from your unit holding on a regular basis. 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 the 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 Wesleyan Financial Services provide, the investments will be made into a unit class that includes the cost of the OAS in the AMC. This OAS is paid to Wesleyan Financial Services. If you opt out of the OAS, the investments will be made into 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 the other expenses we will apply to the account.

Your personal illustration shows how the charges and any additional costs, such as implicit transaction charges, may affect the account.

Fund	Annual Management Charge (AMC) (Includes the cost of the OAS if you are opted into this service)	Other expenses charged directly to the funds (see note below)	Ongoing charges figure (OCF) (Total of the AMC, including cost of OAS, and other expenses)
Risk Averse	0.5%	0%	0.5%
Low Risk/Reward Growth	1.5%	0.18%	1.68%
Moderate Risk/Reward Growth	1.6%	0.15%	1.75%
Moderate-High Risk/Reward Income	1.7%	0.25%	1.95%
UK Growth	1.5%	0.17%	1.67%
International Growth	1.75%	0.25%	2.0%

Note: The percentages shown in the table for 'other expenses charged directly to the funds', are correct as at December 2018. These expenses can vary by the class of unit you are invested in. 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 the fund itself. This does not include the Moderate-High Risk Reward Income Fund, where the ongoing charges are taken from capital.

We may change our charges in certain circumstances, for example if our costs change. We will give you 60 days' notice if we need to do this. For more details, please see the terms and conditions, section 9 - Charges.

## What about tax?

There is no income tax to pay on any income the junior ISA investments make.

There is no capital gains tax to pay on any money made from the junior ISA.

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 the junior ISA is doing?

You can:

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 paid to us (whoever paid it in) less the amount (if any) the investments have fallen by when we receive your Cancellation Notice. We will pay this money back to you by cheque.

If you decide to cancel after we've received the money from a junior ISA or CTF transfer, we can arrange for the money to be transferred to another ISA manager or, for a junior ISA transfer, returned to the original ISA manager. However, if the original ISA manager does not accept the return of your investment, we will contact you. The amount returned will be:

- ▶ 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 it may be less than invested.)

## 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 Wesleyan Authorised Unit Trust.

There may be times 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.

### 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 WFS Consultant, 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 8.30am to 6.30pm, Monday to Friday and from 9am to 2pm on Saturdays.
- ▶ Fill in the online contact form which you can find on our website [www.wesleyan.co.uk](http://www.wesleyan.co.uk)
- ▶ Email the Complaints Team at [complaints@wesleyan.co.uk](mailto:complaints@wesleyan.co.uk)
- ▶ Write to:
  - Complaints Team
  - Risk and Regulatory
  - Wesleyan Assurance Society
  - Colmore Circus,
  - Birmingham B4 6AR

You can also fax your letter to us on 0121 200 9210.

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](mailto:complaint.info@financial-ombudsman.org.uk)  
Website: [www.financial-ombudsman.org.uk](http://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](http://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 we need 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](mailto:enquiries@fscs.org.uk)  
Website: [www.fscs.org.uk](http://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.



# TERMS & CONDITIONS

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Plain English Campaign's Crystal Mark does not apply to the terms and conditions.

## Introduction

These terms and conditions along with the application form describe the agreement between you (the registered contact) and us (Wesleyan Unit Trust Managers Limited) for managing the junior ISA.

These terms and conditions apply to the account. You should read them carefully and if there is anything you don't understand, please contact our Administration Centre.

When we refer to statutory or regulatory provisions or the rules of any self-regulatory body we mean the current version of those rules or provisions, unless we state otherwise.

We are regulated by the Financial Conduct Authority (FCA) in the conduct of investment business, including acting as manager of ISAs. We are approved by HM Revenue & Customs (HMRC) as an ISA manager under the ISA regulations.

## Definitions

In this document we use financial words and phrases that not everyone will be familiar with. We've explained what these mean below and over the page.

Where words or phrases have been explained in the junior ISA regulations, they will have the same meanings when they are used in these terms and conditions. If the junior ISA regulations are not consistent with these terms and conditions then the junior ISA regulations will apply.

- ▶ **account** – a junior ISA taken out under these terms and conditions.
- ▶ **account holder** – the eligible child who the account has been opened on behalf of and who is the beneficial owner of the money in the account. This person must be under 18, and, at the time the account is opened, must be resident in the UK for tax purposes.

- ▶ **account manager** – Wesleyan Unit Trust Managers Limited.
- ▶ **Administration Centre** – deals with all queries and instructions on your account. DST Financial Services Europe Limited, will administer the account on our behalf. If you have any questions you can write to them at PO Box 9033, Chelmsford CM99 2WQ or phone them on 0330 123 3813.
- ▶ **application form** – the Junior ISA Application Form which you complete to apply to invest in this account.
- ▶ **best execution** – our responsibility to get the best possible result when we buy or sell investments for you. We consider various factors but in most cases, we will consider the price as the most important factor.
- ▶ **cash junior ISA** – a junior ISA which is designated as a cash account under the ISA regulations.
- ▶ **Child Trust Fund account (CTF account)** – an account which is a savings or investment account under the Child Trust Fund Act 2004.
- ▶ **client money account** – a bank account required by the client money rules (please see below for meaning). Our client money account is with Lloyds Bank plc or any other bank which we nominate.
- ▶ **client money rules** – ensures a clear separation between money that belongs to customers and money that belongs to a firm as defined by the Financial Conduct Authority's (FCA's) Client Assets Sourcebook (as amended).
- ▶ **contract note** – if a one-off subscription or transfer is made this is the note we give you when the application has been processed which shows the amount invested and the number of units bought. You will also receive a contract note if you transfer all or part of the junior ISA to another ISA manager which shows the number of units sold. If there are monthly subscriptions we will acknowledge that we have accepted these but we won't send you a contract note.
- ▶ **eligible child** – a child who is:
  - under 18 years of age at the time the application is made
  - born on or after 3 January 2011, or born prior to this date but doesn't have a Child Trust Fund (unless transferring it to the junior ISA), and, at the time the application is made, they should also be either:
    - a UK resident
    - a UK Crown Servant
    - a dependant of a UK Crown servant, or
    - married to or in a civil partnership with a UK Crown Servant.
- ▶ **FCA** – the Financial Conduct Authority (or its successors).
- ▶ **FCA rules** – the FCA rules which we operate under to conduct our investment business.
- ▶ **funds** – the sub-funds of the Wesleyan Authorised Unit Trust that you can invest into through this ISA.
- ▶ **income distribution date** – the date that we distribute income from the funds. The dates for each fund are detailed in the scheme prospectus.
- ▶ **ISA manager** – a firm authorised by HM Revenue & Customs (HMRC) to manage ISAs under the ISA Regulations. For the Unit Trust ISA and junior ISA it is Wesleyan Unit Trust Managers (WUTM).
- ▶ **ISA regulations** – The Individual Savings Account Regulations 1998 (as amended from time to time).
- ▶ **junior ISA** – an account set up and managed as a junior ISA under the ISA regulations (as amended).
- ▶ **registered contact** – the person who can give instructions for the management of the account. The child can become the registered contact from age 16.
- ▶ **scheme** – if you invest in any of the funds, you are investing in the Wesleyan Authorised Unit Trust. We may nominate other unit trusts as eligible account investments in line with the ISA regulations.
- ▶ **stocks and shares junior ISA** – a junior ISA which is designated as a stocks and shares account under the ISA regulations. The Wesleyan Unit Trust Junior ISA is a stocks and shares junior ISA.
- ▶ **subscriber** – any person who invests in the junior ISA on behalf of the child.
- ▶ **subscriptions** – the money paid into the junior ISA.
- ▶ **tax year** – the year which starts on 6 April one year and ends on 5 April the following year.

- ▶ **unit class** – from time to time, we may create different types of units in the fund or funds in the scheme. When we do this, we will create a new unit class. The account may hold units in more than one unit class in the fund or funds invested in. We will write and let you know if and when we create a new unit class.
- ▶ **units** – money paid into the account and money from other investors is used to buy units in the unit trust funds. The number of units held is the account holder's share of the fund.
- ▶ **us or we** – Wesleyan Unit Trust Managers Limited, the account manager.
- ▶ **valuation dates** – the dates each year when we value the funds. The dates are detailed in the prospectus.
- ▶ **working day(s)** – the days we are open for business. So Monday to Friday except bank holidays in England.
- ▶ **you or your** – the registered contact for the account.

## 1. How to invest

### Opening the account

We will open the junior ISA when we receive and accept your completed application form and either a subscription or transfer payment at our Administration Centre. There may be a delay if we need to get more information about you or there is anything which isn't clear.

We will acknowledge receipt of your application form and any subscriptions sent with it the next working day after we have received it.

These terms and conditions will apply as soon as we accept the application to open the account.

When we accept a new account, we will designate it as a stocks and shares junior ISA in line with the ISA regulations.





## Registered contact

The account is managed by a registered contact and there can only be one registered contact at any one time.

To take out a junior ISA you must have parental responsibility for the account holder (which usually means you are their parent or guardian) and you must sign the declaration on the application form to confirm that you will be the registered contact.

The first registered contact will be the person who applied for the account. The registered contact is the only person who will be able to give instructions on the account.

When the account holder turns 16 they can become the registered contact if they want to, in which case they will become the sole registered contact and will take over complete control of the junior ISA.

If the registered contact is someone other than the child, another person who has parental responsibility for the eligible child may apply to become the registered contact.

To do so, they must complete an application form.

We will act in accordance with the ISA regulations to determine whether the consent of the existing registered contact is needed to make this change.

We will not accept instructions on the account from an individual acting under any kind of Power of Attorney for the registered contact.

## Your right to cancel

After we receive your application form, we will send you a Cancellation Notice. You have 14 days to cancel any subscriptions or transfers in. If you decide to cancel, the amount returned will be any money paid to us less the amount (if any) that your investments have fallen by when we receive your Cancellation Notice. For new subscriptions, we will pay this money back to you by cheque. You will have to give us back any money we have already paid to you under the contract.

If you transferred money in from another junior ISA or a CTF account, you can ask us to:

- ▶ return the money to the previous ISA manager (if the money has come from a junior ISA and the previous manager agrees to accept it back), or
- ▶ transfer the money to another ISA manager.

## Making subscriptions

For subscriptions to be paid into the account, you must first complete and sign the application form and send it with any payment or completed direct debit form to our Administration Centre.

One-off subscriptions can be paid by cheque and monthly subscriptions by direct debit.

The most that can be subscribed to a junior ISA in the current tax year (6 April 2019 to 5 April 2020) is £4,368.

We will not accept your application form and subscriptions if the ISA regulations no longer give the account holder the right to have a junior ISA or you do not have the right to be the registered contact.

All subscriptions into the account will represent a gift to the account holder.

## One-off subscriptions

A one-off subscription can be made to start the junior ISA and one-off subscriptions can also be made at any time when the junior ISA is open. We set a minimum amount that must be invested for both the first one-off subscription (£1,000) and any one-off subscriptions paid in after that (£500). The minimum that can be paid into any one fund is £500 for the first one-off subscription and £250 for any subsequent subscriptions.

## Regular subscriptions

Total regular subscriptions need to be £100 or more each month, or £1,200 or more each year, paid by direct debit. (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.)

If subscriptions are increased they have to go up by £10 a month or more.

We need at least 10 working days to set up a direct debit and we will let the subscriber know when we will collect their first and subsequent subscriptions.

Monthly subscriptions can be reduced at any time (subject to the minimum subscription amount). Unless you tell us otherwise, we will reduce the subscriptions being used to buy units in the most recent series for the fund or funds you are investing in.

A subscriber will need to write and tell us if they want to change or stop (either temporarily or completely) the monthly subscriptions. We won't be able to change or stop a direct debit that is due to be taken within seven working days of you contacting us.

We will give you 30 days' notice if we change the minimum subscription amount.

If a bank or building society refuses our request for a monthly subscription, we will not attempt to collect the payment missed. However, we will contact the subscriber if this happens.

If the final payment in a tax year will take subscriptions for the year over the junior ISA subscription limit, we will reduce your final direct debit payment to ensure you do not over-subscribe.

### **Transfers from another junior ISA or CTF account.**

You can apply to transfer to us an existing stocks and shares junior ISA, cash junior ISA or CTF account which is held with another manager.

An existing junior ISA or CTF account must be transferred in cash. We will not accept other forms of payment, for example, re-registration of shares.

Current tax year junior ISA subscriptions must be transferred in full. Previous year contributions can be transferred in full or in part, providing the child does not have two junior ISA accounts at the same time (whether it be cash or stocks and shares). A CTF account must be transferred in full and closed once the transfer has been completed.

We have the right to refuse the transfer request.

Only one stocks and shares junior ISA and one cash junior ISA can be held in the account holder's name at any one time.

When the junior ISA or CTF account has been transferred, these terms and conditions will apply from the date of the transfer. The timing of us receiving the transfer is outside our direct control. We are not responsible for any loss of income or

growth if there is a rise in the markets while the transfer is in progress.

## **2. Investing your money**

As long as we have accepted your application (in line with these terms and conditions) we will use a one-off subscription (or transfer from another ISA or CTF account manager) to buy units using the price that applies on the next working day after we receive the cheque. (We only register cheques as being received by us on working days.)

For subscriptions paid by direct debit, we will buy units using the price that applies on the working day we receive the payment.

## **3. Owning the account**

We do not issue unit certificates or other documents of title (which show legal ownership of the investments). Entitlement to units will be shown by the entry on the register of unit holders. Any documents which show the title to account investments (including any share certificates) will be held by us or as we may direct.

The account holder effectively own the investments without holding the legal title to them.

It is not possible to transfer the ownership of the junior ISA investments to anyone else or use it as security for a loan.

The investments will be registered jointly in the account holder's name and our name or the name of a company we nominate (called the nominee). We will be responsible for the actions of any nominee.

If the nominee company defaults then any shortfall in the securities registered in their name may be shared among all customers whose investments were registered with them. (The amount you get will be based on the share of the fund.)

We will not lend investments, title documents or any property which belongs to the account holder to a third party.

We will not commit anyone to pay any more money into the account.

We will not pay any costs, expenses, demands or losses (including any tax which you should pay) which arise from us managing the account.

You undertake to indemnify us against all costs, expenses, demands and losses (including any tax attributable to the account holder) which we may incur in the lawful and proper exercise of our duties as manager of the account.

#### **4. Managing the investment**

We will invest subscriptions in the fund(s) you choose.

If we need to, we will keep money subscribed until it's invested. If this happens, we will hold money in a client money account in line with the client money rules. This client money account is held in trust with Lloyds Bank. We will credit or debit this client money account with:

- ▶ the money which comes from changes in the investment
- ▶ the distributions we receive or collect, and
- ▶ fees, commissions or charges.

We may cash in units or use subscriptions to pay taxes, fees, commissions or any expenses which need to be paid to us. If there is not enough money in the account to pay everything that is outstanding, you will need to pay us the difference. You may be liable for the reasonable costs, damages or losses which we incur if there is a delay in you paying.

We may manage this account investment along with other ISA investments we manage and we may put them together for some types of transactions. We may put together the investments in this account with other accounts which we hold for you.

Sometimes, we receive money which belongs to the account holder after the account is closed.

We will hold this money in our client money account until we receive your instructions.

We will not pay interest on any money held in our client money account.

We will send you an annual statement that will show any cash balances held in the client money account.

We may stop treating money as client money if:

- ▶ it's been held in our client money account for more than six years, and
- ▶ we haven't been able to get any instructions after taking reasonable steps to find the registered contact.

We reserve the right to donate it to a charity of our choice. However, should you wish to subsequently claim money after we've made the payment to charity, we will still pay what is due.

#### **5. Reinvesting or receiving the income**

All units available in the junior ISA are accumulation units.

We reinvest the income we distribute in the funds with the aim of increasing the unit price.

#### **6. Taking money out**

Withdrawals cannot be made from a junior ISA.

When the account holder reaches age 18, the account will become an adult ISA and they will be able to make withdrawals under the Wesleyan Unit Trust ISA terms and conditions.

It is possible to withdraw money from the account under ISA regulations if the account holder becomes terminally ill. You should contact our Administration Centre to discuss the process and the information we require under the ISA regulations.

#### **7. Conversion to an adult ISA**

When the account holder reaches age 18, the account will automatically convert to an adult ISA and the Wesleyan Unit Trust ISA terms and conditions will apply from that point. When this happens, we will provide a copy of the new terms and conditions.

#### **8. Closing the account**

##### **Transferring the account**

You can instruct us to transfer the junior ISA, with all rights and obligations and within the time stipulated by you, to another ISA manager in line with the ISA regulations relating to transfers. They must be eligible to act under the ISA regulations, be approved by HMRC and agree in writing to accept the transfer.

Transfers to another stocks and shares junior ISA can only be made in full. Previous years' junior ISA subscriptions can be transferred in part to a cash junior ISA.

You can ask us to complete the transfer within a reasonable time (a period not exceeding 30 days).

We will transfer the junior ISA as soon as possible after we receive written evidence that the ISA manager we are transferring it to is approved in line with the ISA regulations.

We will make the transfer in cash (after selling your units) unless we agree otherwise.

We may charge a fee to cover any charges and expenses we reasonably incur when transferring the account. (Any fees we charge must be reasonable in amount.) Before we make the transfer, we may take out any money owed to us or that you owe in tax on this investment.

### **If we close the account**

We will close the account straight away if we believe that it isn't possible to administer it in line with the ISA regulations or if you or the account holder are in breach of them.

We will terminate the account automatically if it becomes void under the ISA regulations.

We will write to you if this happens.

If we decide that we want to stop acting as the account manager, we will give you 90 days' notice. You can then transfer the money to another ISA manager.

We will keep any money which is needed to pay any outstanding fees for transactions we have already started for you.

### **If the account holder dies**

We will close the junior ISA when we are told in writing that the account holder has died and their personal representatives have completed the necessary formalities (such as obtaining a grant of representation). The value of the account or the units held will be available to their personal representatives who will be bound by these terms and conditions.

If their personal representatives close the account they will receive the value of the units on the date it is closed.

The tax advantages for the junior ISA investment will continue to be part of the account holder's estate until collected and there may be inheritance tax to pay.

## **9. Charges**

We set out our charges in our key investor information documents (KIIDs) which your Wesleyan Financial Consultant will give you or you can get a copy from our website ([www.wesleyan.co.uk](http://www.wesleyan.co.uk)) and our Key Features Illustrations which your Financial Consultant will give you or we will provide each time a transaction takes place that could lead to different charges to those illustrated initially.

We may change:

- ▶ the charges, commissions or expenses which have to be paid
- ▶ how we take these charges, commissions or expenses (or pay them back in exceptional circumstances), or
- ▶ the date they are due to be paid.

We will give you 60 days' notice if we make any changes to the above. We may increase or decrease charges if:

- ▶ the administration costs and expenses (which are reasonable in amount and reasonably incurred) affect the contract change, or
- ▶ as a result of changes in taxation or any regulatory change which adversely affects financial services companies which in turn affects the contract.

## **10. Tax**

There is no income tax to pay on any income the junior ISA investments make.

There is no capital gains tax to pay on any money made from the junior ISA.

We will claim any tax credits or tax deductions relating to the investments in the funds and any income they generate in line with the ISA regulations.

It is your responsibility to inform us if the account holder stops qualifying for a junior ISA or if you stop being the registered contact.

The tax rules that apply to this account may change in the future.

We will tell you if the account stops being exempt from tax because of the ISA regulations.



## 11. Documents we will send you

We will send you any information in writing that is necessary to comply with the ISA regulations and the FCA rules.

We will send you a contract note when you:

- ▶ make a one-off subscription, or
- ▶ transfer into or out of this junior ISA.

We will send you a key features illustration if you make certain types of changes to your account.

We will send you a report for:

- ▶ each six-month period ending on a valuation date, or
- ▶ the period between you opening the account and the next valuation date.

The report will include:

- ▶ a valuation of the investment at the most recent valuation date
- ▶ a list of all the transactions relating to this account during the relevant period (in line with the FCA rules and ISA regulations), and
- ▶ any other information the FCA rules and the ISA regulations require us to give you.

If you write and ask us to, we can arrange for you to:

- ▶ receive any information issued to unit holders (including the annual report and accounts) for the funds invested
- ▶ attend meetings about the funds you are invested in, and
- ▶ exercise voting rights for the units held in the account.

## 12. Changing these terms and conditions

We may change these terms and conditions by giving you at least 60 days' notice in writing.

If the ISA regulations change, we may have to change these terms and conditions.

We will make sure any other changes (which are not as a result of changes to the ISA regulations):

- ▶ do not stop the account qualifying under the ISA regulations, and
- ▶ are reasonable and will not disadvantage the account holder.

We may change the terms and conditions because of changes to the schemes. We will tell you that these changes are taking place. We may need to get consent on behalf of the unit holder before some types of changes are made.

## 13. General information

We will act in good faith and invest in line with the fund objectives. However, we are not liable for any losses suffered by the account because of changes in market conditions, errors of judgement or losses from depreciation. We will be liable for losses which arise because:

- ▶ of a direct result of fraud on our part
- ▶ of negligence or gross misconduct on our part, and/or
- ▶ we have breached the Financial Services and Markets Act 2000 (or the regulations made under it).

Unless we have stated otherwise in these terms and conditions (as detailed in section 3 – 'Owning the account'), we will not be liable if a third party defaults who:

- ▶ holds money which belongs to you which has been paid to a third party on your behalf
- ▶ is the holder of registered investment schemes, or
- ▶ holds documents of title or certificates of entitlement to investments.

We don't accept liability for any default or fraud by any bank or by any other person, firm or company which we transact with or through on your behalf (other than stated in section 3 – 'Owning the account').

We may employ agents in connection with the service we provide. We may delegate all or some of our powers or duties to delegates we choose in line with the ISA regulations and FCA rules and we may assign all rights and duties to that agent or delegate.

We will make sure that any delegate we choose is competent to carry out the functions or responsibilities we delegate to them.

We will not be liable for our delegate's negligence or misconduct except if we have been negligent when choosing this delegate. This does not change any liability we have to you under the ISA regulations or the Financial Services and Markets Act 2000.

## 14. Complaints

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 Wesleyan Financial Consultant, 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 8.30am to 6.30pm, Monday to Friday and from 9am to 2pm on Saturdays.

- ▶ Complete the online contact form which can be found by visiting our website [www.wesleyan.co.uk](http://www.wesleyan.co.uk)
- ▶ Email the Complaints Team at [complaints@wesleyan.co.uk](mailto:complaints@wesleyan.co.uk)
- ▶ In writing to the address below

Complaints Team  
Risk and Regulatory  
Wesleyan Assurance Society  
Colmore Circus,  
Birmingham, B4 6AR

You can also fax your letter to us on 0121 200 9210.

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](mailto:complaint.info@financial-ombudsman.org.uk)  
Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

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

## 15. Compensation

If we cannot meet our financial obligations to the account holder, they 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  
Phone: 020 7741 4100  
Email: [enquiries@fscs.org.uk](mailto:enquiries@fscs.org.uk)  
Website: [www.fscs.org.uk](http://www.fscs.org.uk)

## 16. Our rights

If, when you subscribe to this account, the ISA regulations allow us to merge previous junior ISA investments with those in this account (for example, for administration purposes) then these terms and conditions will apply to those subscriptions which are merged as far as the ISA regulations allow.

In the future, if this account is merged with another junior ISA managed by us, then the terms and conditions of the new junior ISA will apply to all the money.

We will not be liable or have any responsibility for any loss or damage if there is a failure, interruption or delay in us performing our obligations because of:

- ▶ telecommunications or computer services breaking down, failing or malfunctioning
- ▶ industrial disputes
- ▶ third parties failing to carry out their obligations
- ▶ the acts of governmental or supranational authorities (such as the European Union), or
- ▶ any other events or circumstances which are not reasonably in our control.

These terms and conditions will not stop us providing investment services to other people.

We have not authorised anyone to act on our behalf for this account apart from the circumstances set out in these terms and conditions.

We have an interest in all purchases and sales of units for the account because we are also the manager of the units trusts offered in the account.

When we buy or sell units for the account we may have a further interest in that transaction (either directly or indirectly). For example, this may happen when:

- ▶ we deal collectively for you and for other clients and the other clients have already invested in the fund you want to invest in, or
- ▶ we work for both the buyer and the seller in a transaction.

We will not tell you if we have an interest in any transaction before it takes place.

## **17. Confidentiality**

When we are required by law, we will disclose any information we know about the account holder's financial affairs to any eligible authority (including the FCA but not limited to them). We will not be liable if we disclose information in good faith in line with this condition.

You authorise us to give HM Revenue & Customs information which they ask us for about the account.

## **18. Associates and other parties**

We may deal with or through associated companies when we get or dispose of investments for this account (even if these companies don't act as our principal or agent). We will carry these transactions out on a best execution basis. We do not have to account to you for any benefit we or our associates get from these transactions.

## **19. Contacting us**

You should send all instructions in writing to our Administration Centre (details of how you do this can be found on page 8 – How to contact us). You must first sign any correspondence you send to us.

Unless you arrange it with us first, we won't accept instructions by fax.

We may accept instructions other than in writing from time to time.

We can only communicate with you in English.

We, or our agents, can contact you by phone or other ways to get your instructions about the account.

When we send notices to you by post, we will assume you have received them two working days after they have been posted.

DST Financial Services Europe Limited will administer the account on our behalf.

If you have any questions about how the account is being administered, you should write to them at PO Box 9033, Chelmsford CM99 2WQ or phone them on 0330 123 3813.

Our registered office is at Colmore Circus, Birmingham B4 6AR.

## **20. Law**

The account is governed by the law of England.

## **21. 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](http://www.wesleyan.co.uk/pdf/wesleyan-conflicts-of-interest-and-anti-bribery-policy) or you can ask us for a copy.

## Head Office

Wesleyan  
Colmore Circus  
Birmingham B4 6AR

### 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](http://www.wesleyan.co.uk)

Advice is provided by Wesleyan Financial Services Ltd.

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

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WI-KFD-43 04/19

