

Key Features of the  
F&C Private | Investment  
Investor Plan | Trust ISA  
and Terms & Conditions

The Financial Conduct Authority is the independent financial conduct regulator. It requires us, F&C Management Ltd, to give you this important information to help you decide whether our **Private Investor Plan** or **Investment Trust 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.

# Introduction

The F&C Investment Trust Individual Savings Account (F&C ISA) and F&C Private Investor Plan (F&C PIP) are Investment Trust Savings Plans which provide a flexible way to save for yourself. The F&C ISA and F&C PIP invests in a range of Investment Trusts which are a type of Investment Company.

An F&C ISA or F&C PIP can play a valuable role in financial planning for your future. An F&C ISA or F&C PIP gives you the opportunity to invest in Investment Trusts listed on the stock market with the aim of increasing the value of your investment.

This document contains important information about, and is the contract for, the F&C ISA and F&C PIP. There are two sections:

- Key Features
- Terms & Conditions (General and F&C ISA)

These will help you decide whether investing in an F&C ISA or F&C PIP is right for you. Read this document carefully to fully understand the investment you are about to make and the terms you are about to agree to.

If you have questions, please call our Investor Services team on 0800 136 420. Lines are open Monday to Friday from 8:30am to 5:30pm. We record

and may monitor calls for your protection. You can also email us at [info@fandc.com](mailto:info@fandc.com) or visit our website [fandc.co.uk](http://fandc.co.uk).

Our Investor Services team cannot give any advice on the suitability of investing in our plans or on how to make investment selections within these plans. If you are in any doubt about your investment choices, you should contact a financial adviser.

As we do not offer advice and provide our services on an “execution only” basis, we are not required to assess the suitability of our plans and the Investment Trusts for you. As we have assessed our Investment Trusts as non-complex investments, we are not required to consider whether they are appropriate for you. This means you are not protected under FCA rules on assessing suitability or appropriateness.

Terms that are capitalised in this document are defined terms. You can find the definitions in the Terms and Conditions.

## Key Features

- These plans give you the opportunity to invest in the shares of the Investment Trusts F&C offers.
- The F&C range of Investment Trusts aims to provide investors with income, capital growth, or a combination of both.
- The ISA provides the opportunity to invest in the trusts in a tax-efficient manner.

Please read the latest Key Information Document (“KID”) for the Investment Trusts and pre-sales costs disclosures for the plan before deciding to invest; these can be found at [fandc.com/literature](http://fandc.com/literature). Please contact us if you wish to receive the regulatory disclosures in paper form. To view daily updated share prices and performance information on our Investment

Trusts, visit our website [fandc.co.uk](http://fandc.co.uk). You can also look at monthly factsheets and the latest Report and Accounts for each Investment Trust.

### US investors

We are not able to accept applications for an F&C ISA or F&C PIP from investors located in the US. You should notify us if you move to the US.

### Your investment

Through an F&C ISA or F&C PIP you can invest in as few or as many Investment Trusts offered in our plans as you choose, within the investment levels set out in the table below. You can also invest in our ISA by transferring an existing ISA(s) from another manager.

	Minimum lump sum per Investment Trust	Minimum lump sum top-up per Investment Trust	Minimum monthly saving per Investment Trust	Maximum lump sum top-up per Investment Trust	Maximum monthly saving per Investment Trust *
Private Investor Plan	£500	£250	£50	No maximum	None
ISA (2018/19)	£500	£250	£50	£20,000	£1,666

\*Assumes 12 equal payments in the same tax year.

You can buy and sell shares in the F&C ISA or F&C PIP on any Business Day. Postal requests we receive by 5pm (online requests by 11:59pm) will normally be carried out on the next business day.

You can start, stop, or change your monthly contributions or make a lump sum contribution at any time.

You should view your investment as long term but you may close your plan and sell your shares at any time. Any sale of shares may result in a capital gains tax liability (doesn't apply with an ISA), if you are in any doubt, you should seek advice.

## Risks

Our Investment Trusts invest in the stock market. Some of them also invest in unlisted companies, other investment funds, and property. It's important that you understand there are risks as well as potential rewards before you decide to invest.

### General risks

**Gearing** – Investment trusts can borrow money to make additional investments. This is known as “gearing” and is intended to boost your return on investment. However, it can also increase risk. Gearing tends to have a positive effect on the value of the trusts in a rising market, and an unfavourable effect in a falling market.

**Charges taken from capital** – Certain Investment Trusts prioritise

generating income over capital growth. These Trusts may deduct part or all of their management charge from capital. This increases the amount of income available at the expense of capital growth.

Investment Trusts may also deduct charges and expenses from capital, if the trust has not earned enough income to cover these charges and expenses. This will reduce capital and limit its growth.

**Liquidity** – Investment Trusts may invest in smaller companies. Shares in smaller companies are generally traded less frequently than those in larger companies. This means both buying and selling shares in smaller companies may be difficult, and individual share prices may be subject to short-term price swings.

**Premiums and discounts** – As Investment Trust shares are publicly traded on the London Stock Exchange, their price is determined by market

factors, such as demand and supply between buyers and sellers. The price will not necessarily accurately reflect the underlying value of the trust's portfolio of investments (its "net asset value" or NAV).

The share price of an Investment Trust may be either higher than the NAV — in other words, they are traded at a premium, or lower than the NAV — in other words, they are traded at a discount. Discounts and premiums vary constantly. Buying shares at a discount could be seen as value for money, but there is no guarantee the discount will narrow and there is a risk that it may widen further. Many factors influence the discount or

## Underlying investment exposures

In addition to these general risks, the shares of a particular Investment Trust are exposed to the investment risks associated with the assets it holds in its portfolio. The specific investment risks for each Investment Trust are described in their KID, which you should read prior to deciding to invest.

## Other Important Points

**Investment needs** – If you open an F&C ISA or F&C PIP to fund a specific need, for example to repay a mortgage, you may not achieve your goal if

premium, and a large discount does not necessarily indicate a bargain.

**Price volatility** – The value of shares of an Investment Trust and the income from them is not guaranteed; the value can fall and rise due to stock market and currency movement. Past performance is not a guide to future performance. When you sell your shares, you may get back less than you originally paid for them. In certain circumstances, for example extreme market volatility, the shares of an Investment Trust could be suspended from trading on the London Stock Exchange. You would not be able to purchase or sell these shares until the suspension is lifted.

you do not maintain your contributions or if your investment does not grow sufficiently.

**Changing your mind** – If you open an F&C ISA or F&C PIP and then decide to exercise your right to cancel it within the 14-day cancellation period, you may not get back the amount you invested. This is because the value of your investment may have fallen between the day your money was invested and the date we sell the shares after we get your cancellation notice. Dealing charges and stamp duty paid are not refunded.

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# Your questions answered

## What is an Investment Trust?

The Investment Trusts we describe in this document are investment companies listed on the London Stock Exchange. Investment Trusts own a portfolio of investments that are managed by professional managers. Owning shares of an Investment Trust allows you to spread your investment risk across a number of investments and potentially benefit from the expertise of professional fund managers.

The Investment Trusts available to F&C ISA and F&C PIP holders include UK-authorized Investment Trusts and overseas closed-ended investment companies, but all are listed on the London Stock Exchange.

## What is an F&C PIP?

An F&C PIP is an F&C Investment Trust Savings Plan designed to facilitate saving and investing in investment trusts managed by F&C.

## What is an ISA?

An ISA is a government backed way of investing money in shares, investment trusts, unit trusts and other savings vehicles in a tax-efficient manner. It is tax-efficient because the growth in the account is not subject to personal income tax or capital gains tax. You are not required to include details of ISA income or capital gains on your annual tax return.

## What types of ISA are available?

There are different types of ISAs:

- cash ISAs
- stocks and shares ISAs,
- innovative finance ISAs, and
- Lifetime ISAs

You can open or contribute to one of each of these ISAs in the same tax year as long as you do not exceed the annual subscription limit.

## What is the F&C ISA?

The F&C ISA is a stocks and shares ISA. It is designed to facilitate saving and investing in investment trusts managed by F&C.

## Who is eligible for an ISA?

Investments into a stocks and shares ISA can only be made by investors who are aged 18 or over and who are resident in the UK for tax purposes. If you move abroad you cannot continue putting money into the ISA, but can keep existing ISAs and will still get tax relief on investments held in them. When you return you can start putting money in again (subject to

the normal annual limits). The exception is Crown employees serving overseas (typically members of the armed forces and diplomats), or people married to or in a civil partnership with a Crown employee serving overseas who can open and subscribe to an ISA in the usual way. It is your responsibility to satisfy yourself that you are permitted to invest in the ISA.

## Are there contribution limits?

### ISA

The government sets the maximum that can be contributed each year to ISAs. For 2018/19 the maximum contribution is £20,000.

The tax year runs from 6 April in one year through 5 April. We allocate contributions to the annual limit based on the date we receive them. If contributions to the ISA in one year do not reach the maximum allowed, the amount that is below the maximum cannot carry forward to the next year.

If your spouse or civil partner dies you may be able to claim an additional ISA allowance. Please see "What is an additional permitted subscription" for more information on the Additional Permitted Subscription facility.

### F&C PIP

There is no limit to the amount you can invest in an F&C PIP.

## What is an additional permitted subscription (APS)?

In addition to the annual ISA subscription allowance, an APS allowance is available to the surviving spouse of a deceased ISA investor, where the ISA investor died on, or after, 3 December 2014. The APS allowance allows the surviving spouse to make additional permitted subscriptions into an ISA subject to specific terms and conditions as specified in the ISA APS application form:

- if the investor died on or before 5 April 2018, up to the value of the deceased ISA investor's ISA holdings at the date of death; or
- if the investor died on or after 6 April 2018, up to the higher of the value of the deceased ISA investor's ISA holdings at the date of death or at the point the ISA ceased to be a "continuing account of a deceased investor".

If the deceased investor held an ISA with more than one ISA manager then you will be entitled to make an APS with each of those ISA managers or you can choose to make these with another ISA manager who will accept them, and the APS Limit will be the combined value of these ISAs in accordance with either point i & ii above.

We may accept an APS in respect of the value of all ISAs held with another ISA manager provided you have not already made an APS with

that other ISA manager. If you decide to make an APS with us in respect of an ISA the deceased held with another ISA manager then you will need to complete an APS form so that we can arrange for you to make subscriptions with us.

If you are entitled to make an APS and you decide to make these with us then you can invest these into our stocks and shares ISA. Please note that an APS cannot be made to or from a Junior ISA.

In order to help us recognise when you are making an APS, rather than a subscription as part of your annual ISA limit, you will need to complete an APS declaration with each individual subscription made. If you need a copy of this form, you can download this from our website [fandc.com/literature](http://fandc.com/literature) or request it from our Investor Services team.

Furthermore, an APS is treated as a subscription to a previous tax year's ISA. This means that if you open a new stocks and shares ISA with us purely to make an APS, then you can still maximise your own annual ISA allowance within the current tax year without breaching the 'one-ISA-of-each type a year' rule.

You will need to complete a different application form in respect of payments into the standard F&C ISA.

### **How are investment trusts taxed?**

Authorised investment trusts are exempt from tax on capital gains realised within their investment portfolios but pay corporation tax on the excess of total income received from foreign companies, fixed interest securities and deposit interest over the total of the management expenses and any loan interest that has been paid.

Overseas investment companies are subject to local taxes and will be subject to UK tax in respect of trading activities (if any) conducted in the UK. Overseas property companies are subject to the UK Non-Resident Landlord scheme in respect of rental income from UK properties.

Investment companies registered in Guernsey are not expected to have a significant exposure in respect of Guernsey tax.

European Assets Trust is an investment company incorporated in the Netherlands. Dividends consequently may be liable to Dutch withholding tax. Where it does, we will provide you with full details.

Dividends from overseas companies are treated in the UK as overseas income and may give rise to UK tax liability dependent on your individual circumstances.

### **How are Private Investor Plans taxed?**

Depending on your personal circumstances, you may be liable to pay UK tax on income or capital gains. If your dividend income is above the dividend allowance of £5000 then you may be required to pay tax on the dividends received above the dividend allowance. The level of tax you will need to pay will depend on your tax status. You will receive an annual consolidated tax certificate, in May of each year, showing details of each payment made in the previous tax year. This certificate summarises all the information required for those who need to include the investment on their tax return.

Dividends from overseas companies are treated as overseas income and may give rise to UK tax liability dependent on your individual circumstances. Certain charges that are levied may be subject to VAT and other statutory duties. You should contact your tax adviser for advice on your individual circumstances.

### **How are F&C Investment Trust ISAs taxed?**

There is no UK tax to pay on capital gains. Dividends received through an ISA do not count towards your Dividend Allowance. You are not required to declare income or gains from your ISA investments on your annual tax return. The favourable tax treatment given to ISAs may not be maintained, and levels of relief from taxation may change over time. Freedom from tax in an ISA applies directly to you as an investor and the benefit to you depends on your own individual circumstances.

Certain charges that are levied may be subject to VAT and other statutory duties. You should contact your tax adviser for advice on your individual circumstances.

### **How do I apply for an F&C ISA or F&C PIP?**

To apply for an F&C ISA or F&C PIP, complete an application form. You can also apply for an F&C ISA or an F&C PIP in sole name online at [fandc.co.uk](http://fandc.co.uk). Online access is subject to the online Terms and Conditions.

You can return paper applications, on the appropriate application form (also available on our website), in the envelope we provide or to F&C Management Limited, PO Box 11114, Chelmsford, CM99 2DG.

You can make lump sum contributions to an F&C ISA or F&C PIP by post with a cheque payable to "F&C Management Limited" or online using a debit card.

You can also make monthly contributions by direct debit either online or by completing and returning the direct debit instruction on the application form. We collect direct debits from your bank account on or around the 1st of each month.

An APS can only be made by completing an APS form and sending it to us by post. We do not accept APS investments by direct debit or online.

### **How do I transfer an ISA from another plan provider to F&C?**

You can transfer ISAs held with other plan managers into the F&C Investment Trust ISA. You are able to transfer any ISA account (including cash ISAs or ex-PEP ISAs) you may have to an F&C stocks and shares ISA. You can transfer to F&C by completing the transfer application form and sending it to us. If you wish to transfer ISAs from more than one plan manager, you will need to complete separate instructions for each plan manager. Transfers can only be accepted in cash and not as in-specie transfers. Please note that if you are transferring a current year ISA, we are unable to accept new contributions into your F&C ISA until the transfer has been completed by your existing ISA manager.

### **How do I transfer an APS allowance from another ISA manager into an F&C ISA?**

If your spouse/civil partner held an ISA with another ISA manager, and you wish to use the APS allowance to invest in an F&C ISA, you can instruct us to request the transfer of the APS allowance to us. We will contact the deceased investor's ISA manager for the information we require, inform you when the transfer is complete and the amount of your APS allowance. You can then make additional permitted subscriptions in the form of cash. APS in the form of stock are not available from another ISA manager.

### **Where can cheques be drawn from?**

Cheques should be drawn on your own, sterling denominated UK bank account. Third party cheques may be acceptable but we need additional information in order to meet our requirements under the Money Laundering Regulations. You can download our Third Party Donor form from our website [fandc.com/literature](http://fandc.com/literature) or request it from our Investor Services team.

If cheques have not been drawn from a personal chequebook (i.e. a bank or building society draft) please ensure that your bank/building society have endorsed the reverse. This means that the bank/building society stamp the back of the cheque and confirm the name of the account that the cheque was drawn from. The person adding this endorsement should also sign the reverse of the cheque once they have added this information for reference.

A cheque drawn on a solicitor's or accountant's client account must be accompanied by confirmation from the solicitor or accountant that the funds belong to you.

In the case of other third party cheques we may require proof of the identity of the payer (for example, a certified copy of their current passport or driving licence for identity and a copy of a bank statement or utility bill as proof of address).

For monthly savings, please provide proof of your bank/building society details with the application form. We can accept a pre-printed pay-in slip or a cancelled cheque. Please note that we will not be able to set-up the direct debit until bank verification has been provided. For a monthly savings ISA, you can top-up your investment to the maximum ISA subscription each tax year by sending us a cheque for the 'top up' amount.

### **What confirmation will I receive?**

Within five days of receiving your application to open an F&C ISA or F&C

PIP, we send you a Welcome Pack confirming we have set up your account. You also receive information on your right to change your mind.

### **Can I change my mind after I have applied for an F&C ISA or F&C PIP?**

It is possible to change your mind after you apply to open a new F&C ISA or F&C PIP. When we receive your application, we will send you formal notification of your right to cancel. You will then have 14 days to notify us, if you decide to cancel. If you decide to cancel you must complete the cancellation notice within the 14 days and send it to F&C Management Ltd, PO Box 11114, Chelmsford, Essex, CM99 2DG.

If the share prices of the relevant Investment Trust(s) have fallen between the date of your investment and the sale of your shares after we receive your cancellation notice, you will not receive a full refund. The refund will reflect the fall in the share price, any dealing charges, and stamp duty.

Cancellation rights are available for ISA transfers. If you cancel your transfer we will offer the following three options: we can transfer the ISA back to the original manager (although there is no guarantee they will accept it back or, if you transferred a cash ISA to us that they are able to accept a stocks and shares ISA); we can transfer the ISA to another manager; or we can close the ISA and return the proceeds to you. Should you choose the last option, you may not then be able to reinvest the proceeds of your ISA into another ISA until the following tax year and will be subject to the annual subscription limit. You cannot cancel a transfer of your APS allowance where the transfer is complete (for example, where you have begun to make payments towards your APS allowance). You may ask to cancel a transfer of your APS allowance while it is in the process of being transferred (subject to the agreement and willingness of the respective ISA managers).

### **How do I set up or amend details of a direct debit?**

You can set up or amend the bank account details of a direct debit online or by completing a new direct debit mandate form. You will receive this form in your Welcome Pack when you open a new account. If you need another form, download it from our website [fandc.com/literature](http://fandc.com/literature), or request it from our Investor Services team.

It can take at least 14 days between us and your bank/building society to set up or amend your instruction, and it will apply to the next possible contribution after this.

You can also change the amount you invest each month or change the Investment Trusts you invest into. You can do by completing the Change of Investment Instructions form which is available on our website or by calling our Investor Services team. Accounts held in sole name can also be amended online or by calling us on 0345 600 3030. You should read the KID for the Investment Trusts into which you wish to switch. Please make sure this notification reaches us at least 10 working days before the next collection date, normally the 1st of each month, so we can make the change before your next contribution.

### **What happens if I did not start my ISA direct debit at the beginning of the tax year?**

If your direct debit did not start at the beginning of the tax year, you can still reach the maximum contribution by either:

- contributing a higher monthly amount
- sending a cheque for the missing month (please note we will invest this on the next monthly dealing day following receipt)

Where necessary, we proportionately reduce your direct debit amount so that you do not go over the annual ISA limit.

### **Can I switch between Investment Trusts?**

You can sell the shares and switch between Investment Trusts within the F&C ISA or F&C PIP at any time online, or by instructing us by post using our standard form of instruction (subject to the minimum investment amounts). You should read the KID for the Investment Trusts into which you wish to switch.

Shares are normally sold on the next business day after we receive your instruction, and we use the proceeds to purchase the new shares on the following business day. If you have a direct debit for contributing into the

trust that you have switched out of, this will continue unless you instruct us otherwise.

### **How can I follow the progress of my F&C ISA or F&C PIP?**

To track the progress of your F&C ISA/F&C PIP we send a full statement every February. For accounts held in joint names, this is sent to the first named holder. The full statement shows how much has been contributed to the F&C ISA/F&C PIP for the six months to 31 December and the value at this date. Additional client reports are sent out as at 31 March, 30 June and 30 September detailing the name of the Investment Trust held, nominal holding and valuation.

For more regular updates, you can:

- register to view the account online
- refer to the Financial Times (published daily), which gives the daily mid-market price for each Investment Trust together with the estimated NAV (net asset value), dividend yield, and discount or premium
- visit our website [fandc.co.uk](http://fandc.co.uk) where we list share prices daily

### **Can I manage the F&C ISA or F&C PIP online?**

Yes, you can manage an F&C PIP or F&C ISA online. Online access is provided subject to the F&C Online terms and conditions available at [fandc.co.uk](http://fandc.co.uk). Accounts with more than one registered holder will be provided with view-only access and not all account features are available online.

### **Can any income from my F&C ISA or F&C PIP be paid out?**

Dividends may be automatically reinvested into your account to buy further shares (please note that this will incur Government stamp duty where applicable and, for an ISA, the normal dealing fee for purchases of shares) or paid into your bank account. You will need to choose the appropriate option for you when you complete your application form. For trusts that pay a dividend, our website [fandc.com/trusts](http://fandc.com/trusts) gives information on the timing of payments.

### **How do I transfer my ISA to another manager?**

Your new ISA manager will advise you of the procedure for transferring and provide you with the necessary transfer form. If you instruct us to transfer your ISA in cash we will sell the shares, collect any charges payable and transfer the proceeds to your new ISA plan manager as instructed.

If we receive a request from you to transfer your ISA in specie, F&C will arrange for your new ISA plan manager to accept the transfer of the investments from your account at a cost of £50 plus VAT which should be paid by cheque with the transfer request otherwise it will be deducted from the account along with any other charges payable.

### **How do I transfer an APS allowance to another ISA manager?**

If your spouse/civil partner held an F&C ISA, and you wish to use the APS allowance to invest with another ISA manager, you can transfer the APS allowance to another ISA manager; you will need to contact the other ISA manager who will arrange for this transfer to take place with us.

We will only be able to act on the other ISA manager's instruction if you have not already used the APS allowance to make additional permitted subscriptions with us.

### **Can I transfer my shares out of my Private Investor Plan?**

You can instruct us in writing to transfer your shares to another nominee, or to issue a share certificate in your name at a cost of £12+VAT per trust, which should be paid by cheque with your written instruction. In a joint plan, this instruction needs to be signed by all accountholders. If a cheque for the total charge is not received with the written instruction, we will sell sufficient investments to realise the required amount.

### **Can I transfer my shares in my Private Investor Plan to another person?**

You can transfer the shares into the name of another person on the main share register (at a charge of £12+VAT per trust), or transfer the plan into the name of another person (at no charge) by instructing us in writing. The new plan will not be available until the new holder has completed the

application process and their identity has been confirmed. The transfer of shares into another person's name may be a disposal for tax purposes and could give rise to a capital gains tax liability. It may also have inheritance tax implications. You should contact your tax adviser if you need advice on your particular circumstances. Any outstanding fees will be deducted before the transfer.

### How do I sell shares from my account?

You can sell shares from your account online if applicable or by sending us a written instruction. You can send a letter to F&C Management Ltd, PO Box 11114, Chelmsford, CM99 2DG. Please provide us with your account number. Where you are selling part of a holding, you must state the value you wish to raise and from what trust(s) this amount should be sold from or number of shares you wish to sell. If you are selling all the shares within a particular trust, please provide instructions to that effect.

Alternatively, contact our Investor Services team quoting your account number and we will send you a Sale of Shares form, which you should complete and return to us.

If you are a monthly saver, are only selling some of your shares, and wish to stop your Direct Debit, you must inform us of this in writing. We will continue collecting your regular payment and buying further shares unless we receive written instructions to stop collecting your Direct Debit.

If you hold a plan in joint names, all investors must sign the Sale of Shares form or letter of instruction. All investors will be required to provide an original signed instruction confirming acceptance of the transaction before the shares will be sold.

For valid written instructions received by 5pm and online instructions received by 11:59pm shares will normally be sold on the next dealing day following receipt of that instruction. We must receive your instruction in writing no later than 5PM on the business day before the next dealing day.

Once your shares have been sold we will send you the details of the transactions within 5 working days and the proceeds of the sale will follow separately. Where instructions have been faxed, we will not issue the proceeds until the original signed instruction has been received. The original should be posted to F&C Management Ltd, PO Box 11114, Chelmsford, CM99 2DG.

If your instruction would leave the balance below the minimum balance (see Schedule II on page 14 for details) then the remaining shares will also be sold and the proceeds paid out to you. If you also hold shares in the account in other investment trusts that are not being sold, or if you have an active direct debit to continue paying into the account, then the account will remain open. If this is not the case the account will be closed. We reserve the right to close any accounts which do not meet the product minimums as set out in the terms and conditions.

### How will I receive the sale proceeds?

Payment of the proceeds less any charges will usually be made to the registered holders within five working days after settlement of the sale.

The proceeds will be sent by BACS to a UK Bank Account in the name of the registered holders if we have verified their bank details. By verified we mean we must have received proof of the bank details (such as a paying in slip (normally found at the back of your cheque book) or a cancelled cheque) before or at the time of the sale instruction being received.

If we have not verified a bank account then the proceeds will be sent by cheque payable to the registered holders. This will be sent by first class post to the address we have on our records.

### Minimum balance following withdrawal

If you instruct us to sell shares from your account and this sale would leave the balance below the product minimums (see Schedule II on page 14 for details) then the remaining shares will also be sold and the proceeds paid out to you. If you also hold shares in the account in other investment trusts that are not being sold, or if you have an active direct debit to continue paying into the account, then the account will remain open. If this is not the case the account will be closed. We reserve the right to close any accounts which do not meet the product minimums as set out in the terms and conditions.

### What are the fees and expenses?

There are various costs associated with buying an Investment Trust through an F&C ISA and F&C PIP. These costs affect the overall return on your investment. Fixed transaction charges, such as the dealing charge, have greater effect proportionately on low value transactions.

#### F&C PIP Charges

Initial Charge		Nil
Annual Charge		£40+Vat
Government stamp duty (Where applicable*)	Purchase Sales	0.5% Nil
Dealing charge (Per trust held, purchase and sales)	Postal instruction Online instruction Monthly direct debit savings Dividend re-investment	£12 £8 Nil Nil
Transfer to main share register	Per Trust	£12+Vat

#### F&C ISA Charges

Initial Charge		Nil
Annual Charge		£60+Vat
Government stamp duty (Where applicable*)	Purchase Sales	0.5% Nil
Dealing charge		0.2% on all purchases and sales
Transfer to another plan manager <sup>†</sup>		£50+Vat

\* Government stamp duty applies to share purchases on all UK registered companies (or companies that maintain a UK register of shareholders). F&C Commercial Property Trust and F&C UK Real Estate Investments Limited are registered overseas and therefore government stamp duty does not apply to those investments.

<sup>†</sup>The transfer charge may be paid by cheque provided it is received before the transfer date. If no cheque is received, the charge will be deducted from the Account in accordance with the Terms and Conditions.

#### Other charges and costs

Other charges or costs that affect the overall return from your investments include:

- bid/offer spread
- annual expenses
- transaction costs.

**Bid/offer spread** – The difference between the buying price (offer) and selling price (bid) of Investment Trust shares. The spread varies according to the number of shares traded and their availability on the market.

**Annual expenses** – The operating costs associated with running an Investment Trust, for example, the management fee paid to the investment manager or its associates, auditors' fees, directors' remuneration, transaction and promotional costs. The Investment Trust bears these costs, which are detailed in its KID published on our website [fandc.com/literature](http://fandc.com/literature)

**Transaction Costs** – The cost of buying and selling underlying shares in the portfolio.

#### How can I pay the annual management charge on my F&C ISA/ F&C PIP?

We apply the annual management charge in two equal instalments on 5 April and 5 October each year. You can set up a direct debit to pay the charge online or complete our Instruction to Pay Account Charges Using a Direct Debit form. You can download the form at [fandc.com/literature](http://fandc.com/literature) or

ask our Investor Services team for a copy. We allow ten days for your bank to accept or reject the direct debit.

If you do not set up a direct debit to pay the annual management charge or if your bank rejects your direct debit, we take any unpaid charge first from uninvested cash in the F&C ISA/F&C PIP and, if there is not enough cash, we sell shares of the Investment Trust with the highest number of shares (note that this may not be the shares with the highest value in the account).

#### **How much will advice cost?**

Your financial adviser, if you have one, will give you details about the cost of their advice. You pay your advisor directly. We do not process payments for advice related to the F&C ISA or F&C PIP.

#### **Are there other costs involved in providing F&C ISAs or F&C PIPs, and how do we manage conflicts of interest?**

You can see the current costs and charges in the Terms and Conditions.

Some of our services could put us in a situation where our own interests or those of other clients conflict with your interests as an investor in our Savings Plans.

We are obliged to manage or prevent any conflicts so as not to conflict with the duties we owe to our plan investors. To fulfil our duty, we have procedures designed to identify, mitigate, and manage or prevent any such conflicts. These include organisational and administrative arrangements and controls designed to safeguard the interest of clients.

## **Further information**

#### **ISA manager and administrator**

F&C Management Limited, which has its registered office at Exchange House, Primrose Street, London EC2A 2NY, is the ISA manager and provides administration services for the plans. F&C Management Limited is authorised and regulated by the Financial Conduct Authority and is entered on the Financial Conduct Authority register No. 119230.

F&C Management Limited has appointed DST Financial Services International Ltd and DST Financial Services Europe Ltd to provide certain administrative services on its behalf. All correspondence should be addressed to F&C Management Limited, PO Box 11114, Chelmsford, CM99 2DG.

#### **Investment manager**

The F&C Group provides investment management services to the Investment Trusts. With the exception of the trusts listed below, the investment manager is either F&C Management Limited or F&C Investment Business Limited, both of which are authorised and regulated in the UK by the Financial Conduct Authority. Investment Trusts managed by other companies are:

<b>Trust</b>	<b>Investment Manager</b>
ICG Enterprise Trust	Intermediate Capital Group

#### **Nominee**

The nominee is State Street Nominees Limited, 525 Ferry Road, Edinburgh, EH5 2AW or any other suitable agent the plan manager may appoint.

#### **Confirmation of identity**

We are obliged to check all applications received for money laundering purposes. This may involve checking your name and address electronically through a reference agency. However, we will use any information we obtain in this way only for verification of your identity and not for any other purpose. In certain circumstances we may need to request additional information to verify your identity. If this is the case we will write to you to request further evidence of identity. This will not delay your investment, however we may need this documentation before we

can act on any further instructions from you about your investment or make any payments to you.

Please note a recent change of address may mean we cannot verify you successfully electronically.

#### **Dealing**

When you contribute a lump sum, we buy shares on the next business day after the day we receive your instruction and payment providing this is a business day.

Transferring funds from other ISAs takes approximately 30 days because we must inform your current plan provider and await payment from them. Your funds are un-invested from the time your current plan provider sells your investments or withdraws your cash, until we are able to set up your F&C ISA or F&C PIP account and invest the proceeds.

We treat switches as two separate instructions: a sale and a purchase. Until we know the proceeds of the sale, we cannot follow the purchase instruction. Consequently, we may not act on the purchase instruction until the day after the sale occurs. If you instruct us to switch and you invest monthly by direct debit, the amount you contribute through direct debit for the Investment Trust you are selling will continue after the sale unless you instruct us otherwise.

For regular investors in our Savings Plans, we:

- collect direct debits from your bank account normally on or around the 1st of each month
- purchase investments normally five business days after the direct debits are collected
- hold money we are waiting to invest on your behalf in a client money bank account
- do not pay interest on uninvested cash in your F&C ISA or F&C PIP
- buy shares at the offer price available at the time of purchase

#### **Best execution**

We do not provide a market dealing facility for individual buy and sell instructions. Instead we combine your investment instructions with the instructions of other investors and carry the combined order out on the next available dealing day by placing orders with a broker dealing on the London Stock Exchange. This means the price you obtain may be more or less favourable than if the order was carried out individually.

We have in place an order execution policy to ensure we take all sufficient steps to get the best possible result for you when we transmit your orders to a broker for execution, and we have a programme of pre and post trade monitoring to ensure our duties are met. We publish details annually of our top brokers and the execution results we achieve.

#### **Alterations to the plan**

The F&C ISA/F&C PIP manager may alter the plan or cease to act as a plan manager at any time. We will give you written notification in advance of any alteration and advise you about your options. Further details can be found in the Terms and Conditions.

#### **Publicly available information**

As stock exchange listed companies, Investment Trusts are required to make announcements and publish information directly to the market and to shareholders in accordance with the Listing Regulations. Any information that is relevant to our F&C ISA or F&C PIP holders that we receive from the Investment Trusts that is intended for shareholders we endeavour to make available to you.

#### **Questions and complaints**

If you have any questions or complaints, or if you would like a leaflet outlining our complaints procedure, please contact the Investor Relations Manager, F&C Management Limited, 6th Floor, Quartermile 4,7 Nightingale Way, Edinburgh, EH3 9EG or call 0345 601 3313 (Monday to Friday 9.00am to 5.00pm). We record and may monitor calls for your protection.

If we do not investigate your complaint to your satisfaction, you have the right to refer it to the Financial Ombudsman Service, Exchange Tower, London E14 9SR, [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk) 0800 023 4567. If you opened your account through our online service, you also have the option of raising your complaint through an online platform provided by the European Commission on their website [www.ec.europa.eu/consumers/odr](http://www.ec.europa.eu/consumers/odr). The European Commission is not able to resolve your complaint, but it can facilitate a resolution. Making a complaint will not prejudice your right to take legal proceedings.

### Compensation

The F&C ISA/F&C PIP manager is covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if the F&C ISA/F&C PIP manager cannot meet its obligations. Most types of investment businesses are covered for up to £50,000, but the circumstances of the claim may impact the compensation. Further information about compensation is available from the Financial Services Compensation Scheme, FSCS PO Box 300, Mitcheldean, GL17 1DY, 0800 678 1100 [www.fscs.org.uk](http://www.fscs.org.uk).

### Corporate activity

Where appropriate, if any of the trusts you have chosen to invest in is involved in a rights issue, an issue of new shares, a takeover bid, or anything similar, the Registered Account Holder will be given information to allow them to take whatever action they decide on. Unless there is a clear instruction from the Registered Account Holder, the F&C ISA/F&C PIP manager will not act on their behalf, unless the documents relating to the specific corporate event require the F&C ISA/F&C PIP manager to act.

You have the right to attend and vote at General Meetings of the trust(s) in which you are invested. We will provide you with a form to name

someone to vote on your behalf. The F&C ISA/F&C PIP manager may vote shares for which we have not received instructions in the same proportion as the shares for which we have received instructions.

### Additional information

You can find further information about the trusts in which the F&C ISA and F&C PIP is invested in their Report and Accounts. We will make these available to the Registered Account Holder, and they are also available to download from our website, [fandc.co.uk](http://fandc.co.uk), or you can ask for them from our Investor Services team at 0800 136 420.

## Terms and conditions for the F&C Investment Trust Savings Plans

These Terms and Conditions apply to all Investment Trust Savings Plans F&C Investments (F&C, we, our, or us) provides to Account Holders (you, yours). Terms that are capitalised in this document are defined terms. You can find the definitions in the Terms & Conditions.

The General Terms and Conditions apply to:

- F&C Private Investor Plans and F&C Children's Investment Plans
- F&C Investment Trust ISA Plans, F&C Junior ISA Plans, and F&C Child Trust Funds, with additional terms and conditions, and modifications
- F&C Legacy Plans, with certain restrictions
- Online Service Terms and Conditions apply to Account Holders using the Online Service.

### About F&C Investments

F&C Investments is authorised and regulated by the Financial Conduct Authority. The FCA's address is: 25 The North Colonnade, Canary Wharf, London E14 5HS. Our registered company name is F&C Management Limited: Firm Reference Number: 119230. Our

registered office address is: Exchange House, Primrose Street, London, EC2A 2NY.

You can contact us using the contact details set out below:

Call: 0800 136 420

Email: [info@fandc.com](mailto:info@fandc.com)

Write to us at: F&C Management Limited, PO Box 11114, Chelmsford CM99 2DG

### Purpose

F&C Investment Trust Savings Plans give individuals a simple way to invest in a range of Investment Trusts we manage. We do not:

- give investment advice
- recommend what to buy
- assess whether an investment is right for you
- assist Account Holders or Registered Contacts with tax returns

We only carry out transactions Account Holders or Registered Contacts ask us to make. If you are not sure if an investment is suitable for you, you should get independent financial advice.

FCA Regulations require us to tell you that we will communicate with you in English and all documentation provided to you will be in English.

### General terms and conditions

#### Definitions

**Account Holder** – a person (or persons) we register as the owner of the account (in this document, you or yours).

**Business Day** – any weekday that banks are open to conduct normal banking business in London. (Saturdays, Sundays, and public holidays are not Business Days).

**CTF Regulations** – this refers to the Child Trust Fund Act, 2004 Regulations and the Child Trust Fund Regulations as amended or replaced.

**Dealing Day** – any Business Day the London Stock Exchange is open for business.

**F&C** – the entities making up the F&C Group. F&C Asset Management plc is the parent in the F&C Group. F&C Asset Management plc is itself a wholly owned subsidiary of the Bank of Montreal.

**F&C CIP** – The F&C Children's Investment Plan.

**F&C CTF** – The F&C Child Trust Fund.

**F&C ISA** – The F&C Investment Trust Individual Savings Account.

**F&C JISA** – The F&C Junior ISA.

**F&C Legacy Plans** – these are savings plans that are closed to new applicants. Continuing Account Holders can keep the shares in F&C Legacy Plans they already hold.

**F&C PIP** – The F&C Private Investor Plan.

**F&C Plan** – a Savings Plan F&C manages.

**FCA** – the Financial Conduct Authority (or successor body)

**FCA Regulations** – the rules of the FCA (or successor body) as may be in force.

**FOS** – the Financial Ombudsman Service (or successor body).

**ISA Regulations** – the Individual Savings Account Regulations 1998 as amended or updated.

**Investment Trust** – an investment company (including UK-authorized Investment Trusts, UK investment companies, and overseas investment companies) listed on the London Stock Exchange and allowed as Permitted Investments under the Regulations.

**KID** – the latest Key Information Document for each Investment Trust that we must provide you in advance of you making any decision to invest.

**Legacy Investment** – an Investment Trust previously offered for investment in an F&C Plan but no longer available for new investment within the Savings Plan.

**Non-UK Investor** – an investor not resident in the UK or someone treated as tax resident by another country.

**Permitted Investments** – investments permitted for a particular F&C Plan under the Regulations.

**Post-Sales Cost Disclosure** – Disclosure of all actual and implied costs and charges incurred by the investment trust over the previous year

**Pre-Sales Cost Disclosure** – Disclosure of all costs and charges anticipated to be incurred by the investment trust over the following year

**Registered Contact** – the person opening the F&C JISA or CTF who is responsible for investment choices in the account and the issuing of instructions.

**Regulations** – FCA Regulations, ISA Regulations, and CTF Regulations as the context requires.

**Savings Plans** – a group of accounts that enables investment in shares of Investment Trusts with common terms identified by a plan or product title.

**Terms and Conditions** – the terms and conditions set out in this document and in the application form

## Eligibility

You must be 18 or over to apply for an account

in an F&C Plan. We will not register more than four people on a particular account. Each Account Holder or Registered Contact must give us satisfactory evidence of their identity and provide information about other beneficial owners of the account. This requirement will also include mandatory client information as required for regulatory transaction reporting for each account holder and / or decision maker. Regulations restrict who can own ISA, JISA, and CTF accounts. More information is available in other sections of these Terms and Conditions.

These accounts are intended for UK investors, though we may accept at our sole discretion applications from non-UK investors. We may close or restrict accounts that, in our opinion, could require us to meet non-UK regulatory or tax obligations.

US Persons may not open accounts. A US Person is anyone subject to US law for tax purposes. This includes someone who invests on behalf of such a person. If an existing Account Holder becomes a US Person, we may restrict or close their account.

## Account applications

You can apply in writing using the application form or through F&C's online service where applicable. We may ask for additional information to establish or verify your identity or the identity of beneficial owners of the account. If you do not give this information within a reasonable time, we may close or restrict the account. You should read the latest KID for each Investment Trust you select prior to investing and you should also read pre-sales cost disclosures for the plan before setting up an account and investing.

You can find these on our website at [fandc.com/literature](http://fandc.com/literature) or you can request a paper copy.

We have the right to reject applications.

## Account Holder

We register the account in the name of the applicant(s). Each account has a unique identification number. To further identify an account, you may also provide us with a name for the account.

We use the address of the first person listed on the application or account as the registered address for the account. In the case of a CTF or JISA, we use the address of the Registered Contact.

## Client classification

We classify Account Holders as retail clients. This provides you with the highest level of protection under applicable FCA Regulations.

## Permitted transactions

You can only invest in Permitted Investments within the minimum and maximum amount for the account. You can pay into the account by:

- contributing a lump sum
- setting up a regular direct debit to transfer funds into the account
- giving us a standing instruction to reinvest dividends into additional shares of the same

Investment Trust that generated the dividend

A "switch" instruction is an order to sell shares and invest the proceeds in another Investment Trust. We process the sale instruction first, followed by the buy instruction on the following business day. If you instruct us to do a switch and you invest monthly by direct debit into the Investment Trust that you are selling, remember that amounts you invest into that Investment Trust through the direct debit will continue after the sale unless you instruct us to stop.

If your instruction to sell shares leaves the balance of that investment below the minimum permitted balance, we sell the remaining shares of that investment. If the account does not hold any other investments and there is no active Direct Debit contribution set up, we close the account.

Other than customers who hold F&C JISA and F&C CTF accounts, Account Holders may:

- ask that shares held in the Account be transferred to share certificates in the names of the Account Holders
- add or remove registered Account Holders
- Note that we may charge administration fees for these actions.

## Instructions

Investment instructions must be either:

- by post, using our standard form (which varies on the type of instruction), and signed by all Account Holders (or by the Registered Contact in the case of an F&C CTF or JISA); or
- through our online service where applicable

Due to regulatory requirements, we regret that we are not able to accept any investment instructions not received either on-line or using the standard form.

We ask you to use our standard forms so we have all information we need to carry out the instruction. These are available for you to download from our website, [fandc.co.uk](http://fandc.co.uk), or you can request them from our Investor Services team. You should make sure that you provide all information requested on the form in full for all named account holders and decision makers.

Investment instructions are subject to our acceptance and we have the right at our sole discretion to reject instructions. Once we accept investment instructions you may not withdraw them. We process instructions according to these Terms and Conditions.

## Buying and selling shares

We process accepted investment instructions on the first available Dealing Day and combine them with other investment instructions for the same shares from other clients. We place the combined instructions with a broker we have chosen to carry them out. We have in place an order execution policy to ensure we take all sufficient steps to get the best possible result for you when we transmit your orders to a broker for execution. We monitor the quality of our trade execution on an ongoing basis. We publish details annually of our top brokers and the execution results we achieve.

We may wait for your funds to clear before we accept your purchase instructions. If the purchase is part of a switch, we normally accept the purchase instruction once we confirm how much money came from the sale.

The Account Holder or Registered Contact is responsible for providing us with funds to purchase investments for the account. We only accept payments drawn on a UK bank account and payable in sterling.

If a cheque for a purchase does not clear, we cancel the purchase in full. Cancelled purchases do not count toward ISA, JISA, or CTF contribution limits. If you send a cheque to replace one that did not clear, the date of contribution is the date we accept the replacement cheque. In the case of cheque payment, the Account Holder (or the Registered Contact acting on the Account Holder's behalf in the case of an F&C CTF or JISA) confirms that payment is received in full on first presentation.

When you invest by regular Direct Debit, we usually collect contributions from your bank account on, or around, the first of the month. We invest the contribution six Business Days from the date of collection.

We carry out trades that invest direct debit contributions or reinvest dividends on a combined basis, not account-by-account. We allocate the results of trades fairly, based on the combined investment instructions we receive from Account Holders or Registered Contacts.

We pay the proceeds of a sale instruction to the Account Holder following settlement. We send the proceeds by bank transfer to the UK bank account that is in the name of the Account Holder. To do this, we must have proof of bank details either before we receive the sale instruction or at the time we receive it.

If we have not verified a bank account, we send a cheque by post payable to the Account Holder for the proceeds of the sale. We send the cheque to the address of the Registered Account Holder. You bear the risk associated with posting the cheque.

We normally send the proceeds six Business Days after the relevant Dealing Day. We do not accept notice that you require sale proceeds by a particular time or for a particular purpose. You cannot withdraw funds from a JISA or CTF until the child turns 18.

## Tax reporting

### Private Investor Plan

In order to fulfil our legal obligations in respect of certain tax regulations we are required to collect mandatory information about your tax residency. We require you to provide a self-certification including, if you are not resident for tax purposes in the UK, details of the tax reference number of all individual shareholder's within the plan – contained within the application form where appropriate. This information may be passed on to other jurisdictions tax authorities such as the Internal Revenue Service (IRS) of the US if you are a US

person. For online applications, we may send you a self-certification form by post for completion.

### Transaction and periodic reporting

We issue transaction confirmations for purchases and sales of shares, but do not issue confirmations for:

- contributions you make by Direct Debit
- reinvesting dividends
- the sale of investments to settle administration and dealing charges owed to us

We send you full periodic statements showing new transactions on the account and a valuation of your investment holdings in February each year. We send you only a valuation of your investment holdings in April, July and October each year. We send them by post to the Account Holder for the account or to the Registered Contact (in the case of a CTF or JISA). You can request additional statements at any time but we may charge a fee for them to cover our reasonable costs of administration. If you use the Online Service, you can access copies of statements and transaction history online.

We also send you an annual post-sale cost and charges disclosure statement together with our full periodic statement in January each year. This sets out all the costs and charges incurred during the preceding year relating to your account, and enclosing an illustration of the costs of charges on your investment returns.

You can also request an itemised breakdown of costs from us, by contacting us at our address: F&C Management Limited, PO Box 11114, Chelmsford, CM99 2DG.

### Income from investments

Dividends generated by investments held in an account may be reinvested or paid out as instructed by the Account Holder. Dividends are reinvested unless F&C are otherwise instructed by the Account Holder. In the case of Junior ISA and CTF accounts reinvestment is compulsory. "Reinvestment" means using the dividend to buy further investment of the same type as generated by the dividend provided this is still a permitted investment for the account in question. Account Holders may request dividend payments to be paid out direct to a nominated bank or building society or by cheque. Cheques will normally be made payable to the Account Holders and sent by post to the registered address, subject to a minimum payment amount of £10. Amounts due to be paid out that are less than £10 will be accumulated into the account until a dividend amount of £10 or more is reached at which time the amount will be reinvested or paid out as instructed by the Account Holder. F&C does not accept instructions to keep dividend cash uninvested on an account or awaiting specific investment instructions.

### Income from investments

We reinvest dividends unless you instruct us to

pay them out. Reinvesting dividends is compulsory for JISA and CTF accounts. "Reinvestment" means using the dividend to buy additional shares of the same type that generated the dividend, if such shares are still a Permitted Investment for that account.

You may ask us to make dividend payments to a nominated bank or building society in the name of the Account Holder or by cheque. We will make the cheque payable to the Account Holder and post it to them.

Note we do not send cheques for amounts under £10. If there is less than that, we leave it in the account until there is £10 or more. At that point, we will send a cheque to the Account Holder. We will not keep dividends of more than £10 uninvested or awaiting your instructions.

### Payment of charges

We deduct transaction charges, including all third party, dealing and administration charges, from the account as soon as the transaction is processed. We apply annual management charges to the account as follows:

#### Fixed annual management charge

5 April and 5 October

#### Variable annual management charge

30 June and 31 December

#### Variable annual management charge (Stakeholder CTF only)

31 December

If the account is closed partway through a period, we apply charges at the time the account is closed.

We collect plan charges first from uninvested cash in the account. If there is not enough cash, we sell shares of the Investment Trust with the highest number of shares, or you can instruct us to collect the annual management charge by Direct Debit.

You can complete a Pay Account Charges Using a Direct Debit Form by downloading it from [fandc.co.uk](http://fandc.co.uk) or asking our Investor Services team to post the form to you. When you use direct debit to pay the charges, we allow 10 days to ensure your Bank has not rejected the payment. If your bank rejects a direct debit payment, we collect unpaid charges first from uninvested cash in the account and then by selling shares of the Investment Trust with the highest number of shares. (Note that the shares we sell may not be the shares with the highest value)

When an account is closed, we collect any pro rata annual management charge from the account first from any uninvested cash in the account and then by selling shares. We do not collect any pro rata annual management charge by Direct Debit.

### Client assets and client money

We hold client money we receive or hold for client accounts in a client money bank account at a bank we select. The client money bank account includes monies from multiple Account Holders. This bank account is separate from our own monies.

We pay no interest on cash balances held in accounts. We use interest earned on the client money bank account to offset costs of administering the plans.

When cash is held in a pooled bank account with a third party, if the third party defaults, all Account Holders have an equal claim on the cash in the account and would share pro rata the proceeds from the pooled bank account.

In order to protect your interests, shares we hold for you are held by an independent sub-custodian separately from our assets and from our non-Savings Plan clients' assets. The shares are registered in the name of the sub-custodian's nominee so it is clear they do not belong to the sub-custodian and share certificates are held as we may direct. Beneficial ownership of the shares remains with the Account Holder. We do not lend shares to third parties or use them as security for loans. Shares of a number of Account Holders are registered collectively and may not be separately identifiable. However, we will keep a separate record of your individual entitlement. If we, our delegates, or the sub-custodian fail, any shortfall may be proportionately shared among Account Holders whose shares are registered in this way.

We select the bank that provides the client money bank account and the independent sub-custodian. You agree to us giving our sub-custodian a right to retain any monies and shares held in your account, or to sell or use any of those shares, in order to pay off any charges or liabilities properly incurred on your account as a result of it providing custody services. The sub-custodian may only use this right if we do not pay any liabilities owing on your account such as service fees.

We may change sub-custodians or banks without notifying you, but will exercise reasonable skill and care when changing either. You can find information about the current bank and sub-custodian in Schedule III. The measures we take to protect your assets and money are in addition to any right you may have to seek compensation under the Financial Sources Compensation Scheme. Please refer to the section "Compensation" below.

## Responsibilities of the Account Holder

### Investment decisions

You are responsible for all investment decisions and acknowledge that we process all investment instructions on an "execution-only" basis. This means we have carried out an assessment of whether or not our Investment Trusts are complex investments, based on FCA Regulations. As our products are deemed non-complex, we carry out the investment instruction but do not give investment advice or recommend investments to you or consider whether they are appropriate for you. So you do not benefit from the protection of FCA Regulations on suitability and appropriateness. You should read the latest KID for the Investment Trust(s) you select before investing.

You should also read the pre-sales cost disclosures for the plan before setting up an account and investing. You can find these on our website at [fandc.com/literature](http://fandc.com/literature) or we can provide you a paper copy on request.

You agree to pay, or reimburse to F&C the charges, and expenses set out in the Terms and Conditions or that you otherwise agreed to.

### Accuracy of account information

We rely on the accuracy of information you provide. If we reasonably believe instructions are incomplete or unclear, we may, where possible, delay implementing those instructions whilst we seek clarification from you, otherwise we will reject them. To avoid unnecessary delay, please ensure you use our standard forms when giving us investment instructions or changing standing instructions.

### US investors

Shares in the Investment Trusts have not been, and will not be, registered under the United States Securities Act 1933, as amended (the US Securities Act) or the securities laws of state or political subdivisions of the United States. As a result, we do not:

- offer or sell shares, directly or indirectly in the United States (including the States and District of Columbia), its territories and possessions, and other areas subject to its jurisdiction.
- offer or sell shares to US Persons,
- accept applications to buy or contribute to shares in any Permitted Investment from a person resident in, or an entity domiciled in, the United States.

Investors must notify us if they move to the United States or otherwise become a US Person. We consider investors who become residents in the United States, or who are treated as residents for US tax or regulatory purposes, to possibly be US Persons. In that case, we require them to show evidence of residence status. If we believe they are US persons, we may freeze or restrict their account and they may be subject to the withholding and reporting requirements of the US Internal Revenue Service.

For existing JISA and CTF customers who notify us of a change of address to the United States, we will continue to permit cash subscriptions into the plan, however these subscriptions will be held in a designated non-interest bearing Restricted Cash Deposit Account.

### Checking transactions and statements for errors

Mistakes can happen. You should always check transaction reports and periodic statements carefully and refer any discrepancies or questions promptly to our Investor Services team. You should report to us any uninstructed changes to account information, or failures to receive expected transaction reports, periodic statements, sale

proceeds, or dividend payments within normal deadlines.

If we make a dealing error when implementing an investment instruction and you suffer a loss from market movements, we will only compensate you for such loss for the period ending either:

- when the error is corrected; or
- three months after posting the transaction report, or from the date of the periodic statement that first shows the transaction, whichever is earlier.

This means that your ability to recover losses if we make a mistake may be limited if you do not check your transaction report or periodic statement within this three month period. We are not liable for any other costs or expenses other than the loss from the movement in the market.

### Up-to-date information

You must ensure that account information we have on file is up to date, including contact details and changes in the eligibility of an Account Holder. If you fail to ensure we have the current registered address for the account, an unauthorised person could intercept correspondence. We may also suspend your account correspondences.

If account information is out of date, or if we believe the information is not reliable, we may take steps to establish the whereabouts of an Account Holder or Registered Contact. If we do, we may deduct reasonable costs we incur in doing so from the account.

### Account closure and transfer options

We do not charge exit fees when closing an account or if we transfer an account. However, we charge dealing and transfer charges, as appropriate, to cover administration costs of processing the request. We deduct a pro rata annual management charge from the account before closing it.

You may close an account (other than a JISA or CTF) at any time by instructing us to sell or transfer all investments in the account. The Regulations require that JISA or CTF accounts be held until maturity, but you may instruct us to transfer these accounts to another plan provider. If you close or transfer an account following notice in writing from us of a material change to these Terms and Conditions as set out below that is disadvantageous to you, we will waive our usual dealing and transfer-out charges provided you notify us before the relevant change takes effect. If a payment is made to your account after it has been closed, we send the payment to you by cheque (or to the new plan provider in the case of transferring an ISA, JISA, or CTF). We typically mail out cheques for these payments quarterly in March, June, September, and December.

### Inactive accounts (N.B. not applicable to a JISA or CTF account)

If there is no activity in an account for more than six years and the account has a cash

balance of less than £25, we may transfer the cash to a charity we choose. We will take reasonable steps to find the Account Holder before making such a transfer. If the account contains investments other than cash, after 12 years of no activity on the account, we may transfer the investments to a registered charity.

## Responsibilities of F&C

We will promptly execute your instructions when accepted and have in place an order execution policy to ensure we take all sufficient steps to get the best possible result when we submit orders for execution. We combine instructions from clients and place them with a broker dealing on the London Stock Exchange on the first available Dealing Day after we accept them. In combining your order with those of other clients it is possible that the effect of aggregation may work to your disadvantage for a particular order but we only combine orders where overall this is unlikely to disadvantage our clients. We meet our regulatory duties by placing the order with the broker who is required to execute the trade at the best price available for the size of the order and the availability of shares in the market and we have in place a programme of pre and post trade monitoring to ensure our duties are met. Further information is available on request about the brokers we choose to provide execution services and we publish details annually of the top five brokers we use by trading volumes and results. This information is available to download from our website at [fandc.co.uk](http://fandc.co.uk).

## Information on Permitted Investments

We are regulated under UK data protection law as data controllers and are responsible for the proper processing of any personal information held in connection with your account. We will process information about you in line with our online privacy policy at [bmogam.com.com/privacy](http://bmogam.com.com/privacy). This privacy policy also contains full details about the types of information we collect, what we use this information for, and your related rights.

## Use of personal information

We are regulated under UK data protection law as data controllers and are responsible for the proper processing of any personal information held in connection with your account. We will process information about you in line with our online privacy policy at [bmogam.com/privacy](http://bmogam.com/privacy). This privacy policy also contains full details about the types of information we collect, what we use this information for, and your related rights.

We highlight here a few key ways in which we use your information:

- **Anti-fraud and regulatory uses:** We may need to process information about you to comply with our internal policies and applicable laws in relation to the prevention and detection of -money laundering, terrorism, corruption and fraud which may

include sharing this information with regulators (such as the Financial Conduct Authority and HM Revenue & Customs), law enforcement agencies, anti-fraud organisations and other organisations for anti-fraud purposes as well as with civil litigants. This processing may include profiling. From time to time we may need to verify the accuracy of our databases and we may do so by checking the information we hold about you from against databases held by certain third parties.

- **Information you provide about others:** We may need you to provide us with information about third parties such as immediate family members and you will need to let them know how we will use their information before providing it to us.
- **Export:** We may use other members of F&C Management Ltd, Bank of Montreal Group, affiliates or third parties to process your information. This may happen outside the UK and the European Economic Area (EEA) where data protection laws may provide less protection than in the UK and the EEA. We detail how we safeguard your personal information when processed in such countries in our privacy policy referenced above.
- **Cookies:** We use cookies and certain forms of tracking technologies. We detail how we use these in our privacy policy referenced above.

**Marketing:** We would like to provide you with details of financial services and products that we offer which we think you might find interesting. If at any time you would like to opt out of further marketing communications, please let us know by emailing us at [Hello@fandc.com](mailto>Hello@fandc.com).

## Liability

We are not liable to an Account Holder:

- if we do not act on the Account Holder's or Registered Contact's instructions for any reason contained in these Terms and Conditions, or
- where we are unable to fulfil our obligations to the Account Holder either because:
  - (i) something happened that was beyond our reasonable control (for example, a problem with the postal system results in us not receiving the instruction, or we receive it too late to act on it), or
  - (ii) we would break the law or not meet regulatory requirements if we complied with the instruction.

As long as we have not acted fraudulently or negligently, we are not liable for any loss or damage suffered by you as a result of directly or indirectly carrying out your instructions. You acknowledge that giving instructions by telephone is not secure and telephone instructions are vulnerable to abuse by unauthorised parties.

We are liable to you for loss caused by our

breaching the Terms and Conditions, if the loss is a foreseeable consequence of our breach. A loss is foreseeable if both of us could have contemplated it when we entered into an agreement governed by these Terms and Conditions. We are not responsible for losses that occur as a consequence of us breaching the Terms and Conditions if that consequence was not foreseeable by both of us. An example of this kind of loss is a loss of profit or loss of investment opportunity.

## Communicating with us

We are required under FCA Regulations to record our communications with you including telephone calls and e-mails. A copy of these recordings is available to you on request for a period of five years from the date of the relevant recording.

Due to regulatory requirements from 3 January 2018, we regret that we will no longer be able to accept investment instructions that are not submitted using the relevant standard form or our on-line service.

## Death of an Account Holder

When an Account Holder dies, the deceased's personal representatives or the surviving Account Holders must notify us as soon as practical. In the case of jointly held accounts, we will re-register the account in the names of the surviving holders when we receive acceptable evidence of the death. When an account is held by a single person and they die, we require evidence of the authority of the deceased's personal representative in order to sell or transfer investment held in the account.

## Exercise of shareholder rights

We pass along to Account Holders (or as applicable Registered Contacts) shareholder communications we receive from Investment Trusts. We notify Account Holders (or as applicable Registered Contacts) when we receive interim and annual announcements, annual reports and accounts, and notices of annual general meetings.

We try to forward or notify Account Holders (or as applicable Registered Contacts) promptly about company circulars and offer documents concerning investments held in their account. We make arrangements we consider reasonable to enable Account Holders (or their Registered Contacts) to exercise rights attaching to their shares, such as votes to take up or decline entitlements.

We do not exercise rights on behalf of Account Holders without instructions and we accept no responsibility for failure to act without instructions.

When there is a shareholder vote and some Account Holders (or as applicable Registered Contacts) do not give us instructions about how to vote, we cast votes on their shares in proportion to the votes cast for shares for which we received voting instructions. This is called "scaling up" of votes. This kind of voting is subject to approval of the relevant Investment

Trust and may be subject to minimum voting requirements and maximum holding limits intended to ensure the voting reflects the wishes of Account Holders (or as applicable Registered Contacts). When we send notification about a shareholder resolution that Account Holders (or as applicable Registered Contacts) are entitled to vote on, the notification specifies that they can instruct us not to include their shares in a scale up.

### Conflicts of interest

We have a conflicts policy in place which is designed to identify, prevent and/or manage conflicts of interest and we take all appropriate steps to limit the risk of damage to your interests. In some instances, the measures we have in place will not be sufficient to mitigate the risks in full. Regulations require us to disclose these situations to you. We draw your attention to the fact we may:

- act in the same transaction as both agent for an Account Holder and counterparty;
- act in the same transaction or series of transactions as agent for more than one client collectively; or
- receive payment for managing or advising an investment trust that is a Permitted Investment

In managing Savings Plans we, and our agents, may receive access to information that is privileged or confidential. If we, or our agents, receive access to such information we do not have a duty to use, or try to use, this information on the Account Holder's behalf.

Further details of our conflicts of interest policy are available on request by writing to us at our address set out in the "Further Information" section of our Key Features Document or on our website at [fandc.com/literature](http://fandc.com/literature).

### Research

We will only receive investment research to support our management of the Investment Trusts that we purchase at our own cost.

## Rights of the plan manager

### Sale of investments

This section describes our rights when we act as plan manager.

### Sale of investments

We may sell all or part of an Account Holder's investments and use the proceeds to set off any liability the Account Holder has to us for charges and expenses set out in the Terms and Conditions. We may apply a set off to account administration charges, such as transfer out charges, and other charges agreed to by the Account Holder (or if applicable the Registered Contact).

### Transactions in shares

We may carry out transactions in the shares of Investment Trusts with, or using, someone we

select, including an affiliate. They may be entitled to charge and retain benefits for their services. If we believe it is in an Account Holder's best interest, we may buy or sell shares directly from or to the relevant Investment Trust.

### Delegation

We may employ agents in connection with the services we provide and may delegate all or any of our powers or duties to delegate(s) we choose. When delegating powers or duties we have under the Terms and Conditions, we make sure the person we delegate to is competent to carry out those functions.

### No exclusivity

Nothing in the Terms and Conditions restricts our right to provide investment services to others.

### Force Majeure

If we have acted in accordance with FCA Regulations, we are not liable if any transaction or service related to an account cannot be carried out due to:

- Acts of God
- changes to laws or regulations
- acts of terrorism
- unforeseeable market conditions affecting executing or settling transactions for an account
- strikes or industrial actions
- failure of power supplies or equipment
- any other causes beyond our reasonable control

### Alterations and closures

Subject to giving you notice in writing as set out below, we may also amend our agreement with you to comply with changes to the law or FCA Regulations or to respond proportionately to changes in the general law or decisions of the Financial Ombudsman Service.

Other than the changes described above, when we have valid reasons to, we may amend the Terms and Conditions and schedules, including the rates, types of charges, and other amounts chargeable to any Plan. We will give Account Holders at least 28 calendar days' notice of significant changes. For these purposes "valid reasons" are changes:

- from improving or intended to improve efficiency, timeliness, or accuracy of service; security of processing; adoption of new technology; or reliability of communications;
- from or required because of, changes in terms, including costs, or service available from third party providers, or as a result of changing these providers; or
- reflecting legitimate cost increases or reductions associated with our providing services under these Terms and Conditions (for example, as a result of changes in law or regulation)

We limit changes we make for "valid reasons" to changes that:

- we believe are reasonably necessary to provide, or to improve, the services at a reasonable cost
- reflect the nature of the services and the costs and risks we incur to provide the services
- make our agreement with you clearer

Wherever possible we will give you at least 30 days' notice in writing before we make any changes. If you do not accept the changes you have the right to transfer your account to another plan provider or close your account in accordance with these Terms and Conditions. We will waive our usual dealing and transfer-out charges in this situation if the proposed changes are material and disadvantageous to you. If you hold a JISA or CTF account you cannot close the account but may instruct us to transfer to another plan provider.

If we close an F&C Plan, or if an Investment Trust no longer qualifies as a Permitted Investment, we notify affected Account Holders. We include in the notice information about sale, transfer, or switching alternatives. These alternatives will depend on what other providers offer. Each provider has its own terms, conditions, and charges. Account Holders may pay transfer charges under the terms and conditions of the new Savings Plan.

### Notices

We send notices to Account Holders (or as applicable the Registered Contact) by first class post to the registered address on the account. The mailing is at the Account Holder's risk and is treated as received two Business Days following the date of posting.

### Compensation

We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if we cannot meet our obligations. Most types of businesses are covered up to £50,000, but the circumstances of the claim may impact the compensation. Further information is available from the Financial Services Compensation Scheme, FSCS PO Box 300, Mitcheldean, GL17 1DY, 0800 678 1100, [www.fscs.org.uk](http://www.fscs.org.uk).

### Solving disagreements and court proceedings

We try to solve any disagreements quickly and efficiently. If you are not happy with the way we deal with any disagreement and you want to take court proceedings, you must do this in the United Kingdom.

## Schedule I

### A: Permitted Investments

Investment	F&C ISA	PIP	CIP	F&C CTF (Shares)	F&C CTF (Stakeholder)	F&C JISA	APS
European Asset Trust NV (ordinary shares)	✓	✓	✓	✓	X	✓	✓
F&C Capital & Income Investment Trust plc (ordinary shares)	✓	✓	✓	✓	X	✓	✓
F&C Commercial Property Trust (ordinary shares)	✓	✓	✓	✓	X	✓	✓
F&C Global Smaller Companies (ordinary shares)	✓	✓	✓	✓	X	✓	✓
F&C Managed Portfolio Trust (growth shares)	✓	✓	✓	✓	X	✓	✓
F&C Managed Portfolio Trust (income shares)	✓	✓	✓	✓	X	✓	✓
F&C Private Equity Trust (ordinary shares)	✓	✓	✓	✓	X	✓	✓
Foreign & Colonial Investment Trust plc (ordinary shares)	✓	✓	✓	✓	X	✓	✓
F&C UK High Income Trust (ordinary shares)	✓	✓	✓	✓	X	✓	✓
F&C UK High Income Trust (B shares)	✓	✓	✓	✓	X	✓	✓
F&C UK High Income Trust (units)	✓	✓	✓	✓	X	✓	✓
TR Property Investment Trust (ordinary shares)	✓	✓	✓	✓	X	✓	✓
F&C UK Real Estate Investments Limited (ordinary shares)	✓	✓	✓	✓	X	✓	✓
F&C FTSE All-Share Tracker Fund (SC1 accumulation shares)	X	X	X	X	✓	X	X
ICG Enterprise Trust (ordinary shares)	Existing investors only	Existing investors only	Existing investors only	Existing investors only	X	Existing investors only	Existing investors only
UIL Limited (ordinary shares)	Existing investors only	Existing investors only	Existing investors only	X	X	X	Existing investors only
UIL Finance Limited ZDP Shs 5.9319p	Existing investors only	Existing investors only	Existing investors only	X	X	X	Existing investors only
UIL Finance Limited 2024 ZDP Shs 3.8025p	Existing investors only	Existing investors only	Existing investors only	X	X	X	Existing investors only

### B: Legacy Investments

Investment	F&C ISA	PIP	CIP	F&C CTF (Shares)	F&C CTF (Stakeholder)	F&C JISA
The European Investment Trust (ordinary shares)	✓	✓	✓	X	X	X
Blackrock Latin American Investment Trust (ordinary shares)	✓	✓	✓	X	X	X
Witan Pacific Investment Trust (ordinary shares)	✓	X	X	X	X	X
Thames River Hedge+ (ordinary shares £ class)	✓	✓	✓	✓	X	X

## Schedule II Investment Limits and Charges

Item	F&C ISA	PIP	CIP	F&C CTF (Shares)	F&C CTF (Stakeholder)	F&C JISA	APS
<b>Charges</b>							
Annual Charge	£60+VAT	£40+VAT	£25+VAT	£25+VAT	0.7%	£25 +VAT	£60+VAT
Dealing charge	0.20%	£12 postal per trust <sup>1</sup> £8 online per trust <sup>1</sup>	£12 postal per trust <sup>1</sup> £8 online per trust <sup>1</sup>	Nil	Nil	£12 postal per trust <sup>1</sup> £8 online per trust <sup>1</sup>	0.20%
Switch charge (in addition to dealing charges)	Nil <sup>2</sup>	Nil <sup>2</sup>	Nil <sup>2</sup>	2 free per year then £25 per switch thereafter	Nil	Nil <sup>2</sup>	Nil <sup>2</sup>
ISA/CTF/JISA transfer in	Nil <sup>2</sup>	N/A	N/A	Nil	Nil	Nil <sup>2</sup>	Nil <sup>2</sup>
ISA/CTF/JISA transfer out	£50 +VAT <sup>2</sup>	N/A	N/A	Nil	Nil	£50 +VAT <sup>2</sup>	£50 +VAT <sup>2</sup>
ISA/CTF/JISA Void Fee	£100 + VAT <sup>2</sup>	N/A	N/A	Nil	Nil	Nil	£100 + VAT <sup>2</sup>
Stock transfer out to nominee or main register	N/A	£12+VAT per trust	£12+VAT per trust	N/A	N/A	N/A	N/A
<b>Investment minimums/maximums</b>							
Minimum initial - postal deals	£500 per trust	£500 per trust	£250 per trust	£100 per trust	£10	£500 per trust	£500 per trust
Minimum top-up	£250 per trust	£250 per trust	£100 per trust	£100 per trust	£10	£250 per trust	£250 per trust
Minimum DD	£50 per trust	£50 per trust	£25 per trust	£25 per trust	£10	£30 per trust	N/A
Minimum withdrawal	£250 per trust	£250 per trust	£100 per trust	£100 per trust (after 18th birthday)	£100 per trust (after 18th birthday)	N/A	£250 per trust
Minimum Balance at trust following withdrawal	£500 per trust	£500 per trust	£250 per trust	N/A	N/A	N/A	£500 per trust
Annual limit *	£20,000 (2018/19 tax year)	No maximum	No maximum	£4,260 (current birthday year)	£4,260 (current birthday year)	£4,260 (2018/19 tax year)	N/A

We reserve the right to close any accounts which do not meet the product minimums as set out in the terms and conditions.

Item	F&C ISA	PIP	CIP	F&C CTF (Shares)	F&C CTF (Stakeholder)	F&C JISA	APS
<b>Account administration</b>							
Contributions by direct debit	Monthly on 1st month or next available Business Day	Monthly on 1st month or next available Business Day	Monthly on 1st month or next available Business Day	Monthly on 1st month or next available Business Day	Monthly on 1st month or next available Business Day	Monthly on 1st month or next available Business Day	N/A
Periodic Statement dates	31 March, 30 June, 30 September and 31 December	31 March, 30 June, 30 September and 31 December	31 March, 30 June, 30 September and 31 December	31 March, 30 June, 30 September and 31 December	31 March, 30 June, 30 September and 31 December	31 March, 30 June, 30 September and 31 December	31 March, 30 June, 30 September and 31 December
Cash / Deposit account interest rate	Nil	Nil	Nil	1% below Bank of England Base Rate (CTF Deposit account only) <sup>4</sup>	Nil	Nil	Nil
<b>Income payment frequency</b>							
Dividend paid by Cheque <sup>3</sup>	Monthly on 23rd of month	Monthly on 23rd of month	Monthly on 23rd of month	N/A	N/A	N/A	Monthly on 23rd of month
Dividend paid direct to bank/building society	Within 4 business days of receipt into account	Within 4 business days of receipt into account	Within 4 business days of receipt into account	N/A	N/A	N/A	Within 4 business days of receipt into account

All charges may be altered in accordance with the terms and conditions

Note 1: These charges apply for lump sum payments but no dealing charges are applied for payments made by regular, monthly direct debit.

Note 2: Dealing charges still apply (at postal rate, where applicable)

Note 3: £10 minimum payment applies

Note 4: 0% floor applies

Note 5: In addition to the above charges, there are operating costs associated with running an Investment Trust that affect the overall return from your investments, for example, the management fee paid to the investment manager or its associates, auditors' fees, directors' remuneration, transaction and promotional costs. The Investment Trust bears these costs, which are detailed in the KIDs for each individual Investment Trust in addition to the post-sales cost disclosure – these are published on our website at [fandc.com/literature](http://fandc.com/literature).

### Schedule III Directory

Plan Manager F&C Management Limited

also Approved ISA manager F&C Management Limited

Approved CTF manager F&C Management Limited

**Administrator:** DST Financial Services International Ltd and DST Financial Services Europe Ltd

**Custodian:** State Street Bank and Trust Company

**Bank:** HSBC Bank plc

SEDOL	Trust	Broker dealing	New money permitted Y/N
BD0BSY3	European Asset Trust NV (ordinary shares)	Cenkos	Y
0346328	F&C Capital & Income Investment Trust plc (ordinary shares)	Cenkos	Y
B4ZPCJ0	F&C Commercial Property Trust (ordinary shares)	Winterflood	Y
0017505	F&C Global Smaller Companies (ordinary shares)	Stifel Nicolaus Europe Limited	Y
B2PP252	F&C Managed Portfolio Trust (growth shares)	Winterflood	Y
B2PP3J3	F&C Managed Portfolio Trust (income shares)	Winterflood	Y
3073827	F&C Private Equity Trust (ordinary shares)	Winterflood	Y
0346607	Foreign & Colonial Investment Trust plc (ordinary shares)	JP Morgan Cazenove	Y
B1N4G29	F&C UK High Income Trust (ordinary shares)	Cenkos	Y
B1N4H59	F&C UK High Income Trust (B shares)	Cenkos	Y
B1N4H93	F&C UK High Income Trust (units)	Cenkos	Y
0906409	TR Property Investment Trust PLC ordinary 25p	Cenkos	Y
B012T52	F&C UK Real Estate Investments Limited (ordinary shares)	Cenkos	Y
3313802	F&C FTSE All-Share Tracker Fund (SC1 accumulation shares)	DST	Y
0329501	The European Investment Trust	Winterflood	N
0365602	Witan Pacific Inv Tst ordinary 25p	Winterflood	N
0505840	Blackrock Latin American Inv Trust	Winterflood	N
0329200	ICG Enterprise Trust (ordinary shares)	Numis Securities Limited	Y (existing investors only)
BZ4BVN3	UIL Limited (ordinary shares)	Winterflood	Y (existing investors only)
BZ4BVP5	UIL Finance Limited ZDP Shs 5.9319p 2018	Winterflood	Y (existing investors only)
BDZTXY7	UIL Finance Limited 2024 ZDP Shs 3.8025p	Winterflood	Y (existing investors only)
0133508	British Empire Trust PLC	Winterflood	N

# F&C ISA Terms and conditions

The Terms and Conditions below apply to the F&C Individual Savings Account (F&C ISA) and are in addition to the General Terms and Conditions. Together with the Key Features of the F&C ISA and the Application Form these documents form the contract for the F&C ISA. In the event of any inconsistency between these Terms and Conditions and the General Terms and Conditions, these Terms shall prevail.

The F&C ISA is an F&C Investment Trust Savings Plan entitled to the tax benefits available to ISAs and is subject to the ISA Regulations. The F&C ISA is a stocks and shares ISA. F&C does not provide a cash ISA option.

## Eligibility

Any individual aged 18 or over who is resident or ordinarily resident in the UK for tax purposes. ISAs may only be taken out in the name of one individual and the subscriptions must belong to that individual.

## Opening an ISA

An F&C ISA application form must be completed to open an F&C ISA other than a converting F&C JISA. F&C use continuous ISA forms so that a new F&C ISA application form is not required to subscribe to a subsequent year's F&C ISA, unless there has been no subscription to the F&C ISA in the two immediately preceding tax years.

An investor may only open one stocks and shares ISA in a tax year. If an investor exercises their cancellation rights the cancelled stocks and shares ISA will be ignored and the investor will still be entitled to open a stocks and shares ISA in that tax year.

## Annual subscription

Up to 100% of the annual subscription limit may be invested in a stocks and shares ISA each tax year. The amount available is reduced £1 for £1 by the amount invested in a cash ISA in the same tax year. The Account Holder is responsible for ensuring that they comply with the 'One ISA a year' rule and that their combined cash ISA and stocks and share ISA subscriptions do not exceed the annual subscription limit.

## Additional Permitted Subscription Limit

Law imposes the amount which can be invested as an APS. The APS must not exceed the aggregated value of your spouse or civil partner's ISA which they held at the date of their death; if the investor died on or before 5 April 2018, or if the investor died on or after 6 April 2018, up to the higher of the value of the deceased ISA investor's ISA holdings at the date of death or at the point the ISA ceased to be a "continuing account of a deceased investor".

When we are notified that you have died and the date of death was on or after 6 April 2018, we will designate your ISA as a "continuing account of a deceased investor" in accordance with HMRC regulations. Your F&C ISA will remain as a "continuing account of a deceased investor" until the earlier of:

- i. the closure of your F&C ISA; and
- ii. the third anniversary of your death.

The F&C Investment Trust Savings Schemes are not required to check with your executors if or when the administration of your estate has been completed.

If you send us a payment that exceeds your APS allowance, we will return the whole amount to you by cheque without accepting any payment.

Where the deceased investor had a number of ISAs with a manager, there will be a single additional subscription limit based on the combined values of those ISAs.

Additional permitted subscriptions made in the form of cash cannot exceed the value of the deceased investor's ISA at the date of death if death occurred before 5 April 2018, or if the investor died on or after 6 April 2018, up to the higher of the value of the deceased ISA investor's ISA holdings at the date of death or at the point the ISA ceased to be a "continuing account of a deceased investor".

For an additional permitted subscription made in stock this cannot exceed the value of the deceased investor's ISA at the date of death if death occurred before 5 April 2018, or if the investor died on or after 6 April 2018, up to the higher of the value of the deceased ISA investor's ISA holdings at the date of death or at the point the ISA ceased to be a "continuing account of a deceased investor", or the value of the assets you inherited if this is a lesser amount.

Transfers of assets from an external ISA manager can only be accepted in cash and not as in-specie transfers. Please contact us for more information on our Additional Permitted Subscription service. Where the deceased investor has a number of ISA's with the same ISA manager, there will be a single APS subscription limit based on the combined values of those ISA's at the investor's date of death. If the ISA investor died on or after 6 April 2018 the single APS subscription limit can be based on the combined values of those ISA's on the date of death, or on the total value of the investor's ISA's when they cease to be continuing accounts of the deceased investor. This single APS subscription limit cannot be calculated on a mix of some account values at the date of death and the value of other accounts at the point they cease to be a continuous ISA.

All applications and instructions for APS must

be in writing. You can make an APS into your ISA by completing the APS application form each time that you wish to make an APS.

You can make one or more APS, however, they must not, in aggregate, exceed the APS allowance and must be made within the permitted period.

We will only accept APS payments within the permitted period. We will not accept payments outside of this time. Note, if completion of the estate takes longer we will need to see evidence to allow further APS payments.

## Additional Permitted Subscriptions Timing

Additional permitted subscriptions made in the form of cash must be made within 3 years of the date of death, or if later, within 180 days of the completion of the administration of the deceased ISA investor's estate. Where the death of the ISA investor occurred in the period 3 December 2014 to 5 April 2015, the 3 year period starts on 6 April 2015.

Additional permitted subscription made in the form of stock must be invested within 180 days of the beneficial ownership of the deceased investor's ISA passing to you.

## ISA transfers

ISA holders are entitled to transfer an ISA in whole or in part in the case of previous tax years' subscriptions to another ISA plan manager. The application to transfer an F&C ISA must be made to the receiving plan manager who will request the transfer from the current plan manager. F&C will only accept ISA transfers in cash.

## Cancelling an F&C ISA application or an F&C ISA transfer request

Applicants can cancel an F&C ISA application or an F&C ISA transfer request they have made. When you apply, we send you information about your right to cancel, along with a cancellation notice form. Applicants wishing to cancel an application or transfer must return the cancellation notice to us within 14 days.

After we receive notice of the cancellation of an application for a new F&C ISA, we return the original contribution less any dealing expenses and shortfall (difference between the cost and proceeds of shares purchased for the account) in accordance with the FCA Regulations.

In the case of an ISA transfer the Applicant will arrange for a replacement ISA Plan Manager to accept the proceeds or the funds will be returned to the Applicant and the tax benefits of an ISA will be lost.

### **Transferring your Additional Permitted Subscription Allowance**

Where you intend to make additional permitted subscriptions in the form of cash, you can transfer your APS Allowance from the deceased ISA investor's Account Manager to another manager.

Your APS allowance can only be transferred once and only if you have not already made any additional permitted subscriptions with the deceased ISA investor's Account Manager. Any unused balance cannot be transferred to another ISA manager.

You may have the right to cancel the transfer of your APS allowance while it is in the process of being transferred, however, it is not permitted by the ISA Regulations to cancel the transfer once it is completed.

Once the transfer of the APS allowance is completed you can make additional permitted subscriptions. You will not be able to transfer the APS allowance to Another Manager, even if you have not made any additional permitted subscriptions with the Account Manager you transferred your APS allowance to.

### **Withdrawing funds from an ISA**

Funds may be withdrawn from the F&C ISA at any time. Unless 100% of the F&C ISA is to be withdrawn the Account Holder must instruct the sale of a number of shares or shares to a specified value within a specified trust to fund the withdrawal.

Funds withdrawn from an ISA lose the tax benefits of an ISA and can only be reinvested in another ISA as part of the current year annual subscription and subject to the annual subscription limit.

The ISA is automatically closed when 100% of the plan is withdrawn. If an instruction to sell shares leaves the balance of that investment trust below the minimum permitted balance then the remaining shares of that investment trust will also be sold. If no other investments are held in the account and there is no active direct debit set up to make further contributions then the account will be closed. We reserve the right to close any accounts which do not meet the product minimums as set out in the terms and conditions.

Procedure following death on or after 6 April 2018. When F&C are notified that you have died and the date of death was on or after 6 April 2018, the ISA will be designated a "continuing account of a deceased investor" in accordance with HMRC regulations. Your F&C ISA will remain as a "continuing account of a deceased investor" until the earlier of: i. the closure of your F&C ISA; and ii. the third anniversary of your death. Whilst the F&C ISA is a "continuing account of a deceased investor" no subscriptions can be made, but the existing account investments will continue to benefit from ISA tax advantages. If the administration of your estate has not been completed by the third anniversary of your death,

then the F&C ISA will cease to be a "continuing account of a deceased investor". The ISA will remain invested until instructions are received and accepted by F&C from the Account Holder's personal representative(s). F&C may require evidence of identify and authority to act before accepting instructions from the personal representative(s). If you transfer your ISA to another ISA manager any unused APS allowance does not transfer and will remain with us.

If you close your ISA before you fully use your APS allowance in full, you can invest the remaining balance of the APS allowance with us in a new ISA provided you are still within the permitted period.

### **Voiding or repairing an ISA for breach of the ISA Regulations**

ISAs may be closed on direct instructions from HM Revenue & Customs:

- Due to an invalid application.
- Due to the Account Holder already having subscribed to another ISA.

Where an ISA, or part thereof, is to be treated as void F&C will notify the Account Holder that the ISA or part thereof has not qualified or will no longer qualify for tax relief. F&C will then void the ISA or part thereof, realise the value of the relevant investments, and subject to any deduction necessary to satisfy tax liabilities of the Account Holder for which F&C may be accountable and any sum due to F&C under the terms and conditions, will pay the proceeds to the Account Holder.

In circumstances where there is a failure to satisfy the ISA Regulations HM Revenue & Customs may require the ISA or part thereof to be repaired. F&C will then repair the ISA in accordance with the Regulations including making such adjustments to the investments as are necessary. F&C may charge an additional administration fee for repairing an ISA.

### **Payment of charges, expenses, and taxes**

To pay taxes or to cover charges, or expenses payable for an F&C ISA, we may sell investments in the account or use cash from the account. We may do this without notifying the Registered Account Holder. If liabilities remain unsatisfied after we have taken this action, the Registered Account Holder must pay the shortfall. If the Registered Account Holder does not reimburse us promptly, they will be liable for any loss, damage, or cost we might incur.

F&C may retain sufficient cash to pay charges or taxes on the Account and may apply any cash or sell any investments in the Account to pay any unpaid charges or taxes.



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