



# ISA and Investment Fund

## Key Features Document

This is an important document.  
Please read it and keep for future reference.

## keyfacts<sup>®</sup>

The Financial Services Authority is the independent financial services regulator. It requires us, Standard Life, to give you this important information to help you to decide whether our ISA and Investment Fund is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.

This Key Features Document is for UK Residents only.

# Helping you decide

This Key Features Document will give you information on the main features, benefits and risks of the Individual Savings Account (ISA) and Investment Fund available from Standard Life.

An illustration is also enclosed. It will show you the benefits you may get in the future.

Our Customer Information Team will always be happy to answer any of your questions or give you more information but they can't give you financial advice. Our contact details can be found on page 21.



### Key Features Document - defined terms

Some words within this document have initial capitalisation. This means they are defined terms, which are explained within the glossary section of the Terms and Conditions of the ISA and Investment Fund ('Terms and Conditions'). You will receive a copy of the Terms and Conditions when you apply.

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## 1. Its aims

To give you the potential for capital growth, or income or a combination of both.

To offer tax-efficient investments through an ISA.

To give you access to your money by making regular withdrawals. You can also make one-off withdrawals at any time.

To allow you to choose from a range of investments to match your investment objectives.

For the specific aim of each fund please refer to the Fund Factsheet. You can get a copy by contacting our Customer Information Team (See page 21 for contact details).

## 2. Your commitment

To invest a minimum initial lump-sum payment of £500, or £250 for any further lump-sum payment, or a minimum monthly payment of £50.

You should view your ISA or Investment Fund as a medium to long term investment, which means it should usually be held for at least 5 years, although there is no fixed term.

There may be minimum investment amounts for specific funds. Please refer to your Financial Adviser or the Fund Factsheet for details.

## 3. Risks

What you get back depends on future investment performance and is not guaranteed. Investment returns may be lower than illustrated.

Information about past investment performance should not be taken as a guide to future returns. Charges also affect what you will get back and the amount you get back may be less than your original investment. The value of your investment and any income from it may go down as well as up.

Some funds include overseas investments whose sterling value may be affected by movements in currency exchange rates.

If you do not maintain payments or if investment performance is lower than illustrated, you may get back less than any target that you have set and which is shown in an illustration.

If you cancel during the 30 day cancellation period, you may get back less than you originally invested. We will sell any Units already purchased and give you the amount raised on sale, minus any loss which has been caused by market movements, any charges incurred in the purchase and subsequent sale and any exit charges imposed by a fund manager. We will not account to you for any gain which has been caused by market movements. Any initial commission paid to your Financial Adviser deducted from the amounts you have invested will be refunded.

The fund managers may increase the charges on the underlying funds in future.

Inflation may reduce the buying power of your investment and income.

If you decide to invest in a property fund, you should be aware that property can be difficult to sell, so you might not be able to sell your investment when you want to. In exceptional circumstances, it could take up to six months. The valuation of property is generally a matter of a valuer's opinion rather than fact.

An investment company may be set up with a single fund. It may also be set up with a number of different funds (in which case it is known as an umbrella company). If the liabilities of a fund in an umbrella company cannot be met out of the assets of that fund, these liabilities may have to be met out of other funds within the umbrella company.

This means the fund you invest in may be worth less if it has to transfer money to another fund.

Some investments in certain overseas markets or the smaller companies sector may be subject to increased risk and volatility. This is because the share prices of smaller companies and certain overseas companies, tend to change more rapidly (up and down) than larger companies based in the UK.

The Sterling value of overseas assets in these funds may rise and fall as a result of changes in the exchange rate.

## 4. Questions and answers

### **What is an Open-Ended Investment Company (OEIC)?**

An OEIC is an open-ended investment company with one or more funds in which you can buy shares. Within each fund, investors' money is pooled to purchase a range of shares, bonds and other securities typically listed on a stock exchange.

### **What is a Unit Trust?**

It is similar to an OEIC except you buy units rather than shares. Where we mention 'fund', 'shares' or 'shareholders' throughout this document, these terms also refer to unit trusts, units and unitholders.

### **How flexible is my investment?**

You can make lump sum or regular monthly payments or both. You can start, stop or vary your regular payments at any time. You can pay by cheque or direct debit for lump sum payments and by Direct Debit for regular monthly payments.

There may be minimum investment amounts for specific funds. Please refer to your Financial Adviser or the Fund Factsheet for details. You can invest in one or more of the funds. The specific aims of each fund are shown in the Fund Factsheet. You can obtain a copy by contacting the Customer Information Team.

There is a charge for switching funds. Please refer to your Financial Adviser or contact us for details of the charge that applies. There will be a minimum 0.25% charge for a switch and details of the charge will be notified to you at the time of the switch. We will place the instruction to sell Units no later than the second Business Day following the Business Day on which we receive your switch instruction and once the Unit Price for the sale has been confirmed by the fund manager, we will allocate the proceeds to the purchase.

We will place instructions to buy Units no later than the second Business Day following the Business Day on which we receive confirmation of the sale price. Due to potential timing differences between the Valuation Points of different Mutual Funds, this may result in investment monies being temporarily 'out of the market'.

There are four investment options to choose from:

- ▶ income shares, where the income received by the fund is paid to you as a regular income,
- ▶ income shares, where the income received by the fund is used to buy more shares for you,
- ▶ accumulation shares, where the income is re-invested in the fund, increasing the share price of the fund, or
- ▶ all of the above.

You can cash in all or part of your investment at any time, subject to the limits in the Terms and Conditions or Fund Factsheet.

## **4.1 How are my payments invested?**

When you invest in one or more of the funds, we will buy Units based on the amount you invest less any initial charge as set out in the Terms and Conditions. You will receive copy of our Terms and Conditions when you apply.

Generally, we will place dealing instructions with the person(s) that will execute them as soon as reasonably practical after we receive the dealing instructions and in any event no later than the second Business Day following the Business Day on which we receive your dealing instructions. Some funds operate on a 'single pricing' basis. This means that on each day shares are bought and sold at the same price. Others will operate on a 'dual pricing' basis. This means that on each day shares are bought and sold at different prices. Please refer to your Financial Adviser or Fund Factsheet for details.

## 4.2 Can I take money out?

Yes, you can cash in all or part of your investment at any time, but this will lower the capital value. You must keep at least £250 invested in your ISA if you wish it to stay open.

If you hold income Units, you can choose to receive an income or have the income used to buy more Units for you.

For details of minimum withdrawals or minimum holdings please refer to the Terms and Conditions and Fund Factsheet. We pay your withdrawal directly to your bank or building society account or by cheque and use all reasonable endeavours to do this within ten Business Days of receiving your withdrawal request. However there may be circumstances out of our control where payment may be delayed.

## 4.3 What might I get back?

The amount you get back is not guaranteed and will depend on several factors, such as:

- ▶ the amount invested
- ▶ the length of time the investment has been held
- ▶ the performance of the fund
- ▶ the charges
- ▶ any income or withdrawals taken.

The value of your investment will change daily in line with changes in the value of the underlying assets.

There is no guaranteed final value. The value of investments can go down as well as up. You may not get back as much as you invest.

The following tables show the effect of charges and expenses on what you might get back from various investment amounts in a typical fund or through an ISA. These figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on the investment.

## What are the charges?

The effect of charges are based on a lump sum investment of £5,000 and a regular monthly investment of £100 assuming a growth rate of 7% per year for ISAs and 6% for Investment Funds over 3, 5 and 10 years.

A typical growth fund investing in equities	
Lump sum investment	£5,000
Regular monthly investment	£100
Initial charge	4.0%
Annual management charge	1.5%
Other fund expenses (per year)	0.04%

## ISA investment

### How will the charges and expenses affect my investment?

At end of year	Investment to date		Effect of deductions to date		What you might get back at 7%	
	Lump sum investment	Regular monthly investment	Lump sum investment	Regular monthly investment	Lump sum investment	Regular monthly investment
	£5,000	£100	£5,000	£100	£5,000	£100
1	£5,000	£1,200	£284	£58	£5,060	£1,180
3	£5,000	£3,600	£502	£247	£5,620	£3,750
5	£5,000	£6,000	£769	£552	£6,240	£6,600
10	£5,000	£12,000	£1,720	£2,010	£8,100	£15,100

In the **Effect of deductions to date** column the last line shows that over 10 years the effect of the total charges and expenses could amount to £1,720 for lump sum and £2,010 for regular monthly investment.

Putting it another way, this would have the same effect as bringing the investment growth from 7.0% a year down to 5.0% a year for lump sum investments and 4.6% for regular monthly investments.

The following table shows the effect of charges on investment growth if you cash in at 3, 5 and 10 years.

If you cash in at end of year	Charges will reduce investment growth to that date (lump sum)	Charges will reduce investment growth to that date (regular)
3	From 7.0% to 4.0%	From 7.0% to 2.7%
5	From 7.0% to 4.5%	From 7.0% to 3.8%
10	From 7.0% to 5.0%	From 7.0% to 4.6%

## Investment Funds

### How will the charges and expenses affect my investment?

At end of year	Investment to date		Effect of deductions to date		What you might get back at 7%	
	Lump sum investment	Regular monthly investment	Lump sum investment	Regular monthly investment	Lump sum investment	Regular monthly investment
	£5,000	£100	£5,000	£100	£5,000	£100
1	£5,000	£1,200	£282	£58	£5,010	£1,180
3	£5,000	£3,600	£488	£243	£5,460	£3,700
5	£5,000	£6,000	£734	£537	£5,950	£6,440
10	£5,000	£12,000	£1,570	£1,890	£7,380	£14,400

In the **Effect of deductions to date** column the last line shows that over 10 years the effect of the total charges and expenses could amount to £1,570 for lump sum and £1,890 for regular monthly investment.

Putting it another way, this would have the same effect as bringing the investment growth from 6.0% a year down to 4.0% a year for lump sum investments and to 3.6% for regular monthly investments.

The following table shows the effect of charges on investment growth if you cash in at 3, 5 and 10 years.

If you cash in at end of year	Charges will reduce investment growth to that date (lump sum)	Charges will reduce investment growth to that date (regular)
3	From 6.0% to 3.0%	From 6.0% to 1.8%
5	From 6.0% to 3.6%	From 6.0% to 2.9%
10	From 6.0% to 4.0%	From 6.0% to 3.6%

## 4.4 What about tax?

Tax is deducted before an income is paid to you or the income is automatically re-invested. Your liability to tax depends on your own personal circumstances.

If you are invested in a fund that makes interest payments, and if the 20% rate at which tax is deducted from your interest payments is higher than your income tax rate, then you may claim the difference from HM Revenue & Customs.

Dividend payments will be received net of tax with an associated tax credit and, if your highest personal tax rate on income is the basic or lower rate, you will have no further tax to pay on them. It is not possible to reclaim the tax credit.

Higher and additional rate taxpayers will have further income tax to pay.

Capital gains within the funds are exempt from Capital Gains Tax (CGT), but you may have a personal liability to CGT on some fund switches and when you cash in part or all of your investment.

On your death the money in your investment will form part of your estate and may be liable for inheritance tax.

When we speak about tax and legislation, we have based our views on our understanding of law and HM Revenue & Customs practice, as at September 2011. Tax and legislation may change in the future.

If you have any doubt over the tax treatment of funds, in the first instance you should speak to your Financial Adviser.

Please see 'What about tax?' on page 17 for information on ISA taxation.

## 4.5 What are the charges?

When you invest in a fund an initial charge will normally be applied by us. This charge will be deducted from the amount that you intended to invest.

You can obtain details of the initial charge for any mutual fund that you invest in from your Financial Adviser or by contacting the Customer Information Team.

The funds have an Annual Management Charge (AMC). You can find out the annual management charge which applies to a particular fund by contacting your Financial Adviser or the Customer Information Team.

Additional expenses may be paid directly by the funds as they arise. Additional expenses such as trustees', registrars', auditors' and regulators' fees may be deducted from certain funds. For more information on these additional charges, please see the particular Fund Factsheet.

Regulations require a Stamp Duty Reserve Tax charge for certain redemptions and sales within funds with equity investments.

We may make a 'dilution levy' charge when you put money in or take money out. More information on the dilution levy can be found in the fund's prospectus. Please ask our Customer Information Team if you would like a copy.

The value of a fund is taken to be midway between the amounts for which its investments could be bought and sold on stock markets. The resulting mid-price does not fully reflect the actual prices the fund must pay when buying assets or what it would receive when selling assets.

Standard Life receives a distribution fee from the fund managers who provide the funds that you buy and sell. Standard Life uses this payment to help cover running costs.

This payment forms part of the AMC deducted by the fund manager. The net fee received by Standard Life is around 0.25%.

This does not affect the total amount you pay as your AMC. Further details regarding the distribution fee are available from your Financial Adviser or by contacting the Customer Information Team.

Charges are regularly reviewed and may be increased to reflect increases in overall costs and/or changes in the assumptions made. Any increases in charges will not increase Standard Life's profit margins above reasonable levels.

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

The amount will depend upon the size of your investment and, if you are saving regularly, the period over which you will be paying. It will be paid for out of the initial charges (which will be increased accordingly), so will not have any additional effect on what you might get back from an investment in the funds. Your Financial Adviser will give you details about the cost or you can obtain details by contacting the Customer Information Team.

Some advisers may instead charge a fee for their services related to the time spent.

### **Adviser Support**

Standard Life may provide advisers with benefits and services (e.g. training events, seminars and technical support) to help enhance the quality of the service they are able to provide to clients. If you require specific details of any benefits and services that we have provided to your Financial Adviser, please contact them.

## **4.6 Other important questions**

### **What happens to my investment if I die?**

Once we have received all the necessary details from your personal legal representatives, we will calculate the final value of your investment and transfer the proceeds to them. Alternatively, where permitted, we can transfer the holding(s) to another person provided we receive evidence of their identity as proof that they are entitled to receive the proceeds.

We hold any income generated after your death until we receive all the necessary details.

On death your account stops qualifying for the tax advantages of an ISA. The Units will continue to be held in your account and their value may rise or fall from day to day. If you were not entitled to all the tax credits we have already allocated to your account, some may be recovered.

### **Can I change my mind?**

You have a legal right to cancel your account if you change your mind. You have a 30 day period to consider if you want to change your mind. This 30 day period starts from the date you receive your first Contract Note. During this period, if you decide you want to cancel, you should write to us at the address shown in 'How to contact us' on page 21, instructing us to cancel the account. Please make sure that you include your account number in any correspondence with us.

If you cancel during the 30 day period, you may get back less than you paid in. This is because we may make a deduction to reflect any market loss we have experienced between the date we purchased Units and the date we sell the Units after receiving your instruction to cancel.

If you decide to cancel, and we have already received payment, we will refund the payment to the person who made it.

At the end of the 30 day period you will be bound by the terms and conditions of the investment and any money received by Standard Life will not be refundable under the cancellation rule.

Please note, for regular payments, it is only the initial payment that you choose to make that will have cancellation rights. If you decide to increase the level of regular payments in the future you will not have the right to cancel that increase.

### **How will I know how my investment is doing?**

Soon after investing you'll receive a Contract Note or acknowledgement letter, but we won't issue certificates of holding(s).

You can register for our online service at [www.fundaccess.co.uk](http://www.fundaccess.co.uk). Here you can get up-to-date valuations on your funds.

We'll send you a half-yearly statement detailing recent transactions.

Alternatively, you can contact our Customer Information Team. You can find their details on page 21.

## 5. ISA Information

The previous information applies to ISAs and Investment Funds. The following is further information specific only to ISAs.

### What is the Standard Life Stocks and Shares ISA?

An ISA is an investment offering tax advantages. Any income and capital growth from an ISA is free from any personal UK Income Tax and Capital Gains Tax (however, dividend payments will be received net of tax with an associated tax credit and it is not possible to reclaim the tax credit).

There are two types of ISA: Stocks and Shares, and Cash. This Key Features Document gives details of the Standard Life Stocks and Shares ISA.

You can invest in the Stocks and Shares ISA if you're aged at least 18. In addition, you must be a UK resident, or a Crown employee serving overseas, or be married to, or in a civil partnership with, a Crown employee serving overseas who, in either case, has a UK address.

You can invest in ISAs by lump sum(s) or regular monthly payments up to the current HM Revenue & Customs limit.

In the 2011/12 Tax Year:

- ▶ You can invest a maximum of £10,680 in a Stocks and Shares ISA. You can invest a maximum of £5,340 in a Cash ISA.
- ▶ For the 2011 to 2012 tax year, subscription limit of £10,680 of which up to £5,340 can be subscribed to a cash ISA.

Once money has been taken out of your ISA investment, you can't re-invest in the ISA if you've already made the maximum investment allowed in the current tax year.

If you cancel the ISA within the cancellation period, you will be regarded as not having taken out an ISA, so you can apply for another ISA in the current tax year.

You can switch money from a Cash ISA to a Stocks and Shares ISA as long as you stay within the overall HM Revenue & Customs limit. But you cannot switch money from a Stocks and Shares ISA into a Cash ISA.

## **Can I transfer my ISA?**

You can instruct us to transfer a Stocks and Shares ISA and/or a Cash ISA (or both) with another ISA manager to the same type of Standard Life ISA without any loss of tax status. Current year payments must be transferred in full. Your existing ISA manager will sell the investments in your ISA and transfer the proceeds to us. We will deduct any initial charges that apply to your chosen fund(s) from the sum we receive. Any tax credits or distributions relating to your existing ISA that are received by us after your ISA has been transferred to us will not be used to buy Units for you, but will be held as cash until we receive your dealing instructions.

You can transfer your Standard Life ISA to another ISA manager without loss of tax status by instructing us through the ISA manager of your choice. You must transfer the current year's payments in full.

Please see the Fund Factsheet for funds that accept ISA transfers.

## **What about tax?**

All capital growth achieved by your ISA is free of personal UK Income Tax and Capital Gains Tax. You do not need to declare on your UK tax return the income or the capital gains arising from it.

Dividend payments will be received net of tax with an associated tax credit and it is not possible to reclaim the tax credit.

Tax law and HM Revenue & Customs practice may change in the future. The current favourable tax treatment of ISAs may not be maintained.

The value to you of current tax reliefs depends on your personal financial circumstances which may change in the future.

When we speak about tax and legislation, we base our views on our understanding of law and HM Revenue & Customs practice at September 2011.

## 6. Other information

### How to complain

If you have a complaint, please write to Standard Life Savings Limited, 1 George Street Edinburgh, EH2 2LL.

If you're not satisfied with our response you may be able to complain to:

The Financial Ombudsman Service (FOS)  
South Quay Plaza  
183 Marsh Wall  
London  
E14 9SR

Telephone: **0845 080 1800**.

Or email – [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

You can also contact us to receive a copy of our complaints procedure.

Complaining to the FOS will not affect your legal rights.

Where you receive advice from a Financial Adviser, they should recommend a product that is suitable for you. You have a legal right to redress if, at any time, it is shown that you have bought a recommended product that was not suitable for your needs at that time. Any redress would be decided by the Financial Ombudsman Service.

If you wish to contact the Financial Services Authority their address is:

The Financial Services Authority  
25 The North Colonnade  
Canary Wharf  
London  
E14 5HS

## **Prospectus**

This Key Features Document gives a summary of the product offered by Standard Life Savings Limited. They do not include all the information set out in the Fund Factsheet or Prospectus for the relevant fund. For a copy please contact our Customer Information Team. You can find their contact details on page 21.

## **Law**

The applicable UK law (determined by where you live) will decide any legal dispute.

## **Language**

The English language will be used in all documents and future correspondence.

## Compensation

The Financial Services Compensation Scheme (FSCS) has been set up to provide protection to consumers if authorised financial services firms are unable, or likely to be unable, to meet claims against them.

Your contract with us will normally be covered, however, it is important to note that different limits apply to different types of investment. In some circumstances, you might not be eligible for any compensation under the FSCS.

The availability of compensation depends on:

- ▶ The type of product you are invested in
- ▶ The type and structure of the investments you choose within your product
- ▶ The country the investments are held in
- ▶ Whether you were resident in the UK at the time you took out the contract with us. If you were not resident in the UK, you may be eligible for compensation from an equivalent scheme in the country you were resident in.

Most types of investment business, such as Stocks & Shares ISAs, OEICs and mutual funds, are normally covered up to a maximum limit of £50,000.

For further information on the compensation available under the FSCS please check their website [www.fscs.org.uk](http://www.fscs.org.uk)

If you have any questions about whether your contract is covered or not, you can speak to your Financial Adviser or contact us directly.

## Authorised Corporate Director (ACD)/Manager

The ACD or Manager is responsible for all aspects of administration and management of the relevant fund. Please refer to the Fund Factsheet for contact details.

## 7. How to contact us

Please remember that your Financial Adviser will normally be your first point of contact.

To open, close or deal on your investment you can call our Customer Information Team on **0845 279 3003** or write to us at:

Standard Life Savings Limited  
1 George Street  
Edinburgh  
EH2 2LL

## 8. About Standard Life

Standard Life Assurance Limited's product range includes pensions and investments.

Standard Life Assurance Limited is on the Financial Services Authority Register. The registration number is 439567.

Standard Life Savings Limited is a wholly owned subsidiary of Standard Life Assurance Limited. Standard Life Savings Limited is on the Financial Services Authority Register. The Registration number is 188796. Standard Life Savings Limited is the ISA Manager.

The Head Office of Standard Life Savings is at Standard Life House, 30 Lothian Road, Edinburgh EH1 2DH, United Kingdom.

## Find out more

**If you'd like more information on the products in this booklet, or if there's anything more about Standard Life we can help you with, just call us on this number, or visit our website.**

**Call us on 0845 279 3003**

(Mon-Fri, 9am to 5pm). Calls may be monitored and/or recorded to protect both you and us and help with our training. Call charges will vary.

**[www.standardlife.co.uk](http://www.standardlife.co.uk)**

Products provided by subsidiaries of Standard Life plc or other specified providers.

Standard Life Savings Limited is registered in Scotland (SC180203) at Standard Life House, 30 Lothian Road, Edinburgh EH1 2DH.

Standard Life Savings Limited is authorised and regulated by the Financial Services Authority. **[www.standardlife.co.uk](http://www.standardlife.co.uk)**