

# Key Features

Investment ISA

keyfacts®

The Financial Conduct Authority is a financial services regulator. It requires us, Investment Funds Direct Limited, to give you this important information to help you to decide whether our Investment 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.

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### Information

- The **Investment ISA** was closed to new customers on 1 August 2020, but remains open to existing customers for top ups
- Words in **bold** are explained in the Definitions section of the Terms and Conditions, which you can access by clicking the below:  
[Terms and Conditions](#)

## 1 ABOUT THE ROYAL LONDON INVESTMENT ISA

### Its aims

- to allow you to invest up to the annual **ISA** allowance set by **HMRC**;
- to give you the potential for capital investment growth;
- to give you access to your money by making one-off withdrawals, up to once a month at any time;
- to offer tax-efficient investments through an **ISA**; and
- to allow you to invest in one of three funds.

### Your commitment

- to invest a minimum lump sum of at least £1,000 and then to invest at least £100 on each occasion that you wish to top up your **Investment ISA**;
- to use your **Investment ISA** as a medium to long-term investment (for example, 5 years or longer) although there is no fixed term;
- to select from one of the 3 available funds in which to invest your money;
- to invest no more than your annual **ISA** allowance in the **Investment ISA** and any other **ISA** that you may hold;
- you agree to read the **Key Investor Information Documents** ('KIIDs') for the:
  - Royal London Sustainable Managed Growth Fund;
  - Royal London Sustainable Diversified Trust Fund; and
  - Royal London Sustainable World Trust Fund.
- to inform us if you are no longer a **United Kingdom** resident or you are or become a **United States Person**; and
- to tell us if you no longer have a **United Kingdom** bank account or you change your name or address.

### Risks

- what you get back depends on the performance of the fund in which you are invested. The performance of the funds are not guaranteed. Past performance is not a reliable indicator of future results;
- the value of your investment can fall as well as rise. You are not certain to make money. You may make a loss and you may not get back the amount you originally invest in your **Investment ISA**;
- the value of your **Investment ISA** will be reduced by the effect of the charges;
- we will sell investments in your chosen fund to pay the charges due under the **Terms and Conditions**;
- the charges may increase in accordance with the **Terms and Conditions**;
- inflation (the rising cost of goods and services) will affect the future buying power of your investment. If your investment grows by less than the rate of inflation it will have less buying power in the future; and
- tax rules may change in the future. How tax affects you depends upon your individual circumstances.

## 2 QUESTIONS AND ANSWERS

### What is the Investment ISA?

The **Investment ISA** is a stocks and shares **ISA** that allows you to invest in a tax efficient way over the medium to long term (for example for 5 years or longer) although there is no fixed term for which your investment must be made.

The **Investment ISA** allows you to invest in one of three funds.

### Who can have the Investment ISA?

Anyone who is aged 18 or over, who is resident in the **United Kingdom** and who is not a **United States Person**, can apply for an **Investment ISA**. It cannot be opened jointly with or on behalf of anyone else.

### What resources are available to help me decide if this product is right for me?

This **Key Features Document** will give you information on the main features, benefits and risks of the **Investment ISA** and the funds that you are invested in. It is your responsibility to ensure that the **Investment ISA** meets your needs. If you want further information about the **Investment ISA** and investment funds please contact **Royal London**. Although **Royal London** will be happy to answer your questions, they can't give you financial advice.

If you have any doubt as to whether the **Investment ISA** meets your needs, you should contact a financial adviser (who may charge for their services). If you do not have a financial adviser you can get details of local financial advisers by visiting [royallondon.com/find-a-financial-adviser](http://royallondon.com/find-a-financial-adviser).

### How much can I invest?

You are able to invest up to the annual **ISA** allowance which in the 2024/2025 tax year is £20,000 unless you have inherited an **ISA** allowance from your spouse or civil partner following their death (please see further details on this below). You cannot exceed the annual **ISA** allowance set by **HMRC** if you hold a stocks and shares **ISA**, and/or cash **ISA** and/or innovative finance **ISA** and/or **Lifetime ISA** in the same tax year.

The minimum lump sum investment required to open your **Investment ISA** is £1,000.

You can make further investments at any time into your **Investment ISA** up to once a month. The minimum further investment amount is £100.

### What is an Additional Permitted Subscription?

If you have a spouse or civil partner and they die, you may add the value of their **ISA** to your annual **ISA** allowance, provided you are eligible to do so. This is known as an Additional Permitted Subscription.

The additional value that you can add to your annual **ISA** allowance will be determined by a number of factors. Please see our **Terms and Conditions** for further information.

### Can I transfer from my existing **ISA** into the **Investment ISA**?

No, you cannot transfer any other **ISAs** you hold elsewhere to your **Investment ISA**, as it is now closed to New Business.

### How do I get information about my **Investment ISA**?

You can call **Royal London** using the details provided on the sixth page.

### What investment funds are available?

Your **Investment ISA** offers three funds:

- Royal London Sustainable Diversified Trust (Accumulation – Class D Shares);
- Royal London Sustainable Managed Growth Trust (Accumulation – Class D Shares); or
- Royal London Sustainable World Trust (Accumulation – Class D Shares).

You can only choose to invest in one of these funds.

You can find more information about the funds in the **Key Investor Information Documents ('KIID')** linked above.

### How will my investment be held?

Shares purchased with your investment will be held in the name of our nominee, Fundsdirect Nominees Limited.

Any of your money which is held as cash will be held in dedicated client accounts (meaning they do not hold any of our own money) with banks.

### What will happen if any income is earned on my investment?

Any income which is earned will automatically be reinvested in the fund by the **Fund Manager**.

## Can I change funds?

Yes, you can change funds by asking for all of your investment to be moved into one of the other funds. You can only switch between funds up to once a month.

Please contact **Royal London** using the details provided on the sixth page to obtain a fund switch form. There are no charges for switching between funds.

## How can I find out the value of my Investment ISA?

We will send you:

- A statement four times a year which will tell you what your **Investment ISA** is worth; and
- A contract note each time you buy or sell units in your chosen fund, showing how much has been purchased or sold.

You can also find out the value of your **Investment ISA** by contacting **Royal London** using the details provided on the sixth page.

## What charges do I have to pay?

There are two sets of charges applicable to your **Investment ISA**:

1. the **Product Administration Charge**; and
2. the **Fund Management Fee**

The **Product Administration Charge** is an annual charge of 0.35%, calculated on the total value of your **Investment ISA** (cash and funds), and is taken monthly in arrears. In other words, 1/12th of 0.35% per month. It's applied by us for setting up and providing ongoing administration.

Part of the **Product Administration Charge** will be paid to **Royal London** for branding, marketing and distributing your **Investment ISA**.

We will keep 0.5% of the value of your **Investment ISA** in cash, which will be used to pay the **Product Administration Charge**. It will be held in a client bank account, which pays interest. You can contact **Royal London** using the details on the sixth page to find out the rate of interest payable on your **Investment ISA**.

If there isn't enough cash in your **Investment ISA** to pay the **Product Administration Charge** we will deduct a further amount to bring the balance of the cash holding back to 0.5% of the value of your **Investment ISA**, and will be held in a client bank account.

The **Fund Management Fee** is an annual charge, it's calculated and taken daily using the figure in the table below against the value of your **Fund**. For example, 1/365th of 0.72% per day. It's applied by Royal London Unit Trust Managers Ltd (the '**Fund Manager**') for the ongoing management of the assets and structure of your chosen **Fund**, and may vary from time to time. The **Fund Management Fee** is made up of the KIID ongoing charge and other charges including:

- dealing costs;
- broker fees; and
- one off charges which may be incurred from time to time.

See the below table for more details:

| Fund   | KIID ongoing charge | Fund Management Fee incl. KIID ongoing charge |
|--|---------------------|---|
| <u>Royal London Sustainable Diversified Trust (Class D Acc)</u><br><small>Figures correct as at 15/02/2024</small> | 0.62%               | 0.70%   |
| <u>Royal London Sustainable Managed Growth (Class D Acc)</u><br><small>Figures correct as at 15/02/2024</small>    | 0.57%               | 0.58%   |
| <u>Royal London Sustainable World Trust (Class D Acc)</u><br><small>Figures correct as at 25/04/2024</small>       | 0.62%               | 0.72%   |

**Royal London** are not able to notify you in advance of changes to the **Fund Management Fee**, but up to date information is available by contacting **Royal London** on 0345 600 7788.

More information is also available in the **Key Investor Information Document** ('KIID') for each **Fund**.

## What will I get back?

You will be entitled to the value of your investment in your chosen fund (less any charges or taxes that are payable). The value is calculated by multiplying the number of shares bought with your investment by the price of those shares on the day they are sold.

The value of your **Investment ISA** can go down as well as up, therefore the amount that you get back is not guaranteed. The amount that you will receive depends on the following factors:

- how much you invest;
- the performance of your chosen fund;
- the effect of the charges; and
- any withdrawals you have taken.

## How does tax affect my Investment ISA?

Your **Investment ISA** is free from income tax and capital gains tax.

You do not have to declare your **Investment ISA** on your tax return.

Withdrawals from the **Investment ISA** are paid tax free.

Tax rules are applied according to individual circumstances and may change in the future. If you have any questions about tax relating to your personal circumstances, you should speak to a financial adviser.

## How do I withdraw my money?

You can request a cash withdrawal from your **Investment ISA** by filling in the withdrawal request form. The minimum withdrawal is £50.00 and the maximum you can withdraw is the full value of your **Investment ISA**. You can only make one withdrawal per month.

You can contact **Royal London** using the details provided on the sixth page, and we will send this form to you. Once we have received your completed form, we will process it and the money will be paid into the bank account in your name that we hold for you. There are no charges for making withdrawals.

## Can I transfer my Investment ISA to another ISA Manager?

You can ask us to transfer your **Investment ISA** to another stocks and shares or cash **ISA Manager** at any time. The transfer will be subject to the new **ISA Manager** agreeing to accept the transfer request.

You can only make full transfers of your **Investment ISA** to another **ISA Manager**. We do not offer partial transfers.

We can take up to 30 days to carry out your transfer request. On receipt of a written request from you, we will cash in your **Investment ISA** by selling your shares in the fund you are invested in. We will then sell your investments and transfer your **Investment ISA** in cash to your new **ISA Manager**.

We will not apply a charge for making a transfer, however, you will need to check with the receiving **ISA Manager** whether they will make a charge for accepting your transfer.

## Can I close my Investment ISA?

Yes, you can close your **Investment ISA** by withdrawing all your money or by transferring your **Investment ISA** to another **ISA Manager**. If you wish to do this, please contact **Royal London** using the details provided on the sixth page.

We will make no charge to close your **Investment ISA**.

## What happens to my Investment ISA on my death?

On your death, we will pay the value of your **Investment ISA** to your personal representatives.

It will then be up to your personal representatives to pay the proceeds of your **Investment ISA** to your beneficiaries. In certain circumstances, your **Surviving Spouse** may apply the value of your **Investment ISA** (determined by a number of factors) to increase their **ISA** allowance in an **ISA** held by them in accordance with **HMRC** rules.

## How do I contact Royal London?

If you have any queries relating to your **Investment ISA**, please contact **Royal London** using the below details:

### Telephone number:

0345 600 7788

### Opening hours:

Monday to Friday between 8am-6pm. Please note that telephone calls may be recorded.

### Email address:

[D2C-CustomerService@royallondon.com](mailto:D2C-CustomerService@royallondon.com)

### Correspondence address:

Royal London  
Trimbridge House  
Trim Street  
Bath  
BA1 1HB

## 3 OTHER INFORMATION

### Client category

We classify you as a 'retail client' under Financial Conduct Authority (FCA) rules. This means you'll receive the highest level of protection for complaints and compensation and receive information in a straightforward way.

### Communicating with you

Our documents, reports and other communications will be in English.

### Terms and conditions

This **Key Features Document** gives a summary of the **Royal London Investment ISA**. Full details are set out in our **Terms and Conditions**, which can also be requested using the contact details on the sixth page.

### Our regulators

Investment Funds Direct Limited is authorised and regulated in the UK by the Financial Conduct Authority. We are registered on the Financial Conduct Authority (FCA) Register, reference number 114432.

### Law

The law of England and Wales applies to the **Investment ISA**.

### Financial strength

Investment Funds Direct Limited meets regulatory standards for meeting its financial obligations. You can contact **Royal London** for more information.

### Tax information

The taxation information contained in this document is based on our interpretation of current legislation and **HMRC** practice. You are responsible for obtaining your own tax advice. Please remember that current tax rules may change in the future.

### Compensation

IFDL is covered by the Financial Services Compensation Scheme (FSCS) in respect of the Accounts within it. If you make a valid claim against us in respect of your Investments and we are unable to meet our liabilities in full, you may be entitled to redress from the FSCS of up to £85,000 for investments, subject to eligibility.

Your cash and Investments are always held separately from our own accounts and from those with whom we place the Investments. As such, any insolvency practitioner should be obliged to return your cash and Investments to you as part of the wind-down process.

If your investment provider fails financially, as long as you have selected one covered by the FSCS, your Investment with that provider will be covered by the scheme up to a limit of £85,000 per provider. The fund prospectus, or similar document, will tell you if your investment provider is a member of the scheme. Insured Funds, covered by FSCS, receive protection of 100% of the Investment and are not subject to an upper limit of protection. The FSCS does not protect you against losses if the Investment were to fall in value.

The banks we use acknowledge your money is held as client money which is protected in the event of the insolvency of IFDL. In the event of the insolvency of one of the banks we use, any client money we hold for you is protected under the FSCS up to a maximum of £120,000 for each client and bank with whom client money is held. This limit is applied to banks that are separately authorised and can only be applied once, therefore banks operating under different brands within the same authorisation are covered under the same limitation. The compensation limit of £120,000 includes any other money held by you in accounts with the authorised banks we use, therefore if you have current or deposit accounts with the same bank these will all count towards the compensation limit of £120,000.

Temporary high balances of up to £1.4 million are protected for a limited period of 6 months from when the amount was first credited to the account or became legally transferable. The FSCS website has further details on the definition of a temporary high balance.

For further information please visit the Financial Services Compensation Scheme (FSCS) website at [fscs.org.uk](http://fscs.org.uk).

**Tel:** 0800 678 1100 or 020 7741 4100

**Address:** Financial Services Compensation Scheme, 10th Floor, Beaufort House, 15 St Botolph Street, London EC3A 7QU

## How to make a complaint

We hope that you will never have reason to complain but if you do, please contact **Royal London** by:

- calling 0345 600 7788; or
- writing to: Customer Services Team, Royal London House, Alderley Park, Congleton Road, Nether Alderley, Macclesfield SK10 4EL.

We will always try to resolve your complaint as quickly as possible. However if you are not happy with our response to your complaint, you might have the right to refer it to the Financial Ombudsman Service. We will tell you about any ombudsman referral rights you have at the time.

## Financial Ombudsman Service

Exchange Tower  
London E14 9SR

**Tel:** 0800 023 4567 or 0300 123 9123

**Email:** [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

**Web:** [financial-ombudsman.org.uk](http://financial-ombudsman.org.uk)

The Financial Ombudsman Service will usually only investigate the complaint once our internal complaints process has been completed. A copy of our complaints procedure is available on request. Making a complaint to the Ombudsman will not affect your legal rights.

## Conflicts of Interest

Conflicts of Interest occur when, in the course of doing business with you, we or another customer of ours have an interest in obtaining a different result than the one that may be best for you.

We establish, operate and maintain effective policies and procedures within our business which are designed to:

- identify potential conflicts of interest which carry a risk of damage to our customers' interests;
- ensure that we take reasonable steps to prevent such conflicts arising; and
- provide a framework for us to follow to manage such conflicts to protect our customers' interests.

An example of a conflict of interest which may arise in connection with our service is when we are buying or selling funds: the timing of these deals and the order in which they are struck could affect the prices that customers get and so create conflicts between customers, and/or make a difference to the administrative workload and so create conflicts between what is easy for us and what is best for the customer. We address these potential conflicts by having an Order Execution Policy. Further details of our Conflict of Interest Policy are available upon request.

**If you would like a copy of this document in an alternative format such as large print, braille or audio, please call Royal London on 0345 600 7788.**



The 'Royal London Investment ISA' is a brand name for the Investment Funds Direct Limited Stocks & Shares ISA, provided by Investment Funds Direct Limited (IFDL), which is an authorised HMRC ISA Manager (no: Z1442)

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