



KEY FEATURES OF THE HARTLEY STOCKS AND SHARES JUNIOR ISA

Provided and managed by Hartley Pensions Limited, administered by Hartley-SAS Limited

keyfacts®

Please read the following document carefully to ensure that a Hartley Stocks and Shares Junior ISA is the correct product for the child's future. If you require any more information or clarification before you make your decision, please do not hesitate to contact us.

What is a Stocks and Shares Junior ISA?

A stocks and shares junior individual savings account or JISA is a savings vehicle to invest tax-efficiently in a number of UK and international investments on behalf of the child. Any profit made on the investments is tax-exempt. A Stocks and Shares Junior ISA gives the registered contact ("you") the opportunity to choose which investments are held, within the regulations.

Your commitment

We expect you to read our Hartley Pensions Limited Terms and Conditions, this Key Features Document and any other documentation which we provide you with, very carefully. All of our terms and forms are on our website: www.hartleypensions.com You should be aware of the risks attached to a Hartley Stocks and Shares Junior ISA and be comfortable with the fact that the value of the investments you make on behalf of the child could fall as well as rise. Please note that you (or any other persons) cannot subscribe more than the annual Junior ISA allowance in any given year. **We are not authorised to give you any financial or tax advice or guidance, including advice or guidance in relation to your choice of ISA or your choice of investment/s.** We recommend that you seek advice from an FCA-regulated financial advisor and/or a qualified tax advisor, if necessary. It is also prudent to review the ISA on a regular basis to ensure that it is the correct product for the child's investment needs. By choosing to open a Hartley Stocks and Shares Junior ISA, you are agreeing to be bound by our Terms and Conditions and to make fee payments as and when requested by us.

Risk

Investments can fall as well as rise, and you may find that the value of the Hartley Stocks and Shares Junior ISA does not meet your or the child's investment expectations. Past performance of investments is not necessarily an indication of future performance. If investing outside of the UK, you may experience

higher dealing costs and may be subject to varying exchange rates. You should be aware (and make the child aware if appropriate), that money cannot be withdrawn in the same way that it can be withdrawn from an adult ISA. As discussed above, we do not give financial or tax advice. We may be asked to pass on information to you from a particular investment platform; this information should not be construed as us giving advice or recommendations of any sort. The ISA investments will be registered in the name of a nominee company, 'Hartley ISA Trustee Limited'. Although this company is the legal owner of the investments, the child remains the beneficial owner of the investments. This structure is used for the safe custody of the investments. Any bank accounts within the ISA are designated to the ISA - this means that they are segregated from all other ISA clients and any accounts relating to Hartley as a business.

Who can open a Hartley Stocks and Shares Junior ISA?

Any person over the age of 18 who resides in the UK and has parental responsibility for the child can open a Hartley Stocks and Shares Junior ISA on behalf of him or her. Parental responsibility is described in full here: <https://www.gov.uk/parental-rights-responsibilities/who-has-parental-responsibility>

The person who has parental responsibility for the child and who manages a Junior ISA is known as the 'registered contact'. We will only accept instructions from the registered contact. During the lifetime of the Hartley Stocks and Shares Junior ISA, if a registered contact ceases to have parental responsibility for the child, they must inform us and a new registered contact must be appointed. The new registered contact must have parental responsibility for the child. When the child turns 16, he or she can become the registered contact – they must contact us in this instance.



Who can have a Hartley Stocks and Shares Junior ISA?

Any child under the age of 18, who is resident in the UK.

What if the child already has a Child Trust Fund?

The child cannot have a Child Trust Fund (CTF) and a Junior ISA. You can transfer the CTF to the Junior ISA on his or her behalf – please contact us in this instance.

What does a Hartley Stocks and Shares Junior ISA cost?

We charge a one-off establishment fee of £50 plus VAT and an annual administration fee of £100 plus VAT per year.

When will the Hartley Stocks and Shares Junior ISA formally open?

You can check the opening or 'commencement' date of the ISA in the welcome pack which we will send to you.

What is a subscription?

HMRC have termed adding money to an ISA as making 'subscriptions', as referred to within this document, on our website and on all other documentation.

How much can be subscribed in a year?

Should the child hold an external cash Junior ISA in addition to a Hartley Stocks and Shares Junior ISA, you must ensure that the total amount of subscriptions across the child's ISA portfolio does not exceed the applicable annual limit in any one tax year. The current annual limit for the 2017/2018 tax year is £4,128.

Can the child have two Stocks and Shares Junior ISAs?

No. Only one stocks and shares junior ISA may be opened per child in any one tax year.

What investments can be chosen?

There are certain types of investments allowable with Stocks and Shares Junior ISAs:

- Shares
- Securities issued by companies
- Government securities
- Core Capital Deferred Shares (CCDS)
- Securities issued by certain multilateral organisations
- Units or shares in a UK UCITS
- Units or shares in a qualifying non-UCITS retail scheme
- Shares and securities in qualifying investment trusts
- Units or shares in a recognised UCITS
- Depositary interests
- Cash
- Units in a collective investment schemes specified as stakeholder products
- Policies of life insurance that satisfy the requirements
- Policies of life insurance issued before 5 April 2004 that had previously qualified for the separate insurance component
- Investments held in a PEP at 5 April 2008 that were qualifying investments under regulation 6(2)(m) of the Personal Equity Plan Regulations 1989

Please note that although the above are permitted within a junior stocks and shares ISA, they may not necessarily be allowed by a particular investment provider on its platform.

Are there any investments that cannot be held in the Hartley Stocks and Shares Junior ISA?

Yes. Unquoted shares, shares acquired through an approved SAYE option scheme or a Share Incentive Plan and anything not noted in the list above which was based on HMRC guidance. Please check www.hmrc.gov.uk for the most current list. The particular investment platform or provider you choose may have a different list to the above.

Can an existing Junior ISA be transferred into a Hartley Stocks and Shares Junior ISA?

Yes. You can transfer the child's existing ISA investments to their Hartley Stocks and Shares Junior ISA by completing our simple transfer-in form and asking the child's existing ISA provider to make the transfer. Our form can be found at: www.hartleypensions.com

Can I withdraw money from a Hartley Stocks and Shares Junior ISA?

No. Withdrawals are only permitted by the child when he or she reaches the age of 18, unless he or she becomes terminally ill or dies, when withdrawals may be made in certain circumstances (see further information below).

Can I make regular payments into the child's Hartley Stocks and Shares Junior ISA account?

Yes – you can set up a direct debit to come out of your account on the 1st day of every month as a one-off payment or at a frequency of your choice. We can then make a one-off payment or regular payments to the platform/s of your choice.

Can other people subscribe to the child's Hartley Stocks and Shares Junior ISA?

Yes – anyone can make a payment to the child's Hartley Stocks and Shares Junior ISA account. They do not have to be resident in the UK nor related to the child. The subscriber must declare to us that the subscription is a gift i.e. they cannot change their mind and claim the money back in the future. Please find the applicable form online at www.hartleypensions.com or contact us and we will send it to you.

Where do gains from the investments go?

On the application form, you can choose between automatic re-investment of any gains (including interest) or to take regular payments or hold payments in the child's ISA bank account which we will set up on their behalf.

Do I have to apply each year?

No. Unlike an adult ISA, you do not have to subscribe every year or fill out an application form every year in order to make subscriptions into a Hartley Stocks and Shares Junior ISA.



When do I pay the annual fee?

The Hartley Stocks and Shares Junior ISA annual fee is due on the anniversary of the ISA, payable in the manner indicated on the account opening forms; either by disinvestment or by direct debit from an external bank account in your name. We will invoice you in advance of the anniversary date to let them know that the fees are due. If this fee is not settled, we reserve the right to disinvest a sufficient amount of the child's portfolio to cover the amount outstanding. We are not responsible for any charges made by chosen investment provider/s, nor are we responsible for any lack of growth that the child's portfolio may suffer in the event of disinvestment.

If the child leaves the UK to live abroad, what happens to their Hartley Stocks and Shares Junior ISA?

As long as the child was resident in the UK when the Hartley Stocks and Shares Junior ISA was opened, if he or she subsequently moves abroad and irrespective of whether they are still deemed to be a UK resident by HMRC, subscriptions may continue to be paid into the Hartley Stocks and Shares Junior ISA.

Is there any tax payable on any dividends or capital gains resulting from the child's Hartley Stocks and Shares Junior ISA investments?

No.

Can I change my mind?

Yes. You have a legal right to cancel the child's Hartley Stocks and Shares Junior ISA, within 14 days of you receiving the welcome pack. Please notify us in this instance.

Can I transfer the child's Hartley Stocks and Shares Junior ISA to another ISA provider?

Yes – please contact us in this instance. We do not charge for this service.

Where can I get a valuation of the ISA?

We will send a statement to you once every year. In addition, a particular investment platform may allow online access as part of the service that they offer to enable you to keep up-to-date with the value of the child's portfolio.

What happens if I (or other persons) do not subscribe within a tax year?

There must be one subscription made per year. If not, the ISA will not be closed but you will need to notify us and we will send the relevant form to complete and return to us before we are able to continue accepting subscriptions.

Is the child's money protected in any way?

Whilst the child's money is being held in an ISA bank account which we set up on his or her behalf, it is covered by the FSCS UK deposit recovery scheme up to the maximum limit being £85,000 at the time of writing. When the money is invested on

a particular platform/s it may also be covered by the FSCS. For more information, please visit: <http://www.fscs.org.uk>

What happens to the Hartley Stocks and Shares Junior ISA if I die?

If you (as registered contact) die, another person with parental responsibility can take over the management of the child's ISA. This person should inform us that they will be doing so and we will take the necessary steps to establish them as the registered contact.

What happens to the Hartley Stocks and Shares Junior ISA if the child is terminally ill?

You can take money out of a Junior ISA early if the child is terminally ill, meaning that the child has a disease or illness that is going to get worse and is not expected to live more than six months. In this instance, you need to fill out a 'terminal illness early access form' to let HM Revenue & Customs (HMRC) know that the child is terminally ill and that he or she wishes to take money out of their Hartley Stocks and Shares Junior ISA account. HMRC will inform you if this is possible. The form is available on the HMRC website: www.hmrc.gov.uk/tools/childtrustfundclaim/claimform Please contact us in this instance.

What happens to the ISA if the child dies?

If the child dies, the money in the ISA account is paid out to whoever inherits his or her estate. This is usually the child's parents but in the case of a 16-year-old who was married at the time of death, the deceased's husband or wife would inherit the money. Please note that the above guidance is based on the laws of England and Wales. If you live in a different jurisdiction, different rules of intestacy may apply.

Who should be notified if the child dies?

There is no obligation to notify HMRC of the child's death but you must notify us so that we can take steps to close the child's Hartley Stocks and Shares Junior ISA. In this instance, we would ask for proof of death e.g. a copy of the child's death certificate. We would then send you the relevant form to complete and return to us.

When can the child take control of their own Hartley Stocks and Shares Junior ISA?

The child can take control of their own ISA when they reach the age of 16. At age 16, the child can run a Hartley Stocks and Shares Junior ISA and an adult ISA concurrently, until the age of 18 when their Hartley Stocks and Shares Junior ISA will be automatically transferred to an 'adult' ISA, namely a Hartley Stocks and Shares ISA. We will send the child a letter explaining their options before their 18th birthday.

Who can I contact if I have any further questions?

We are happy to answer any questions you may have that we have in relation to the child's ISA. Please write to us at:



ISA Team
Hartley-SAS
5th Floor, 25 Marsh Street
Bristol
BS1 4AQ

Or telephone us on:

01173 169 991

What happens if I want to make a complaint?

We pride ourselves on our dedication to customer care. However, if you feel that you wish to make a complaint regarding our service, you can write to us at:

ISA Complaints
Hartley SAS
5th Floor
25 Marsh Street
BS1 4AQ

If you are unsatisfied with our response, you can contact the Financial Ombudsman at:

Financial Ombudsman Service
Exchange Tower
London
E14 9SR

The Pensions Ombudsman and the Financial Ombudsman have a memorandum of understanding between them which means that your complaint will be automatically transferred to the other organisation where appropriate.

Can Hartley close the Hartley Stocks and Shares Junior ISA?

Yes, we reserve the right to close the child's Hartley Stocks and Shares Junior ISA and would give you 30 days' notice in this instance.

Law

Hartley ISAs operate under the laws of England and Wales. Any disputes would be subject to the English Court system exclusively. This Key Features Document and the legislation referred to herein are correct at the time of writing.

Business language

All communications will be in English.

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