

# Expert Managed Solutions

Provided by RBS Collective Investment  
Funds Limited.

**Including:**

**Supplementary Information Document.**

**Investment Options ISA Terms**

# **This booklet includes the following contents:**

	Page
Supplementary Information Document	3 – 10
Investment Options ISA Terms	11 – 15

# Supplementary Information Document

## Contents

	Page
About this document	3
Welcome to Expert Managed Solutions	4
How Expert Managed Solutions works	4
Who is Expert Managed Solutions suitable for?	4
Flexibility of the funds	4
The risks	4
Your choice of funds	5
How to invest	5
Your options	5
How to make a payment	6
Cash Held	6
Trading cut off point	6
Withdrawing from a Fund	6
Product Charges	7
Potential returns	7
How your investment is taxed	7
What happens if you change your mind	8
What to do if you have a complaint	8
Your classification	9
Your questions	9
How to contact us	10

### **About this document**

This document is designed to provide you with information about Expert Managed Solutions. Please read it alongside the two-page Key Investor Information Document (KIID). Together, these two documents provide information to help you decide if this investment is right for you, and provide answers to some important questions.

## Cash ISA Reactivation Form

### Welcome to Expert Managed Solutions

Expert Managed Solutions makes it easy for you to invest in a wide range of assets. You entrust your money to a team of professional fund managers who, using their expertise, decide which assets each fund should invest in. Their aim is to ensure your investment is always performing to its maximum potential, while spreading risk.

**The value of your investment and any income can go down as well as up, and you should be aware that you may not get back the value of your original investment.**

### How Expert Managed Solutions works

When you invest in Expert Managed Solutions, you entrust your money to a team of professional fund managers. Using their expertise, they decide how much of each type of asset should be held within the overall funds. Assets might typically include shares, bonds, property and cash.

When those assets increase in value – or pay a dividend or interest – the value of a fund increases and so too does the value of your investment. If however those assets decrease in value, so does the value of the fund, and therefore your investment. To ensure the fund is performing to its maximum potential the fund managers will constantly monitor the funds and make adjustments as required.

We offer a choice of four funds in which you may invest: Cautious Growth Fund; Adventurous Growth Fund; Income Fund; and Balanced Growth Fund. Each of these funds has a different strategy, reflected in the mix of assets they invest in.

### Who is Expert Managed Solutions suitable for?

You should consider investing in Expert Managed Solutions if:

- You want to entrust your money to a team of expert fund managers who will make investment decisions on behalf of each of the funds
- You understand that the value of your investment can fall as well as rise
- You recognise that you could get back less than you put in
- You wish to invest tax-efficiently using your ISA allowance
- You are prepared to keep your investment for a minimum of 5 years
- You are aged 18 or over

### Flexibility of the funds

Investing in Expert Managed Solutions allows you to:

- invest single and monthly payments
- take income or reinvest income from funds that offer an income option
- make withdrawals when you wish
- choose to invest in a range of funds
- stop paying at any time (subject to retaining at least £500 per fund in value to keep your investment open unless you have an active Direct Debit)
- change the amount of your monthly payment per fund (subject to a minimum of £50 and minimum increments of £10)
- cash in your holding at any time
- invest directly in these funds in your own name or jointly with up to three other people. An ISA application however must be in a single name only

You also have the option to change to other funds. If you wish to do this we will switch your investments no later than the next business day following receipt of your written instruction, providing we receive the instruction prior to the 5pm dealing cut-off.

There is no charge for switching to another Expert Managed Solutions Fund. When we switch your funds we'll redirect future monthly payments to the other funds you have selected on the next payment date after receiving your instructions.

We reserve the right not to act on an instruction if you have already requested six or more changes within that tax year.

### The risks

You need to be aware that growth is not guaranteed and your original investment is not secure. So, if the assets of the fund that you have invested in perform poorly, you may get back less than the amount you've put in. You should also be aware that the amount you get back will be reduced by any charges and fees. If you are taking an income from your investment, the value of this income will also be affected as the value of the investment fluctuates. It is also worth noting that any increase in the value of investments may be less than the rate of inflation.

Our charges may increase in the future and inflation will reduce the buying power of your money. Legislation and tax rules could also change, which may affect the value of your investment.

If you use your ISA allowance for your investment and decide to cancel within 30 days of opening your account you may be able to maintain your ISA allowance for that tax year. If however you decide to withdraw after 30 days, you will not be able to re-use this allowance for that tax year. You should note however that you may get less than you paid in even if you cancel within 30 days.

If you make monthly payments and you do not maintain them, you may not achieve any target amount you are aiming for.

You may not be able to purchase or sell shares if dealing in the fund is suspended. This happens on rare occasions where we cannot make an accurate valuation of the fund due to a lack of market data or violent swings in the share exchanges. For example, this could happen when a stock market, or the shares listed in it are suspended.

In the event of RBS Collective Investment Funds Limited being unable to meet its obligations (e.g. if it stops trading or becomes insolvent), you may lose some or all of your money.

For more information on the risks involved and for risks relating specifically to, each fund please refer to the Key Investor Information document.

## Your choice of funds

We offer four funds, each offering a different level of risk and potential return. They range, as the names imply, from a cautious to a more adventurous approach. The four funds are:

### Cautious Growth Fund

This fund aims to achieve a steady growth in value. If you are looking to achieve a potentially greater return than that offered by an ordinary savings account and you are prepared to see some fluctuations in value, this fund may be suitable for you.

### Income Fund

This fund aims to provide a regular and growing level of income, along with the potential for a long-term increase in value. It may be suitable if you are looking for an income from a lump sum investment and you would like the potential for a greater long-term return than you might get from more cautious investments. You may see some day-to-day fluctuations in the value of your investment.

### Balanced Growth Fund

This fund offers the potential to grow in value and provide greater returns than more cautious investments. However, you can expect to see greater fluctuations in the value of your investment as it invests more of your money in shares than our Cautious Growth Fund.

### Adventurous Growth Fund

This fund offers the potential to grow in value and generate greater returns than you can get from more balanced investments. It invests more of your money in shares than our Balanced Growth Fund so you can expect the value of your investment to fluctuate more widely.

## How to invest

### Your options

Expert Managed Solutions is only available for you to invest in if you already hold shares, either directly or in an ISA, in one of the Expert Managed Solutions funds. If you have an existing ISA that is invested in shares in one of the Expert Managed Solutions funds you may top up, or make an ISA transfer into, that ISA. If you hold shares directly in the Expert Managed Solutions funds you may top up directly into shares in the Expert Managed Solutions funds.

Investments can be made with an initial lump sum, regular monthly payments or both.

#### Top-Ups using your Stocks and Shares ISA allowance

You can top-up in Expert Managed Solutions Funds using your annual Stocks and Shares ISA allowance

- This is a allowance from the Government. For details of this tax year's allowance go to: [www.hmrc.gov.uk/isa](http://www.hmrc.gov.uk/isa)
- Any growth in the value of your ISA investment will be free from Capital Gains Tax
- You can invest additional single increments of £250 or more per fund
- You can invest a regular monthly amount from £50 a month per fund with increments of £10 or more.

#### Invest by transferring an existing ISA

- If you have existing Cash, Innovative Finance or Stocks and Shares ISAs with other providers, you can transfer them into your existing Expert Managed Solutions Funds (the minimum you can transfer in is £1,000)
- There is a possibility that you may miss out on growth while the transfer (that can take up to 30 days) takes place – if the stock market rises
- Please note your existing ISA provider may charge you a fee to transfer the ISA, and that the risk level of your existing ISA may not match that of your chosen Expert Managed Solutions ISA

#### Invest outside ISA wrapper

- You can top up directly into Expert Managed Solutions Funds, whether or not you also use your annual ISA allowance or transfer any existing ISAs
- When you invest directly the minimum remains the same as within ISAs, with additional single increments of £250 or more per fund
- Alternatively, you can invest a regular monthly amount from £50 a month per fund with increments of £10 or more

**Please note that any tax treatment and/or reliefs referred to are those that apply under current legislation. They may change in the future and their availability will depend on your individual circumstances. The favourable tax treatment of ISAs may not be maintained.**

Customers are permitted to transfer a Stocks and Shares ISA into a Cash ISA or an Innovative Finance ISA.

Stocks and Shares ISA	vs Cash ISA
Invests in shares and related assets	Typically a deposit or interest bearing account
Potential for capital growth	Fixed or variable interest
Risk of losing money	Greater capital security

## How to make a payment

Additional investment – Lump sum top-ups can be funded by cheque, with a completed Additional Payment Form. Alternatively, you can call 0345 300 2585 to make a payment for a lump sum top-up by debit card. To start a monthly investment, or increase an existing monthly investment, an Additional Payment Form can be completed, or alternatively you can call 0345 300 2585 to arrange this.

If you are investing monthly you must make your payment by Direct Debit. If you are investing by an ISA transfer your payment must be by cheque from the other ISA manager.

If you are paying by monthly Direct Debit, your first payment will be collected on a date approximately 10 working days after receipt by our administration department of your correctly completed mandate form.

Future payments will be collected on this date each month, or the next working day if this falls on a weekend or bank holiday.

There is the potential for loss of income or growth depending on market movements while your Direct Debit collection is awaiting completion.

## Cash Held

Interest will not be paid on any money held by us on your behalf that is not invested in Shares at any time.

We reserve the right not to treat any cash balances due to you as client money and make a payment to charity if they remain unclaimed for a period of over 6 years (after exhausting all attempts to contact you). We will continue to accept and process any valid claims against such money during and after this period.

To ensure protection of your client money (typically money that is being held pending an investment or during the encashment of an investment), we hold this in a client money bank account. This bank account is in trust for clients only and is separate from any account holding the firm's own money. At all times, our records reflect the money that we hold for you and we also ensure that the bank account balances mirror those of our internal records. We check daily to ensure they remain accurate.

## Trading cut off point

Unless you are paying monthly by Direct Debit or by a single Direct Debit, we will invest your money no later than the business day after we receive your application and payment, providing it is received and accepted prior to the 5pm dealing cut-off point.

If you pay monthly by Direct Debit, we'll buy your shares on the day of collection each month or the next business day. For single Direct Debits the shares will be purchased the day after the monies have been received by us – normally 10 business days following receipt of the application form.

We'll send you details of the number of shares we buy for you, and the price paid for each share, but won't issue share certificates.

To calculate the price you pay for your shares, we value the fund you select at 2pm daily. The price of each share is the value of the fund divided by the number of shares.

The funds you are invested in have a 5pm dealing cut-off point. This means that any share dealing instructions we receive and accept before 5pm on a business day will be processed at the 2pm valuation point on the next business day.

Single payments including ISA transfers, will normally be invested using the next calculated price providing your correctly completed application form and payment are received and accepted prior to the 5pm dealing cut-off.

The specific valuation procedure and pricing methodology for the pricing of these funds can be found within the unit pricing policy available on the investment pages of [www.natwest.com/investmentpolicies](http://www.natwest.com/investmentpolicies). You can also request copies of this document by phoning us on 0345 300 2585.

The latest market price can be found on [www.natwest.com/fundprices](http://www.natwest.com/fundprices)

## Withdrawing from a Fund

Expert Managed Solutions is designed as a medium to long-term commitment which you should plan to stay invested in for at least five years. You can, however, take an income from our Income Fund and make withdrawals from both our income and growth funds. Do remember that taking an income or making lump sum withdrawals will affect what you get back when you cash in your investment. You should also bear in mind the following:

- The minimum withdrawal amount is £500 per fund you are invested in
- You must keep at least £500 in each fund that you are invested in, unless you have an active Direct Debit, linked to a particular fund
- If you choose to take income but don't provide us with your bank or building society details, we'll reinvest your income until we receive this information. If the fund (or funds) in which you have invested falls in value during this period, so will the value of your reinvested income
- If you invest the maximum amount into a Stocks and Shares ISA and then make a withdrawal, you will not be able to reinvest that amount back into an ISA in the same tax year

- If you invest directly, you can sell shares by calling our dealing team 0345 300 2585, or Minicom 0800 404 6161. If you sell shares, we'll pay the money to you by cheque or by Direct Credit (if your account details are provided)
- We will send you a cheque or direct credit payment five working days after receiving your signed written request, subject to our requirements being met, which include having a clear and unambiguous request to withdraw funds, and provision of any identification that may be necessary to satisfy anti-money laundering requirements.

## Product Charges

**The Initial Charge** – this is a charge taken from regular contributions. It is up to 5% of the regular contributions you make. Please contact us for details of the level(s) of charge(s) that apply to you.

**The Ongoing Charges** – The Ongoing Charges are the annual operating costs of the fund. It is the total of the annual management charge (paying for the expertise of fund managers, researchers and analysts), service charges, registrar charges and other expenses relating to the management of the fund. All European funds highlight the Ongoing Charges to help you compare the annual operating expenses of different funds. Please note that the Ongoing Charges may vary from year to year.

**IMPORTANT** Please be aware that the fund managers are able to vary the charges applied, but we will inform you of any changes in advance.

**Investor Protection Fee** – We may, in exceptional circumstances, apply an Investor Protection Fee to ensure fairness between all investors in the fund. We apply it when you buy or sell shares in the fund and it will reduce the value of your investment. The fee will be retained in the fund for the benefit of all existing investors.

The Investor Protection Fee may be applied in the following circumstances:

- An investor wants to sell a significant number of shares in a fund or invest a significant amount
- The fund manager may have to sell assets from the fund or buy new assets
- The fund may incur significant dealing costs which would mean other investors would be disadvantaged if the Investor Protection Fee wasn't applied.

The Investor Protection Fee is applied by:

- reducing the money paid to the investor selling shares or
- deducting the fee from the money being invested by an investor buying shares.

## Potential returns

Expert Managed Solutions aims to grow the money you invest over a medium to long-term period – that is, over five or more years. The amount you get back will be determined by the value of your shares in the fund you have invested in when you choose to cash in.

You should remember that the amount you get back is not guaranteed and will be affected by factors including:

- The amount you invest and the time you allow it to grow
- The performance of your fund
- Our charges and fees
- Any withdrawals you make.

## How your investment is taxed

The amount of tax you pay on your investment will depend on a number of factors, including how you invest, how your investment performs and whether you are a non-taxpayer, a basic rate taxpayer or pay tax at one of the higher rates.

## When investing directly

Please note, you must declare taxable income or gains from your direct investments to HM Revenue & Customs.

## Income Tax

### Dividend distributing funds

New rules apply to dividends paid on or after 6 April, 2016 to individuals resident in the UK.

- The 10% tax credit, which applied to dividends paid before 6 April, 2016, is replaced with a £5,000 tax-free allowance.
- If your total dividend income received during the tax year is less than £5,000, this amount will be tax-free.

If your total dividend income during the tax year exceeds £5,000, then:

- If you pay tax at the basic rate (20%), you will have to pay tax at 7.5% on your dividend income which exceeds £5,000.
- If you pay tax at the higher rate (40%), you will have to pay tax at 32.5% on your dividend income which exceeds £5,000.
- If you pay tax at the additional tax rate (45%), you will have to pay tax at 38.1% on your dividend income which exceeds £5,000.
- We will send you a voucher showing the amount of the dividend paid.

### Income Distributing Funds

The Personal Savings Allowance is being introduced on April 6, 2016.

It applies to all types of savings income including interest on savings accounts and distributions from open-ended investment companies (OEICs), where the payments are treated as interest for income tax purposes. For the 2016-2017 tax year the Personal Savings Allowance is as follows:

- If you pay tax at the basic rate (20%), you will be eligible for a £1,000 tax-free Personal Savings Allowance.
- If you pay tax at the higher rate (40%), you will be eligible for a tax-free Personal Savings Allowance of £500.
- If you pay tax at the additional rate (45%), you will not be eligible for a tax-free Personal Savings Allowance.

### **Capital Gains Tax**

- You may have to pay Capital Gains Tax if you cash in your investment and make a profit (a gain)
- However, you could minimise any Capital Gains Tax liability by using your Capital Gains annual exemption in the year that you cash in your investment
- We do not deduct Capital Gains Tax before we pay out the value of your investment
- You must declare income or gains from your direct investments to HM Revenue & Customs, where you have a tax liability.

### **Inheritance Tax**

- The value of your investment will form part of your estate for Inheritance Tax purposes if you die
- The money will remain invested until we receive instructions from your legal personal representatives.

### **When investing via an ISA**

- You do not have any personal liability to Income Tax or Capital Gains Tax on an ISA investment
- The value to an investor of the tax advantages of an ISA will depend on personal circumstances, which may change
- There is no need to declare income or gains from your ISA to HM Revenue & Customs
- Your investment can no longer be held as an ISA after you die and its value will form part of your estate for Inheritance Tax purposes. The money will remain invested until we receive instructions from your legal personal representatives.

### **This is not a Flexible ISA**

From 6 April 2016 ISA Regulations will permit Flexible ISAs.

A Flexible ISA is an ISA whose terms and conditions allow the investor to replace cash they have withdrawn, without the replacement counting towards their annual subscription limit. Replacement subscriptions must be made to the ISA from which the withdrawal was made, and in the same tax year. It is for ISA Managers to decide whether they offer Flexible ISAs.

At present we are not changing the terms and conditions of our ISAs to make them Flexible ISAs. We will keep this decision under review, and if any change is made we will let you know. This means that if you make a cash withdrawal from the ISA you will not be able to replace the cash withdrawn without the replacement counting towards your annual ISA subscription limit.

## **What happens if you change your mind**

Expert Managed Solution funds are open to existing investors only.

You can change your mind within 30 days from the date you receive written confirmation from us of any lump sum top up being invested. Your investment will continue if we don't receive your cancellation notice within this 30 day period.

If you decide you do not want to invest your top up investment, we'll give you your money back, less any fall in the investment value in this period.

These rights do not apply to any regular payment transactions.

The cancellation notice will include the address you must send it to if you change your mind about your investment. Alternatively, you can contact us at:

RBS Collective Investment Funds Limited  
PO Box 9908  
Chelmsford  
CM99 2AF

## **What to do if you have a complaint**

### **How do I make a complaint?**

If you wish to complain about the services you have received or the operation of the funds or the ISA, please contact:

RBS Collective Investment Funds Limited  
PO Box 9908  
Chelmsford  
CM99 2AF

Telephone: 0345 300 2585

Fax: 0870 703 0510

### **Complaint Handling**

If you make a complaint we aim to resolve it as soon as possible. However, if we have not been able to resolve your complaint within one working day, we will write to tell you:

- Why we have not yet resolved your complaint
- Who is dealing with your complaint
- When we will contact you again
- We will contact you regularly until your complaint has been resolved and we aim to resolve your complaint as quickly as possible.

When we have completed our investigation, we will issue our final response letter within 8 weeks of your initial complaint. You will also receive a leaflet explaining your referral rights to the Financial Ombudsman Service. If you are not satisfied with our decision or explanation, we will be happy to discuss it further with you. Should you not wish to discuss the outcome of your complaint with us, you can contact the Financial Ombudsman Service directly at Exchange Tower, London E14 9SR.

Alternatively call on 0800 023 4567 or 0300 123 9123 (for mobile users). For more information visit their website at <http://www.financial-ombudsman.org.uk/>

If your complaint is particularly complicated, it may take longer to resolve. If we cannot issue a final response letter 8 weeks after receiving your complaint, we will send you a letter giving our reasons for the delay and an indication of when we expect to provide a resolution. You will then have the choice to await our final response or contact the Financial Ombudsman Service if preferred. This doesn't affect your legal rights.

## Your classification

We will treat you as a "retail client" (as defined in the FCA Rules) for regulatory purposes. This affords you the highest degree of protection under the UK regulatory system. You may request to be classified differently. However, if we are able to do this, you will be afforded a lower level of client protection. For more information about the protections you would lose please contact us.

## Your questions

### **Q: How can I see how my investment is performing?**

A: You'll receive a statement in May and November every year showing transactions throughout the period and a recent valuation of your investment. You can get a valuation of your investment by calling us on 0345 300 2585. You can track the performance of your fund online by visiting the investments page of our website at [natwest.com/fundprices](http://natwest.com/fundprices)

### **Q: What happens to my investment when I die?**

A: If you've invested on your own:

We'll pay the full value of your investment to your legal personal representatives on request, provided we receive the necessary documents and information. It will form part of your estate and may be subject to Inheritance Tax. We can transfer the shares to another person at the request of your legal personal representatives. Your investment can no longer be held as an ISA after you die. The money will remain invested until we receive instructions from your legal personal representatives.

If you've invested with someone else or other people:

The investment will continue and they will own it. The value of your share of the investment may be subject to Inheritance Tax.

When a husband, wife or civil partner dies, an additional ISA allowance equal to the total value of cash or investments held in their ISA at the date of death, will now be inherited by their surviving spouse or civil partner. This applies to any investor who died on or after 3 December 2014. The assets themselves don't pass automatically. They remain part of the estate of the deceased investor.

### **Q: Is my investment protected by any compensation scheme?**

A: RBS Collective Investment Funds Limited is a member of the Financial Services Compensation Scheme (FSCS). The Scheme can pay compensation to customers if they are eligible and a regulated firm is unable to pay claims against it, usually if the company stops trading or is insolvent, as long as the company is registered with the scheme. Compensation limits apply depending on the type of claim. For investments, the maximum is £50,000 per person i.e. 100% of the first £50,000. Most retail customers (this includes private individuals and some small businesses) are eligible under this Scheme. For more details, please visit [www.fscs.org.uk](http://www.fscs.org.uk)

### **Q: How do you protect my personal data?**

A: Any personal information obtained by us will be processed and protected in accordance with the Data Protection Act 1998. If you want a copy of the details we hold about you, please write to: The Chief Operating Officer, SAR Team, Ground Floor, RBS Gogarburn, PO Box 1000, Edinburgh EH12 1HQ. A fee may be payable.

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

You can transfer part or all of a previous year's investment to another ISA manager. If you want to transfer an ISA investment made in the current tax year you must transfer the whole amount. Please note however that the risk level of your existing ISA may not match that of your chosen Expert Managed Solutions ISA.

To transfer to RBS Collective Investment Funds Limited from another ISA manager, you will need to complete and sign an ISA transfer application form and send it to us. We will then send it to your current ISA manager. Charges may apply on transferring an ISA from one provider to another. These charges can include for example, exit charges, initial charges and transaction costs.

An initial charge does not apply on transferring an ISA from another ISA manager to an Expert Managed Solutions ISA.

## The Authorised Corporate Director (ACD)

The ACD for the ICVC is RBS Collective Investment Funds Limited. The ACD is responsible for all aspects of the administration and management of the funds and pays any commission. The ACD is authorised and regulated by the Financial Conduct Authority. Financial Services Register number 122139. The ICVC is authorised by the Financial Conduct Authority, 25 The North Colonnade, Canary Wharf, London E14 5HS, UK.

RBS maintains Professional Indemnity Insurance that applies to all operations of the ACD. This provides additional customer protection in the event of any wrong doing by members of staff acting on behalf of the ACD that cause any customer detriment.

## Delegated Arrangements

The Depositary for RBS Investment Options ICVC is: J.P. Morgan Europe Limited, 125 London Wall, London EC2Y 5AJ, UK. The Depositary is responsible for the safekeeping of the ICVC's assets and ensuring that the Investment Company Variable Capital is managed in accordance with FCA rules. The Depositary delegates the safekeeping of the ICVC's assets to J.P. Morgan Europe Limited (Securities Services Division).

The ACD delegates the Portfolio Management of these Funds to Aviva Investors Global Services Limited with a contractual agreement in place setting out the policies and objectives of the Funds and defines agreed Benchmarks against which the Funds are measured.

Valuation and daily pricing of the Funds within the RBS Investment Options ICVC has been delegated to J.P. Morgan Europe Limited (Securities Services Division), who are industry experts in performance of this function. The function includes daily price gathering for the underlying assets of the fund, monitoring of sale prices, checks on price movements, ensuring bulk trades are applied correctly into the funds, creation and redemption of shares, and finally valuation of the fund to generate a daily price.

All processing of retail customer applications and register maintenance, including processing of sales and repurchases on customer accounts has been delegated to Aviva Life Services UK Limited.

RBS Collective Investment Funds Limited has in place a conflicts of interest policy which ensure that any conflicts that arise as a result of these delegated arrangements are managed and resolved. The policy is available on the investment pages of [www.natwest.com/investmentpolicies](http://www.natwest.com/investmentpolicies). You can also request copies of this document by phoning us on 0345 300 2585.

The Auditor for these funds is Deloitte LLP, Lomond House, 9 George Square, Glasgow G2 1QQ

## **How to contact us**

If you have any questions, you can write to us or phone us. For copies of the full Prospectus and annual and interim Report and Accounts of the ICVC at no charge, please write to us at:

RBS Collective Investment Funds Limited  
PO Box 9908  
Chelmsford  
CM99 2AF

Telephone: 0345 300 2585

Customers with hearing and speech impairments can contact us by Minicom 0800 404 6161.

Telephone lines open Monday-Friday 8am – 6pm (excluding bank holidays). Calls may be recorded for training or monitoring purposes.

# Investment Options ISA Terms

## 1. Definitions

The following words and expressions, when used in these Terms and Conditions, have the meanings set out opposite them:

**'Account'** means an Individual Savings Account, referred to in the Regulations and subscribed to by you as the Account Holder.

**'Account Manager'** means the ISA Manager.

**'ACD'** means RBS Collective Investment Funds Ltd, which is the Authorised Corporate Director of The Company and The ISA Manager.

**'Administrator'** means Aviva Life Services UK Limited, which provides administration services to RBS Collective Investment Funds Ltd. The Administrator's offices are currently at PO Box 9908, Chelmsford CM99 2AF.

**'Associate'** means an associate of RBS Collective Investment Funds Ltd as defined in section 52 of the Companies Act 1989.

**'Business Day'** means any day on which we are open for business up to 5pm.

**'Fund'** means a sub-fund of the Company.

**'Investment'** means the Investment taken out via an ISA by you on these Terms and Conditions.

**'ISA'** means Individual Savings Account.

**'ISA Manager'** means RBS Collective Investment Funds Ltd.

**'Key Investor Information Document'** and/or **'KIID'** means the document describing the important characteristics of the Investment including the Investment aims and associated risks, which should be read with the Supplementary Information Document.

**'OEIC Regulations'** means the Open Ended Investment Company Regulations 2001 as amended or re-enacted from time to time.

**'Prospectus'** means the prospectus of The Company as amended from time to time.

**'Regulations'** shall mean the Individual Savings Account Regulations 1998 as amended or re-enacted from time to time and any other applicable regulations and statutes.

**'Supplementary Information Document'** and/or **'SID'** means the document describing the important characteristics of the Investment including the Investment aims and associated risks, which should be read with the Key Investor Information Document.

**'The Company'** means RBS Investment Options ICVC, an Open Ended Investment Company (OEIC).

**'We', 'Us', 'Our'** means the ISA Manager and ACD (RBS Collective Investment Funds Ltd).

**'You'** and **'Your'** means the investor: the individual named as the applicant in the application form.

## 2. Introduction

- (a) These terms apply to your ISA, and by requesting us to open an ISA you agree to be bound by these terms.
- (b) You should read these terms along with the other information contained in our literature including the KIID and the SID, which together make up the agreement between you and us in respect of the Investment.
- (c) You appoint us to manage your Investment in accordance with the Regulations. We may delegate any of our functions or responsibilities under this agreement provided we are satisfied that the person we delegate to is competent to carry them out.
- (d) You will inform us immediately if you cease to be eligible to invest via an ISA.
- (e) We are authorised and regulated by the Financial Conduct Authority (FCA) in the conduct of Investment business. The ISA Manager is approved by HM Revenue & Customs as an ISA Manager under the Regulations.

## 3. Your Application

- (a) Although we do reserve the right to reject an application:
  - (i) We will open your Account only when we have received a correctly completed application form and payment. You can make your initial investment by cheque or Direct Debit. Once your investment is set up, you can top-up your investment by cheque, a one-off Direct Debit payment or by debit card. Monthly payments can only be made by Direct Debit. All payments to us must be from your own resources and we reserve the right to satisfy ourselves of this. Payments in cash are not accepted.
  - (ii) The minimum single payment into any one Fund is £1,000, unless payments are already being made in which case it is £250. The minimum monthly payment into any one Fund is £50. You may increase your monthly subscription by a minimum of £10 per Fund with our agreement, provided the overall maximum subscription is not exceeded.
  - (iii) If we cannot invest your payment for you because all our requirements have not been met, it will be returned to you with an explanation. If we receive your completed application prior to the tax year to which it relates, we cannot invest your payment until the start of the tax year you have applied for. In such circumstances we may retain your application and payment pending the start of the new tax year.
- (b) Once we have accepted your application and lump sum cheque payment we will invest your subscription (net of any initial charge applicable) in the funds you have selected no later than the Business Day following the receipt of your application and subscription, providing we receive these prior to the 5pm cut off. As the Authorised Corporate Director of the company, we calculate the value and price of the shares within a fund on a daily basis in accordance with the OEIC Regulations and the Companies' Instrument of Incorporation. The ACD has set a dealing cut off of 5pm on the day before each Business Day. If an application and lump sum cheque payment is received before 5pm the price will be calculated at the 2pm valuation point on the next Business Day, however, any applications and lump sum cheque payments received after the 5pm cut off will not be priced at the valuation point on the next Business Day, but will instead be priced on the next following Business Day. You will then receive written confirmation detailing your investment with us.

- (c) Payments in respect of regular monthly savings plans will normally be collected any day between 1st and the 28th each month, or if this is not a Business Day, the next Business Day thereafter. If you don't specify a collection date this will be set up to be at least 14 days after receipt of the application form. Shares in respect of these payments will be bought on the first Business Day on or after this. We will not send individual confirmation of each Investment you make through your regular savings plan. Details of your purchases will be shown in your statements. We will continue to collect your monthly savings amount by Direct Debit in accordance with your instructions until:
  - (i) We receive your instructions to stop; or
  - (ii) We are unable to collect your monthly savings amount for three consecutive months and payments have not recommenced following our notification to you.
- (d) A lump sum investment which is to be made by one off Direct Debit will be collected normally 10 Business Days from the receipt of your completed application. Shares will then be purchased and you will receive written confirmation detailing your investment with us. You instruct us to collect only one lump sum payment in accordance with the instructions in your application form, and accordingly the Direct Debit instruction in place should be cancelled by you once we have collected that lump sum payment.
- (e) If you choose to split your Investment across the different Fund options and this results in a surplus amount, this will be invested in one of the Funds you have chosen, at our discretion. It should be noted that this amount will normally be a penny. This will be reflected in any documentation you receive.

#### **4. Cash Held**

- (a) Interest will not be paid on any money held by us on your behalf, that is not invested in shares, at any time.
- (b) We reserve the right not to treat any cash balances due to you as client money if they remain unclaimed for a period of over 6 years. We will continue to accept and process any valid claims against such money during and after this period.

#### **5. Management of Investments**

Investments may be managed together with other Investments of other ISAs managed by us and may be aggregated for transactions. Investments within the Account may be consolidated with other Accounts which we hold for you.

#### **6. ISA Transfers**

- (a) You may transfer to us Cash ISAs and Stocks and Shares ISAs for the current and/or previous tax years that are managed by any ISA Manager, provided the value of each ISA being transferred is at least £1,000 for each Fund. Only full transfers can be accepted for the current year. Transfers will only be accepted in the form of payments by cheque from a previous ISA Manager. Once your ISA has been transferred you will be subject to these terms.
- (b) Any distributions (including tax credits) received from a previous ISA Manager after the transfer of an ISA Investment to the NatWest Investment Options ISA will be accepted and reinvested in your Account provided that value is at least £50. Any such payments under £50 will be returned to the previous ISA Manager for payment directly to you.
- (c) You may transfer all of your Account or part of your Account (subject to clause 6(d) below) to another ISA Manager who is prepared to accept the transfer. You must provide us with written notice of your wish to transfer your Account. Only the cash value of the Account can be transferred. The new ISA Manager will have to provide us with your written authority for the transfer before it can take place. We do not make any charge for the transfer. Your ISA will be transferred to another ISA Manager on your instructions and within the time you stipulate. However, we cannot guarantee that the transfer will take place on the date requested unless such suggested date is at least 28 days after receipt of your instructions.
- (d) A transfer of part of your Account to another ISA Manager is only available to you in respect of Investments made in previous tax years and where the amount to be transferred is £500 or more, and where the amount remaining in each Fund is normally £500.

#### **7. Switching**

You may switch your Investments between the different Fund options within the NatWest Investment Options ISA by giving us your written instructions. If you are not switching your total Investment in a Fund, the remaining value of your holding in that Fund after the switch must be at least £500. A switching fee may be charged and this will not exceed an amount equal to the then prevailing initial charge (if applicable) for the Fund into which your Investment is being switched. For details of the current charges that apply, please contact us. A request to switch Investments is subject to the following conditions:

- (a) We will sell your shares in the old Fund and buy new shares with the proceeds in accordance with your switch request.
- (b) We will switch your investments no later than the next Business Day following receipt of your written instruction providing we receive the instruction prior to the 5pm dealing cut off.
- (c) If you contribute to your Account monthly and switch your entire Investment from one Fund to another then we will automatically redirect your Direct Debit instruction to the new Fund unless we are otherwise directed by you.

#### **8. Withdrawal**

- (a) You may withdraw some or all of your Investment at any time by providing us with written instructions to withdraw. Unless you are making a full withdrawal, the minimum withdrawal amount for any Fund is £500. If you are not withdrawing your total holding in a Fund, the remaining value of your holding in that Fund after the withdrawal must be at least £500.
- (b) We will normally sell your shares no later than the next Business Day following receipt of your request to make a withdrawal providing we receive your instructions prior to the 5pm cut off. If your request is received after 5pm shares will be sold on the next following Business Day. You may stipulate a date on which your withdrawal should take place. However, we cannot guarantee that the withdrawal will take place on the date requested unless such requested date is at least 28 days after receipt of your instructions. Shares will be sold at the price calculated in accordance with the Regulations on the day of the sale.
- (c) If you have holdings in two or more Funds and your withdrawal request does not specify the shares to be sold to cover your withdrawal, we will, where possible sell shares from the largest holding(s) available, subject to the transaction(s) complying with the minimum transaction and holding values set out in clause 8(a). However, we also reserve the right to contact you for clarification of your wishes before processing your request if we deem this appropriate.

- (d) Payment of your withdrawal will be made to your chosen UK Bank or Building Society account by Direct Credit or by cheque payable to you, and this will be posted to you within 5 Business Days of the sale of your shares subject to our requirements being met. These can include having a clear and unambiguous request to withdraw, proof of your authority to give that instruction and any identification that may be necessary for payment purposes or to satisfy anti-money laundering requirements.
- (e) As the ACD of the ICVC we may need to suspend dealing in a fund if exceptional circumstances apply. Examples of this may include where:
  - (i) there is a stock market crash;
  - (ii) there is a failure in the infrastructure, such as the effect of a computer virus in the stock trading system;
  - (iii) there is physical damage arising from events such as a terrorist attack, an explosion or flood;
  - (iv) we reasonably consider there is no suitable market upon which to sell the asset(s) of a fund;
  - (v) there is any interruption of a stock exchange which materially affects the pricing of the shares;
  - (vi) the sale of the asset(s) of a fund would lead to unfairness of treatment between shareholders.

This means that you may not be able to withdraw your money until those exceptional circumstances no longer apply. We will notify you if we suspend dealing.

## 9. Termination

- (a) You may terminate your Investment by giving notice to us in writing which will be effective on receipt but will not affect any transactions already initiated.
- (b) We reserve the right to terminate your Investment by giving 60 days' prior written notice.
- (c) We are obliged to terminate your Investment immediately having given notice if we are of the opinion that it is impossible to administer it in accordance with the Regulations.
- (d) In the event that we intend to stop acting as ISA Manager, the ISA will be terminated following the giving of 90 days' prior written notice to you. You may then transfer the Account to another ISA Manager.
- (e) When your Account is terminated, the shares in it will be sold and the proceeds sent to you. After we have started selling your shares we will not accept any further instructions from you concerning your Account. The Account will be terminated without prejudice to any transactions already initiated.
- (f) Your Account will be managed in accordance with the ISA Regulations. We will inform you if, by reason of any failure to satisfy the provisions of the ISA Regulations, your Account becomes void under the ISA Regulations. We may deduct our unpaid charges and any tax liabilities from your Account.
- (g) If you stop making your regular payments into your Plan and the remaining value of your holding is below £500 per Fund, we reserve the right to terminate your Investment by giving 30 days' prior written notice.

## 10. Cancellation

You have the right to cancel your Investment within 30 days after receiving notice from us of your cancellation rights. These will be sent to you once your ISA has been set up. If you exercise your right to cancel, any money paid to us will be repaid (subject to deduction of the amount, if any, by which the value of the shares bought on your behalf has fallen). If you do exercise the right to cancel an ISA transferred from another ISA Manager you may not have the right to reinstate your ISA with your previous ISA Manager and all future tax benefits, which would otherwise have been attached to the Plan, may be lost.

## 11. Charges and Expenses

- (a) We will deduct an annual management charge and an initial charge may also apply. Details of the charges that applied when you took out your ISA are set out in the KIID and SID. Details of the current charges are available on request.
- (b) Where you switch your investment a switching fee may apply. Please refer to clause 7 overleaf for further details concerning switching charges.
- (c) When The Company receives Investment monies or when Investments are withdrawn, we may impose a dilution levy in circumstances where remaining investors might otherwise be adversely affected. Further details of our policy are contained in the KIID, SID and the full Prospectus.
- (d) We are entitled to charge for our services at the rates and on the terms set out in the KIID and SID. We reserve the right to increase our charges by giving 60 days' prior written notice, and to decrease our charges, either temporarily or permanently, without giving notice.
- (e) The Funds may bear other charges and expenses as outlined in the KIID and SID.
- (f) Where your application is made through a financial adviser, we may pay commission to the financial adviser. Any commission is paid by us and does not reduce your Investment. Please inform us in writing if you require details of commission rates.

## 12. Income Reinvestment and Distribution

- (a) We will automatically reinvest any income due to your Account, and all related tax credits, unless you elect to take income from your Account. The option to take income is only available for certain Funds. Income payments will be paid into your chosen UK Bank or Building Society account by Direct Credit. If we are not able to pay to this account, income will be reinvested. Please note that income payment is not available for Funds which offer accumulation shares only.
- (b) If you have not elected to take income from your Account it will be reinvested to buy further shares in the appropriate Fund for your Account. Where applicable, distributions, and all related tax credits, will be reinvested no more than five Business Days before the relevant payment dates.
- (c) Holders of accumulation shares do not receive income payments. Any income arising in respect of an accumulation share is automatically accumulated within the Fund and is reflected in the price of each accumulation share.
- (d) If income from your Account is being paid to you and we are notified of your death we will automatically change your Account so that any subsequent income is re-invested.

## 13. Valuation points

All of the Funds available through this ISA are valued at 2pm on every Business Day. These are the current valuation points, but we may change the valuation points in the future. If we do this we will tell you at least 30 days in advance.

## 14. Taxation of the Individual

All income and capital growth produced by your ISA is free of any UK Income and Capital Gains Tax. Neither income nor Capital Gains need to be declared on your tax return. We will notify you if, by means of any failure to satisfy the provisions of the Regulations, your ISA is, or will no longer be, exempt from tax by virtue of the Regulations.

## 15. Ownership/Documentation

- (a) All shares held for your ISA will be registered in your and our name. You are and will remain the beneficial owner of all shares or units held in your ISA. You are not entitled to sell or dispose of, or transfer any interest in the Investments or use them as security for a loan or create any legal charge over them. All documents reflecting title to shares in your ISA will be held by us, or as we may direct.
- (b) Valuations will be drawn up as at 30 April and 31 October each year. We will send you a valuation of your Account based on the Fund prices calculated by us in accordance with the OEIC Regulations, together with a statement which will show details of all transactions and holdings since the previous statement.

## 16. Company Information and Voting Rights

If you request, we shall arrange for you to receive copies of The Company's annual and half yearly Managers' Reports and Prospectus and any other information issued to shareholders.

## 17. Death

In the event of your death your Account will cease to qualify for tax exemption under the Regulations from the date of your death. If income from your Account is being paid out, this will automatically be changed to reinvestment. We will sell the shares held within your Account by the end of the next Business Day following receipt by us of the evidence we require to make payment, providing this is received by the 5pm cut off. The proceeds will be paid by cheque and this will be posted to your legal representatives within 5 Business Days of the sale of the shares that were held within your Account. These Terms and Conditions are binding on your personal representatives.

## 18. Potential Conflict of Interest

We are not prevented from providing services under these terms because of any conflict of interest or duties which may rise as a result of us having a material interest in any transaction or any Associate having a material interest.

## 19. HM Revenue & Customs

Your Account complies with HM Revenue & Customs requirements. You authorise us to provide the Commissioner of HM Revenue & Customs with relevant information about your Account.

## 20. Amendment

We may vary these Terms and Conditions:

- (a) by giving you 60 days' prior written notice where we increase our charges. This may be required if the cost of managing your Investment increases.
- (b) by giving you 30 days' prior written notice where possible, if for example it is necessary to comply with or anticipate any changes in applicable laws, rules or regulations, or for example to take into account a ruling by a Court, Ombudsman, regulator or similar body.
- (c) by giving you 30 days' prior written notice where we have changed or introduced new systems, methods of operation, services or facilities, for example reflecting changes in the way that the Company or funds within the Company are managed or operated by the ACD. Such amendments will only be made if we have satisfied ourselves that the overall effect of the amendments mean that you receive broadly comparable terms for the ISA under the revised Terms and Conditions.
- (d) without giving notice to you providing we have satisfied ourselves that the effect of the amendments mean that you receive no less favourable terms for the ISA under the revised Terms and Conditions.

## 21. Transfer

You agree that we may transfer (subject to any necessary regulatory approval) our rights and obligations under this contract to another company provided we give you no less than 30 days' prior written notice.

## 22. Liabilities

The value of your Account can go down as well as up and this Investment risk is yours. However, we are responsible for any loss incurred as a result of our fraud, negligence or wilful default.

## 23. Notices or Requests

- (a) We will send any notices or other correspondence to the address you have given us in your application form, or to a new permanent residential address provided you have notified us in writing or by phone of the change.
- (b) You should send any notices, instructions, or requests for further information, to us at:  
RBS Collective Investment Funds Ltd  
PO Box 9908  
Chelmsford  
CM99 2AF  
Tel: 0345 300 2585.
- (c) Should you telephone us then your call may be recorded.

## 24. Third Party Rights

Nothing in the Terms and Conditions of this agreement confers or purports to confer on any third party any benefit or any right to enforce any term of these Terms and Conditions.

## 25. Law and Jurisdiction

- (a) If these Terms and Conditions conflict with the Regulations then the Regulations will take priority.
- (b) This document is based on our current understanding of English Law and HM Revenue & Customs practice, both of which may change in the future.
- (c) These Terms and Conditions will be governed and construed in accordance with English Law.
- (d) We will give you as much notice as reasonably practicable if your Investment has become, or will become, void as a result of a failure to comply with the Regulations and is therefore terminated.

## 26. Account manager

We may appoint another company to be the Account Manager of your ISA under these Terms and Conditions having given you one month's prior written notice. The new Account Manager must be approved to act as an ISA Account Manager by the Commissioners of HM Revenue & Customs.

## Your Information

### Who we are

Your investment is with RBS Collective Investment Funds Limited. We are a member of The Royal Bank of Scotland Group (the Group). For information about our Group of companies please visit [www.rbs.com](http://www.rbs.com) and click on 'About Us', or for similar enquiries please telephone 0131 556 8555 or Minicom 0800 404 6161.

### How we use your information and who we share it with Your electronic information

If you contact us electronically, we may collect your electronic identifier (e.g. Internet Protocol (IP) address or telephone number), supplied by your service provider.

Your information comprises all the details we hold about you and your transactions, and includes information obtained from third parties.

We may use and share your information with other members of the Group to help us and them:

- assess financial and insurance risks;
- recover debt;
- prevent and detect crime;
- understand our customers' requirements; and
- develop and test products and services.

We do not disclose your information to anyone outside the Group except:

- where we have your permission; or
- where we are required or permitted to do so by law; or
- to credit reference and fraud prevention agencies, and to other companies that provide a service to us or you; or
- where we may transfer rights and obligations under this Agreement.

We may disclose your information to government entities or regulatory bodies in order that those entities may discharge their responsibilities and obligations or exercise their powers or functions.

We may transfer your information to other countries on the basis that anyone to whom we pass it provides an adequate level of protection. However, such information may be accessed by law enforcement agencies and other authorities to prevent and detect crime and comply with legal obligations.

From time to time we may change the way we use your information. Where we believe you may not reasonably expect such a change we shall write to you. If you do not object to the change within 60 days, you consent to that change.

If you would like a copy of the information we hold about you, please write to: The Chief Operating Office, SAR Team, Ground Floor, RBS Gogarburn, PO Box 1000, Edinburgh EH12 1HQ. A fee may be payable.

## Fraud prevention agencies

If false or inaccurate information is provided and fraud is identified or suspected, details may be passed to fraud prevention agencies. Law enforcement agencies may access and use this information.

We and other organisations may also access and use this information to prevent fraud and money laundering, for example when:

- checking applications and managing credit or other facilities and recovering debt;
- checking insurance proposals and claims;
- checking details of job applicants and employees.

We, and other organisations that may access and use information recorded by fraud prevention agencies, may do so from other countries.

We can provide the names and addresses of the credit reference and fraud prevention agencies we use if you would like a copy of your information held by them.

Please contact 0345 300 2585 or Minicom 0800 404 6160.

The agencies may charge a fee.

## The Financial Services Compensation Scheme

RBS Collective Investment Funds Ltd is a member of the Financial Services Compensation Scheme (FSCS). The Scheme can pay compensation to customers if they are eligible and a regulated firm is unable to pay claims against it, usually if the firm stops trading or is insolvent. Compensation limits apply depending on the type of claim. For investments this is a maximum of £50,000, i.e. 100% of the first £50,000 (per person). Most retail consumers (this includes private individuals and some small businesses) are eligible under the Scheme. For further information on the conditions governing compensation and details on how to apply please refer to the FSCS at [www.fscs.org.uk](http://www.fscs.org.uk)



## **Braille, large print or audio format?**

If you would like this information in another format, call us on 03457 888 444 (Minicom 0800 404 6161).

### **The Financial Services Compensation Scheme**

RBS Collective Investment Funds Limited is a member of the Financial Services Compensation Scheme (FSCS). The Scheme can pay compensation to customers if they are eligible and a regulated firm is unable to pay claims against it, usually if the firm stops trading or is insolvent. Compensation limits apply depending on the type of claim. For investments this is a maximum of £50,000, i.e. 100% of the first £50,000 (per person). Most retail consumers (this includes private individuals and some small businesses) are eligible under the Scheme. For further information on the conditions governing compensation and details on how to apply please refer to the FSCS at [www.fscs.org.uk](http://www.fscs.org.uk).

RBS Collective Investment Funds Limited. Registered in Scotland No. SC46694. Registered Office: 24-25 St Andrew Square, Edinburgh EH2 1AF. Authorised and regulated by the Financial Conduct Authority.