



Terms and Conditions

of the Healthy Investment
Ethical Unit-linked ISA

HealthyInvestment

ethical investments since 1835

Terms and Conditions of the Healthy Investment Ethical Unit-linked ISA

These are the full Terms and Conditions of the Healthy Investment Ethical Unit-linked ISA. It is an important document which you should keep. You will also receive a Key Information Document which gives you the key information required by law to help you understand the nature, risks, costs, and potential gains and losses of this stocks and shares ISA and to help you compare it with other products.

We have made every effort to write these Terms and Conditions in plain English however, if you have any questions please contact this office and we will be able to help you.

1. Healthy Investment

- 1.1 Healthy Investment is the trading name of The Rechabite Friendly Society Limited.
- 1.2 The organisation is an incorporated Friendly Society within the meaning of the Friendly Societies Act 1992 and is registered in the UK.
- 1.3 We are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Our Financial Services Register no. is 109994. You can confirm this by visiting the FSR website or by telephoning the FCA on 0800 111 6768.
- 1.4 Healthy Investment is a mutual organisation which means that all members have a say in the way that the organisation is run. Through having this investment you become a member of the Society. All adult members (aged 18 and over) receive an invitation to our Annual General Meeting and are entitled to vote on various issues, including the appointment of Directors. As a friendly society we have a rulebook which sets out the way we are governed. You can request a copy of the rulebook at any time or download one from our website www.healthyinvestment.co.uk
- 1.5 Every year the Society produces a Solvency and Financial Condition Report which includes important information on the financial performance, solvency and governance of the Society. You can download a copy from our website or request a copy from our office.

2. The contract with us

- 2.1 These Terms and Conditions come into force on your 18th birthday when your Healthy Investment Ethical Child Trust Fund (CTF), in accordance with HMRC rules, becomes a Healthy Investment Ethical Unit-linked ISA. By allowing your Healthy Investment Child Trust Fund (CTF) to continue to be invested

- 2.2 you enter into a formal legal contract with Healthy Investment.
- 2.3 The Healthy Investment Ethical Unit-linked ISA is an insurance based investment product which includes a small amount of life insurance which is why its sometimes referred to as a policy.
- 2.4 You must ensure that all the information we hold, including your full name, address and national insurance number is correct. If it is not we may not be able to accept your contract in the first place, it may delay any withdrawal you want to make or it may become void in the event of a claim.
- 2.5 In the case of legal disputes the law of England and Wales will apply.
- 2.6 Nothing in these Terms and Conditions will reduce your statutory rights. For further information about your statutory rights contact your local authority's trading standards department or a Citizens Advice Bureau.
- 2.7 We can only vary these Terms and Conditions if we have a valid reason to change them. Examples of a valid reason would be to respond proportionately to changes in taxation, insurance and other laws, decisions of the Financial Ombudsman Service, to meet regulatory requirements or to improve our service to you. We will write to you to give you advance notice of the proposed change and provide an explanation.
- 2.8 The ISA investments will be, and must remain in, the beneficial ownership of the investor and must not be used as security for a loan.
- 2.9 The policy, or the rights conferred by the policy and any share or interest in the policy or rights respectively, other than the cash proceeds from termination or part surrender of the rights conferred, cannot be transferred to the investor.
- 2.10 The policy, the rights conferred by the policy and any share or interest in the policy or rights respectively, are not capable of

assignment or assignation (other than that the policy may be transferred from one ISA manager to another in accordance with the normal rules on ISA transfers) and the rights may vest in the personal representatives of a deceased investor. They cannot be put into trust.

- 2.10 Healthy Investment, the ISA manager, will satisfy itself that any person to whom we delegate any of our functions or responsibilities under the terms agreed with you the investor is competent to carry out those functions and responsibilities.
- 2.11 Healthy Investment must notify you the investor if, by any reason of any failure by either party to satisfy the provisions of the ISA regulations, an ISA has, or will, become void.
- 2.12 We do not assess the suitability of the ISA for your needs. If you have any doubts whether this ISA is right for you or your needs you should seek financial advice.

3. Length of contract and age restrictions

- 3.1 In accordance with HMRC rules only UK residents or Crown employees serving overseas, aged 18 or over can invest in a stocks and shares ISA.
- 3.2 If after opening your ISA you move overseas, or you are not sure about your residency status contact us or HMRC for further information.
- 3.3 There is no maximum age for investing in the Healthy Investment Ethical Unit-linked ISA which means that you can keep it open for as long as want.
- 3.4 There is no minimum or maximum term. The ISA will continue from year to year unless you suspend it or cash it in. You should however consider this to be a medium to longer term investment.
- 3.5 Additional investments, referred to in the ISA rules as subscriptions, can be stopped and recommenced at any time.
- 3.6 If no subscriptions have been received for one full tax year then a new application form will need to be completed and a new policy started.

4. Making additional investments

- 4.1 If you or a family member want to make additional investments into your ISA after it has been transferred from your Child Trust Fund you will need to complete an Ethical Unit-linked ISA application form.
- 4.2 There is lots of flexibility in the way you can invest in your Healthy Investment ISA. You or a family member can make one off investments by cheque or bank transfer.

- 4.3 Regular subscriptions can be made by direct debit. We collect direct debits on the 1st or 15th of the month and will use the first available date, after giving you the required 10 working days notice, to collect your regular premium. If you prefer one of the dates simply write this on your application form or contact us. Direct Debits are governed by very strict rules and are subject to the Direct Debit Guarantee. This means that we will give you 10 working days written notice of any changes to your Direct Debit and in the event of any error you are entitled to a full refund.
- 4.4 If family members continue to make investments they are a gift to you the ISA holder who is the beneficial owner of the investments held in the ISA. The contributor has no right to their return or any benefit from the investment.
- 4.5 We also accept, in the event of the death of your spouse, additional permitted subscriptions.
- 4.6 All amounts received will be invested by us in the Healthy Investment Ethical Mixed Investment Unit-linked Life Fund at the latest valuation point (see section 11.1).
- 4.7 No interest is payable on your contribution prior to investment in the ISA.

5. Minimum and maximum investments

- 5.1 The minimum amount you can invest in your Ethical Unit-linked ISA is the same as to what you could invest when it was a Child Trust Fund. The minimum one-off investment is £10 and the minimum regular investment is also £10.
- 5.2 Due to the tax advantages of investing in an ISA the government limits the amount you can invest each tax year (6 April to 5 April the following year). For details of the current limit please refer to our website or contact this office or HMRC.
- 5.3 In each tax year you can only invest in a stocks and shares ISA with any one provider. Any part of this annual allowance that is not used is lost and cannot be carried forward to the next year. The value of your CTF which has been transferred to your new ISA does not count towards the annual ISA limit.
- 5.4 Whilst you can also have a Cash ISA, Lifetime ISA or an Innovative Finance ISA with other providers the total you can save in ISAs cannot exceed the annual limit.
- 5.5 If a subscription is received and part or all of that subscription will exceed the subscription limit, then the investment will be rejected. If possible, Healthy Investment will purchase units with part of the subscription, ensuring

that the overall subscription limit is not exceeded.

- 5.6 Once the ISA has been taken out you have the flexibility to change or suspend the amount of any regular investments. You are not committed to making regular contributions for a fixed period of time. Just let us know if you want to change any regular investment being made.
- 5.7 Transfers in from other ISA providers are accepted subject to it being eligible and a maximum transfer value of £500,000.

6. The investment

- 6.1 The Healthy Investment Ethical Unit-linked ISA invests, as did your Child Trust Fund, in the Healthy Investment Ethical Mixed Investment Unit-linked Life Fund, previously known as the Healthy Investment Ethical CTF Unit-linked Life Fund.
- 6.2 The Healthy Investment Ethical Mixed Investment Unit-linked Life Fund can invest in a range of assets including stocks and shares, fixed interest, bonds, commercial property and cash deposits. Details of the current mix of assets, which is likely to include a high percentage of stocks and shares, is published on the Society's website.
- 6.3 The Society can use external professional fund managers in order to maximise the opportunities for growth.

7. Statements

- 7.1 We will send you a statement every year showing the value of the ISA and details of all transactions that have taken place since the previous statement. The statements will not include a measure of performance.
- 7.2 We will send a closing statement if you transfer the ISA from Healthy Investment to another provider.
- 7.3 We publish the price of units on our website or you can request a statement showing the value of the investment at any time.

8. Withdrawing from your ISA

- 8.1 Whilst the ISA should be considered a medium to long term investment you can withdraw all or part of your investment at anytime.
- 8.2 We will only take instruction to withdraw from your ISA from the ISA holder and not from their parents or any other 3rd party. The monies invested in the ISA belong to the ISA holder only.
- 8.3 Prior to your first withdrawal we will, due to anti-money laundering regulations, need proof of identify and address.
- 8.4 The minimum withdrawal is £50 and

the balance remaining at the time of the withdrawal must be at least £50.

- 8.5 When you withdraw from your ISA we will sell either all or part of the units in your fund at their current value and remit the monies to you.
- 8.6 Inflation may reduce what the proceeds of the ISA will buy in the future.
- 8.7 You can transfer all or part of your ISA to another ISA provider without losing the tax advantages of investing in an ISA, depending of course on the new ISA manager and their terms and conditions.

9. Life assurance

- 9.1 Whilst primarily an investment this policy includes life assurance on the life of the ISA holder, which means that should the investor die, an amount will become payable to the estate of the deceased.
- 9.2 The amount payable will be 101% of the value of the ISA at the date of death.
- 9.3 On the death of an investor the policy remains as part of your ISA investments until a valid claim is made by the executors of the estate. Any interest paid by the insurer because of a delay in paying the claim is not exempt from tax and must be paid or credited under the deduction of tax at the basic rate where appropriate.

10. Fund management charges & expenses

- 10.1 Healthy Investment makes an annual charge of 1.5% of the balance of the ISA for managing the ISA.
- 10.2 We can only increase the charge if we have a valid reason and after we have given you 90 days notice in writing. We may reduce the annual charge and we will notify you of any reduction when we next issue a statement.
- 10.3 Other fees and charges are taken from the Fund and reflected in the unit price. These are any stamp duty, stamp duty reserve tax or other charges incurred directly or indirectly in the sale or purchase of investments held in the ISA.

11. Unit prices

- 11.1 The price of units held within the Healthy Investment Ethical Mixed Investment Unit-linked Life Fund is calculated at least weekly. This is called the Valuation Point. Unit prices are published weekly on our website www.healthyinvestment.co.uk.
- 11.2 Once the ISA is open, the price that will be used for any purchase or encashment of units is the price on the first Valuation Point after Healthy Investment receives the payment and all required paperwork.

- 11.3 Units are single priced. This means that the price at which units are bought and sold is the same.
- 11.4 The number of units allocated to your policy will be calculated by dividing the amount you are investing by the appropriate unit price.
- 11.5 The price of units at any time reflects all management charges.
- 11.6 Further information on unit pricing is available in our short booklet 'A Guide to How We Manage Our Unit-linked Funds'.
- 12. Tax**
- 12.1 If you cash in all or part of your ISA, you will not, under current tax legislation, have a tax liability on the proceeds. The value is paid out free of all UK Income and Capital Gains Tax and you do not need to declare income or gains from your ISA on your tax return.
- 12.2 Under current legislation the fund in which your premiums are invested is not taxed on any investment income or capital gains other than overseas with-holding tax.
- 12.3 There is a possibility that legislation may be changed in the future by HMRC or the government.
- 13. Data protection**
- 13.1 The information you provide us with will be held by Healthy Investment.
- 13.2 It will be used for setting up and administering your policy. Some information from credit reference agencies may be used to establish your identity in accordance with anti-money laundering rules.
- 13.3 We may be required by law to disclose information regarding you or your policy to the regulatory authorities.
- 13.4 We will not share your information with other third parties for marketing purposes.
- 13.5 The Society may contact you in the future by our own adviser, by post or telephone, regarding your investment, financial and insurance needs. If you do not wish to receive this information then please notify us.
- 13.6 The Society may also want to contact you by email. If you would like to receive information in this way please notify us.
- 13.7 We may record or monitor your telephone calls with us for training or compliance purposes.
- 14. Complaints**
- 14.1 Whilst we make every effort to provide quality products and service we recognise that on occasion things do go wrong.
- 14.2 If for any reason you are not satisfied you should contact us (see section 17) and we will try our best to sort out any problem.
- 14.3 We have a formal complaints procedure and you can have a copy of this whenever you want simply by contacting us.
- 14.4 If we do not deal with your complaint to your satisfaction you can then refer your complaint to the Financial Ombudsman Service. Their address and contact details are: Financial Ombudsman Service Exchange Tower London E14 9SR Telephone: 0800 023 4567 Web: financial-ombudsman.org.uk
- 14.5 Making a complaint will not prejudice your right to take legal proceedings.
- 15. Compensation**
- 15.1 The Society is covered by the Financial Services Compensation Scheme (FSCS).
- 15.2 The scheme guarantees 100% of all your benefits with the Society in the very unlikely event that the Society is unable to meet its commitments.
- 15.3 The rules of the FSCS and whether the FSCS exists at all may be changed in the future by the government.
- 15.4 Further information is available from us or the FSCS. Financial Services Compensation Scheme PO Box 300 Mitcheldean GL17 1DY Telephone: 0800 678 1100 Web: fscs.org.uk
- 16. Client categorisation**
- 16.1 As a member of the Society we must assign a client classification to you. The available classifications are retail client, professional client and eligible counterparty. We have classified you as a retail client which gives you the highest level of protection under current legislation.
- 17. Contact us**
- 17.1 There are a number of ways in which you can contact us:
- Healthy Investment
2 The Old Court House
Tenterden Street
Bury
BL9 0AL
- Telephone: 0161 762 5790
Fax: 0161 764 3557
Email: enquiries@healthyinvestment.co.uk
Web: healthyinvestment.co.uk
- 17.2 Our office and webchat are open Monday to Friday from 9am until 5pm. An answerphone is available outside of these hours.

2 The Old Court House,
Tenterden Street,
Bury, BL9 0AL
Tel: 0161 762 5790
Fax: 0161 764 3557
Email: enquiries@healthyinvestment.co.uk
www.healthyinvestment.co.uk

Healthy Investment is the trading name of The Rechabite Friendly Society Limited, an incorporated friendly society (register no. 218f) and is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.
Financial Services Register no. 109994.

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