



onefamily
modern family finance



Stocks & Shares Lifetime ISA

Key Features

Aims, commitments and risks

You should think carefully about the aims, commitments and risks of investing in the OneFamily Lifetime ISA.

Its aims

The OneFamily Lifetime ISA:

- Is specifically designed for you to invest, in a tax-efficient way, for either your first home or to help you in later life (that is, once you've reached the age of 60).
- Invests your money in stocks and shares with the aim of helping your money grow over the medium to long term by allowing you to invest in the investment fund of your choice from the available options.
- Enhances the value of your savings with a Government Bonus of 25% of the money you pay in. This is invested in your Lifetime ISA.

Your commitment

You need to make some very specific commitments to make sure you get the best out of our Lifetime ISA. You will need to

- Be prepared to leave your money invested in a Lifetime ISA until you either buy your first home (a minimum of 12 months from opening your Lifetime ISA) or until you reach the age of 60.
- Ensure you understand the penalties for withdrawing your money before the age of 60 for reasons other than buying your first home.
- Invest at least the minimum amount.
- Make sure that the total amount you invest in your Lifetime ISA isn't more than the government limit for Lifetime ISAs and your total payments into all ISAs don't exceed the ISA subscription limit.
- Make sure that you regularly review your investment choice, and the amount you pay in, to make sure these continue to be right for you, your investment goals and your circumstances.
- Ensure you keep us informed of any material change to your personal details or circumstances.

Risks

There are risks to investing in this Lifetime ISA that you will need to understand and accept.

- The value of your investment is not guaranteed; it could fall as well as rise. This could mean that you lose some or all of the money in your account.
- When you're close to taking the money out of your Lifetime ISA, you may wish to consider transferring to a Cash Lifetime ISA which is not subject to falls in the stock market.
- The investment fund you choose will have specific risks. Please see the Key Information Document for more details.
- If your investments grow less than inflation, the buying power of your money could reduce over time.
- If you need access to your money before you're 60 years old and it's not for use in buying your first home, then in most circumstances you'll have to pay a Government Withdrawal Charge which is 25% of the amount you withdraw in (temporarily reduced to 20% between 6/3/20 and 5/4/21). This could mean that you'll get back less than the amount paid in.
- If you plan to use a Lifetime ISA as an alternative to paying into a pension plan, you could miss out on valuable contributions from your employer. This could significantly reduce your retirement income.
- The rules around tax on Lifetime ISAs and ISAs in general may change which could affect the amount you can invest or the tax you will pay on any investment growth. Tax advantages are also dependent upon individual circumstances.
- Your entitlement to means tested benefits may also be affected.

Questions and answers

Is this product right for me?

As this product invests in an element of stocks and shares, you will need to be comfortable taking a degree of risk with your money in return for higher growth potential.

You will also need to be either saving for a deposit for your first home, or for later life, and be confident that you will not need to take the money for any other purpose.

If you need to take the money for any other purpose before the age of 60 (unless in the case of terminal illness or death), there will be a Government charge of 25% of the value of your fund upon withdrawal in (temporarily reduced to 20% between 6/3/20 and 5/4/21).

If you have any doubts about whether this product is right for you, then you should contact a qualified financial adviser.

Who can take one?

You can open a OneFamily Stocks & Shares ISA on our website if you:

- are at least 18 years old.
- are under 40 years old (if you already have a Lifetime ISA, you can transfer this to a new Lifetime ISA beyond the age of 40).
- resident (and ordinarily resident) in the UK for tax purposes. If you're not sure, please visit the HMRC website at www.hmrc.gov.uk/isa/faqs.htm
- are not paying into another Lifetime ISA with us or any other provider in the current tax year.
- are not a US citizen (including dual nationals).

How can I keep up to date with my account?

Our ISA account is managed via our online service. You will be required to sign up for this service as part of the application process.

Using this service, you can access your account information and up to date valuation at any time 24/7, we will also upload quarterly statements. We will email you when statements are available.

It is important that you ensure your details (in particular your email address) are kept up to date so we can continue to provide you with this service.

Can I change my mind?

Yes. Once we have accepted your application and your first contribution, you will have 30 days to cancel your account.

When you cancel and your money has already been invested in a fund, the money refunded to you could be less than you paid in if there's been an investment loss.

If we don't have a nominated bank account set up for you this may delay the return of your investment.

How can I pay into my Lifetime ISA?

You can only pay into one Lifetime ISA during each Tax Year. You can continue to make payments to a Lifetime ISA until the age of 50 so long as you remain a UK resident.

You can make payments by monthly direct debit, or lump sum payments by debit card.

You may also be able to transfer money into your Lifetime ISA from an ISA or Matured Child Trust Fund held with us or another provider (please check our website for transfer options available).

Payments will take time to clear and invest in your fund, for details of these timescales see the Terms and Conditions.

How much can I pay in?

You can start your Lifetime ISA with a £25 per month direct debit, or a lump sum of £250. Once your account is open, you can add to it from as little as £25.

In the current tax year you can pay up to the annual allowance set by the Government for Lifetime ISAs (Lifetime ISA payment limits are also subject to the overarching ISA subscription limit). You can view allowances for the current tax year on the HMRC website.

We also need you to retain a minimum balance of £250 in your Lifetime ISA account.

Questions and answers

What is the Government Bonus?

The money you pay into your Lifetime ISA is eligible for a Government Bonus. This is currently 25% of the amount you invest in your account.

For example, if you paid in the maximum allowed in the current tax year of £4,000, you would receive a Government Bonus of £1,000.

We will claim the Government Bonus from HMRC on your behalf and pay this money into your account.

Will I pay tax on growth?

No. As this account is an ISA growth is free from Income and Capital Gains Tax.

Will you charge me for looking after my Lifetime ISA?

Yes. We have tried to keep this simple and transparent with a single charge that reflects the cost of managing your account and funds.

This will take the form of an Annual Management Charge which will be a percentage of your investment value. This charge may vary by fund. You can find details of these charges in the Key Information Document for the fund you are invested in.

We may also charge a small administration fee for cancelling and reissuing cheques or issuing duplicate or additional statements. You will be told whether we will make a charge and how much it will be when you make a request.

How will my Lifetime ISA be invested?

We will provide a simple choice of funds when you set up your Lifetime ISA. The choice you make will be based on your attitude towards risk – lower risk funds will have a lower stocks and shares content, whilst higher risk funds will be invested up to 100% in stocks and shares.

All our ISA funds will be invested responsibly aiming to minimise the impact on the environment whilst still focussing on optimising growth for our customers.

For more information on the fund options see our website and the Key Information Documents for each fund available.

Can I switch funds if I am not happy with the fund I have chosen?

Yes, you can switch your money between funds, subject to other fund options being available in our Lifetime ISA at the time of the switch.

We will not charge you for this.

Can I transfer products held with another provider to the OneFamily Lifetime ISA?

You may be able to transfer another provider's ISA or Matured Child Trust Fund to us, please see our website, or contact us, for available transfer options.

Can I transfer my OneFamily Lifetime ISA to another provider's Lifetime ISA or ISA?

Yes, you can transfer your Lifetime ISA to another provider at any time free of charge.

Note that if you transfer your Lifetime ISA to another (non-Lifetime) ISA you will incur the Government Withdrawal Charge.

Can I withdraw my money?

Unless you are 60 years old or older, are terminally ill or the withdrawal is for a first-time house purchase, withdrawals will be subject to a 25% withdrawal charge in (temporarily reduced to 20% between 6/3/20 and 5/4/21).

In this situation you can take money out of your account at any time by telling us how much you wish to withdraw. This will be paid (less any Government Withdrawal Charge) into your nominated bank account.

For details of timescales see the Terms and Conditions.

Withdrawals could be delayed if we need to verify your identity or your bank account details or if there are un-cleared funds on your account.

Should you choose to close your Lifetime ISA, you will be unable to open or pay into another Lifetime ISA for the remainder of the current tax year.

If you would like to move your Lifetime ISA to a Lifetime ISA with another provider, we recommend you use the transfer process by contacting the new provider.

Questions and answers

What is the Government Withdrawal Charge?

If you take your money out and it's not used to buy your first home or you're under 60, you will usually have to pay a Government Withdrawal Charge.

The Lifetime ISA Government Withdrawal Charge seeks to recover any Government Bonus and any investment growth on that bonus plus an additional amount.

The Government Withdrawal Charge is 25% of the amount you withdraw (temporarily reduced to 20% between 6/3/20 and 5/4/21), and it could mean that you get back less than has been paid in.

How do I qualify to use my Lifetime ISA when I buy my first home?

Please remember that you cannot use both a Help to Buy ISA and a Lifetime ISA to help you buy your first home.

You can use all or part of your Lifetime ISA to help you buy your first home.

The money you take out of your account to do this won't be subject to a Government Withdrawal Charge, provided you meet the following conditions:

- You must be a first-time buyer of a residential property.
- You must have held funds in a Lifetime ISA for a minimum of 12 months before the money is paid to your conveyancer.
- The purchase must be of a legal interest in land. Therefore, purchases of property such as houseboats do not qualify.
- The purchase price of the property cannot be more than the limit set by the government. This is currently £450,000.
- You must occupy the property as your only or main residence (unless you're unable to do so because you're an overseas crown servant, the spouse of an overseas crown servant, or you're buying a property which is not yet built).
- You will need to be funding the purchase of your home with a mortgage, a Regulated Home Purchase Plan or a Shared Ownership arrangement (in other words, an outright cash purchase is not permitted).

What do I need to do when I am ready to use my Lifetime ISA for a house purchase?

To use your Lifetime ISA for a house purchase:

- You will have had an offer accepted on a property
- You will have appointed a registered conveyancer

You will need to complete some forms which you can find on our website or within your online account along with full instructions.

These forms should be completed and provided to your conveyancer. Your conveyancer will then send the forms to OneFamily.

If for any reason, the purchase of your home doesn't complete within 90 days of the withdrawal, your conveyancer must notify us and return the money to your Lifetime ISA.

Your conveyancer may be able to request an extension to the 90 days with HMRC.

If I buy a home with my partner, can we both use a Lifetime ISA?

If you are both first-time buyers then you can each take out a Lifetime ISA and use the money you've saved towards the purchase of your first home.

However, if one of you has previously owned a home, then only the first-time buyer may use their Lifetime ISA towards the purchase.

Questions and answers

NB. This section may not be relevant if you are using the Lifetime ISA for a house purchase.

What a Lifetime ISA might be worth at age 60

1	2	3	4	5	6
Age investing into a Lifetime ISA started	Total amount paid in by Lifetime ISA Investor	Total amount paid in plus Lifetime ISA Government Bonus	Estimated outcome at age 60 from 0% return	Estimated outcome at age 60 from 5% return	Charges and estimated inflation would reduce a 5% return to
18	£132,000	£165,000	£58,670	£207,855	1.8%
25	£104,000	£130,000	£55,078	£160,934	1.8%
30	£84,000	£105,000	£50,433	£128,812	1.8%
35	£64,000	£80,000	£43,573	£97,537	1.8%
40	£44,000	£55,000	£33,978	£66,837	1.8%

What might my Lifetime ISA be worth when I'm 60?

Once you reach the age of 60, you can make any withdrawals without attracting a Government Withdrawal Charge.

The table above shows what your Lifetime ISA might be worth when you reach the age of 60, depending on the age you start saving. The calculations we've made are based on you:

- Paying in the maximum annual subscription at the beginning of each tax year for every year until you are 50 years old
- Receiving the maximum Government Bonus each tax year until you are 50 years old

Please note that the payment limits and the level of Government Bonus may change in the future.

A guide to the table and what it means:

- **Column 1:** The age you start investing
- **Column 2:** Total you will pay into the Lifetime ISA between the start point and age 60
- **Column 3:** The sum of the Government Bonus you will receive and your total payments in column 2
- **Column 4 and 5:** Estimated outcome at 60 if you receive 0% and 5% growth on your money each year after the effect of charges and inflation assumed to be 2% per year. Please note:
 1. The rates of return may not reflect the actual or expected returns for whichever of our investment funds you choose
 2. Inflation is the rate at which the prices of goods and services rise each year. The effect of inflation will mean that your money will buy less in the future than it will today.
 3. The charges shown in the table reflect our fund option with the highest charges. For more information on charges, please refer to the Key Information Document for each fund.
- **Column 6:** The impact of charges and inflation on the overall growth rate of 5% (you can use the figures in this column to compare our charges with those applicable to other Lifetime ISAs)

The costs in this table do not take into account the cost of any advice you may seek

Questions and answers

Who provides this Lifetime ISA?

OneFamily is a trading name used by all companies within the Family Assurance Friendly Society group. These companies include:

Family Equity Plan Limited (which provides and manages the ISA); and,

Family Investment Management Limited (which is the Fund Manager).

The registered address for both companies is:

16-17 West Street, Brighton BN1 2RL.

Who regulates OneFamily?

Family Equity Plan Limited and Family Investment Management Limited are authorised and regulated by the Financial Conduct Authority.

We are registered by the FCA under the following numbers:

Family Equity Plan Limited – 122351

Family Investment Management Limited - 122394

You can check details on the Financial Services Register by visiting the Financial Conduct Authority's website, or by contacting the Financial Conduct Authority on 0800 111 6768.

What can I do if I'm not happy with the service I've received?

If you have a complaint about any part of our service or would like us to send you a copy of our internal complaint handling procedure, please contact us by telephone, in writing or online.

If you are not satisfied with our response to your complaint, you may be able to refer it to the Financial Ombudsman Service:

The Financial Ombudsman Service
Exchange Tower
London E14 9SR

Telephone: 0300 123 9123
Email: complaint.info@financial-ombudsman.org.uk
Website: www.financial-ombudsman.org.uk

Making a complaint will not affect your right to take legal proceedings.

What if OneFamily goes out of business?

The Financial Services Compensation Scheme (FSCS) is designed to pay customers compensation if they lose money because a regulated firm is unable to pay them what they owe for any reason.

Your ability to claim from the scheme and the amount you may be entitled to will depend on the specific circumstances of your claim.

You can find out more about the FSCS (including amounts and eligibility to claim) by visiting its website www.FSCS.org.uk or calling 0800 678 1100.



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OneFamily does not provide advice for this product. If you have any doubts about the suitability of this product you should seek independent financial advice.

OneFamily is a trading name of Family Assurance Friendly Society Limited (incorporated under the Friendly Societies Act 1992, Reg. No. 939F), Family PEP Managers Limited (Co. No. 2934967), Family Investment Management Limited (Co. No. 1915516) and Family Equity Plan Limited (Co. No. 2208249). Registered in England & Wales at 16-17 West Street, Brighton, BN1 2RL, United Kingdom. Family Assurance Friendly Society Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Family PEP Managers Limited, Family Investment Management Limited and Family Equity Plan Limited are authorised and regulated by the Financial Conduct Authority.

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