

# Key Features of the Modular GIA

## **Important information you need to read and understand before you invest**

The Financial Conduct Authority (FCA) is a financial services regulator. It requires us, James Hay Partnership, to give you this important information to help you to decide whether our Modular GIA is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.

# What you should know before you invest

## What is the purpose of this Key Features Document?

This Key Features Document, along with your Key Features Illustration, gives you a summary of information to help you decide:

- if you want to invest in the Modular GIA
- whether the Modular GIA is right for you.

## What is the Modular GIA?

The Modular GIA is an investment account which allows you to invest in a wide choice of investments and if you choose to, take regular withdrawals.

The Core GIA gives you access to our panels of fixed term deposit providers and stockbrokers, and a range of investments via the James Hay Investment Centre. The Investment Centre is our in-house fund platform that allows you to invest in a variety of collective investment schemes.

However, if your investment needs are more sophisticated and you wish to have a wider choice of investments to select from, for example funds not available via the Investment Centre or investment managers and stockbrokers not on our panel, these options can be added to your Modular GIA at an extra cost. This means that you only pay for the investment options that you intend to use.

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## Key Features of the Modular GIA

### Its aims

The aim of your Modular GIA is to allow you to manage your investments according to your own investment objectives, whether they are for capital growth or income, or a combination of both.

The Modular GIA offers you complete control over where and when you invest.

It provides you with the facility to make regular withdrawals, if required, as you continue to invest.

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### Your commitment

Before buying the Modular GIA, you should consider whether you have sufficient investment experience and are prepared to be responsible for making decisions about how your money is invested during the time that your Modular GIA is open.

To open a Modular GIA you must already hold a Modular iSIPP. If you later close your Modular iSIPP, the Modular GIA will also have to be closed. For further information, please refer to the Modular GIA Terms and Conditions a copy of which is available on our website at [www.jameshay.co.uk](http://www.jameshay.co.uk).

You will need to:

- make at least one payment into your Modular GIA
- pay the charges set out in the Modular GIA Charges Schedule.

## Understanding the risks

There are risks associated with investing your money via a Modular GIA which, depending on how they are managed, could affect the value of your Modular GIA in the future. These are detailed below. You may be able to reduce the impact of some of the risks, as you are able to control:

- the amount you put in
- the investments you select
- when you take money out.

However, other factors that contribute to the different risks involved in having a Modular GIA may be outside of your control. For example, the Government may change the tax rules applicable to GIAs and this could affect:

- the amount of tax you pay on your fund growth
- the taxation on your income.

**To understand the risks associated with investing via a Modular GIA and how the amount of money you get back out may be affected, we strongly suggest you read on.**

### Applying for the Modular GIA

If you open a Modular GIA and later change your mind and choose to cancel it, you may get back less than you paid in. Please refer to the Modular GIA Terms and Conditions for further information.

### Transferring investments in

If you transfer existing investments into your Modular GIA, they may need to be transferred as cash and you may not get the benefit of any investment increases whilst the transfer is being processed.

### Investing your money in your Modular GIA

The value of your investment can fluctuate up and down and it's possible that you may get back less than the amount you originally invested.

Depending on the type of investments you choose to invest in, there will be different risks that will affect the value of your investment. For example:

- foreign investments will be affected by changes in the rate of currency exchange
- investments in stocks and shares will be affected by fluctuations in the stock market
- cash deposits will be affected by changes in interest rates.

**For further information on the risks that are specific to a particular investment, please read the Guide to Investment Risk available on our website at [www.jameshay.co.uk](http://www.jameshay.co.uk) or speak to your financial adviser.**

If the returns on your Modular GIA investments are poor, they may not cover the level of charges applied and the value of your Modular GIA could significantly reduce in value over time. You should regularly review the performance of your chosen investments to check that they remain suitable for providing you with the benefits you require in the future.

Not all your investments may be protected by the Financial Services Compensation Scheme (FSCS). The FSCS provides financial compensation to investors in the event of the failure of a financial institution. To understand how this may affect your Modular GIA, please see the 'Other Information' section on page 7 of this Key Features Document.

### Withdrawals from your Modular GIA

The value of your Modular GIA is not guaranteed. Its value will depend on a number of factors including:

- what you have paid in
- how your investments have performed
- the charges that have been deducted.

The level of the withdrawals you can make will depend on:

- the value of your Modular GIA
- whether you are able to sell your investments.

High levels of inflation could reduce the value of your GIA in real terms.

## Your Modular GIA on death

In the event of your death, your Modular GIA will form part of your estate and may be subject to inheritance tax.

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## Questions and answers

### Is the Modular GIA the correct product for me?

The Modular GIA may be right for you if you are looking to:

- build capital growth
  - take income from your existing investments
  - access a wide variety of investment options that can be varied to suit your changing needs.
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### Who can take out the Modular GIA?

You can take out a Modular GIA if you are:

- over 18
  - not a US citizen or other US Person or resident in the US for tax purposes
  - not an undischarged bankrupt.
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### Who can make payments into the Modular GIA?

We will normally only accept payments into your Modular GIA from you.

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### How much can I pay in?

There is no minimum or maximum amount you must pay into your Modular GIA.

You can make regular or occasional payments at any time and you can vary the amount and frequency of your payments in.

If you do not have an FCA authorised financial adviser who is advising you on your Modular iPlan products, you must have a minimum of £100,000 already invested in the Core Modular iPlan investments (Investment Centre, Managed Portfolio Panel, Cash Panel and Stockbroker Panel) before we will consider allowing you to invest outside of the Core Modular investment options.

## What tax will I pay?

The Modular GIA is not a tax exempt product. The tax you pay will depend on the type of investments that you hold and your personal circumstances.

At the end of each tax year, we will provide you with a consolidated tax certificate that you will need to refer to when doing your self-assessment tax return.

For further information, please speak to your financial adviser or tax adviser.

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## Can I transfer existing investments into the Modular GIA?

You can transfer existing investments that you own into your Modular GIA.

Transfer payments in the form of cash or assets other than cash (known as in-specie transfers) can be accepted.

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## What is the GIA Bank Account?

Any money you pay into your Modular GIA is held in a GIA Bank Account opened in your name until we receive instructions to invest. Interest is paid after the deduction of basic rate tax on this account, which is operated by us under a Power of Attorney you grant us when opening your Modular GIA.

**Please note: If you have already opened a Modular ISA and signed a Power of Attorney, you do not need to complete another one.**

For further details of the current interest rate on your GIA Bank Account, please visit our website at [www.jameshay.co.uk](http://www.jameshay.co.uk).

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## What can I invest in?

Through the Modular GIA you can invest in a wide range of investments, including collective investment funds (such as unit trusts and OEICs), investment trusts and fixed term deposits.

You can appoint third party investment managers to make investment decisions on your behalf and you can open an account with a stockbroker to buy and sell stocks and shares.

You can change investments at any time, unless an investment has restrictions. These will be covered in the literature or terms and conditions for the relevant investment you or your financial adviser has chosen.

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## What are the modules within the Modular GIA?

### Core GIA

The Core GIA gives you access to:

- the James Hay Investment Centre which provides the facility for you to pick and mix individual collective investment funds from a wide range of leading fund managers at discounted charges
- a range of model portfolios via the Managed Portfolio Panel.

**Please note: If you invest in a model portfolio on the Managed Portfolio Panel, you will be unable to hold Investment Centre funds outside of the portfolio in the Modular GIA.**

- fixed term deposits with providers from our Cash Panel
- the services of our panel of stockbrokers.

Full details of our Cash Panel, Stockbroker Panel and Managed Portfolio Panel are available on our website at [www.jameshay.co.uk](http://www.jameshay.co.uk).

### Whole of Market Module

You can invest in most other types of investments which do not fit within the Core GIA, including the appointment of investment managers and stockbrokers not on our panel and investment grade gold bullion.

**Please note: If an investment fund is available under our Investment Centre, you must buy it through our Investment Centre and you will not be permitted to purchase it via the Whole of Market Module.**

For further information on the investments available to you under the Modular GIA, please see the Modular GIA Permitted Investments List which is available on our website at [www.jameshay.co.uk](http://www.jameshay.co.uk).

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### What are the charges?

Full details of our charges are given in the Modular GIA Charges Schedule which is available on our website at [www.jameshay.co.uk](http://www.jameshay.co.uk). You may pay charges to other parties depending on the investments you select. You may also pay charges to your financial adviser. These charges can be paid out of your Modular GIA.

Our charges are normally deducted from your GIA Bank Account. If there is insufficient money available in your GIA Bank Account we will ask you to either sell some investments within your Modular GIA or you can pay us directly.

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### Can I have an illustration?

If you have a financial adviser they will provide you with an illustration. If you do not have a financial adviser, we will send you an illustration when we receive your application form.

Alternatively, you can request an illustration before you make an application by contacting us. Our contact details are in the 'How to contact us' section on page 7 of this Key Features Document.

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### When can I make withdrawals?

You can make withdrawals from your Modular GIA at any time. These can be ad-hoc or on a regular basis.

Withdrawals generally takes 14 to 30 days to complete and are made by CHAPS or Faster Payments to an account in your name that you nominate. Ad-hoc withdrawals may alternatively be paid by cheque payable to you.

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### What happens when I die?

We will act on the instructions of your personal representatives once they have provided us with proof of title, such as a grant of probate or letters of administration.

Your Modular GIA forms part of your estate for inheritance tax purposes.

They may instruct us to either sell any remaining investments and pay the cash balance on their instructions, or transfer any investments held in your Modular GIA on their instructions. Your Modular GIA will then be closed.

## Can I change my mind?

You have the right to change your mind and cancel your Modular GIA. On receipt of your Modular GIA application form, we will send you a cancellation notice. You will have 30 days from receipt of this notice to tell us that you have changed your mind and wish to cancel your application.

For further details, please see the Modular GIA Terms and Conditions.

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## What other documents should I read?

We ask that you also read the Modular GIA Key Features Illustration provided by your financial adviser, or by us if you do not have a financial adviser. In addition, you should read the:

- Modular GIA Charges Schedule
- Modular GIA Permitted Investments List
- Modular GIA Terms and Conditions
- Modular iPlan Technical Guide.

These documents provide you with more detailed information on the Modular GIA.

If after reading the documentation you are unclear about any aspect of the Modular GIA, or you are unsure whether the Modular GIA is right for you, we strongly suggest you take advice from a financial adviser.

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## What correspondence and communications will I receive?

We will issue:

- a cancellation notice that gives you the right to change your mind and cancel your Modular GIA (unless you have waived these rights in your application form)
- information to allow you to access the secure area of our website for you to view details of your Modular GIA
- a quarterly valuation statement for your Modular GIA
- other necessary correspondence depending on the day-to-day operation of your Modular GIA.

Where you have a financial adviser we will send correspondence to them, apart from cancellation notices which we will send to you. The only correspondence we will send to both you and your financial adviser is your quarterly valuation statement.

Our standard methods of communication are letter, secure electronic messaging (through our secure website James Hay Online) and by telephone. We do not consider standard email to be secure and so we will not normally communicate in this way if the communication includes personal information or instructions relating to your Modular GIA or investments.

## Other information

### How to complain

If you wish to complain about any aspect of the service you have received, please contact the Complaints Manager using any of the methods detailed in the 'How to contact us' section below.

Complaints about this product that we cannot address, may be referred to the Financial Ombudsman Service.

For details of our formal complaints procedure or contact information for the Financial Ombudsman Service, please see the Guide to our Complaint Procedure leaflet, a copy of which can be obtained from our website at [www.jameshay.co.uk](http://www.jameshay.co.uk).

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

### Law

The information given in this document is based on our current understanding of financial services regulations and can be subject to change as tax laws and legislation may change over time.

In the event of a dispute, the law of England and Wales will apply, and by completing a Modular GIA application you will be agreeing to this.

### Financial Services Compensation Scheme (FSCS)

The FSCS provides protection for consumers when financial services firms fail (or go bust).

It is the compensation scheme for customers of UK authorised financial services firms. FSCS can compensate customers if a firm has stopped trading or does not have enough assets to pay claims made against it.

The Modular GIA is covered by the FSCS in the event that we are unable to meet our obligations to you regarding administration of the Modular GIA.

The GIA Bank Account we open in connection with your Modular GIA is also separately covered by the FSCS in the event of the failure of the relevant bank itself.

Similarly, the underlying investments within your Modular GIA may be subject to their own protection from the FSCS in the event of the failure of the relevant investment provider. However, this will depend on the investments you select and you should seek further clarification from the investment provider or your financial adviser of the cover applicable to your chosen investments before investing.

For details on how we will hold any money and/or investments, and the level of protection available, please read the document available on our website at [www.jameshay.co.uk](http://www.jameshay.co.uk) called How your Money and Investments are held within James Hay Partnership Products.

For further information, please visit the FSCS website at [www.fscs.org.uk](http://www.fscs.org.uk).

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## How to contact us

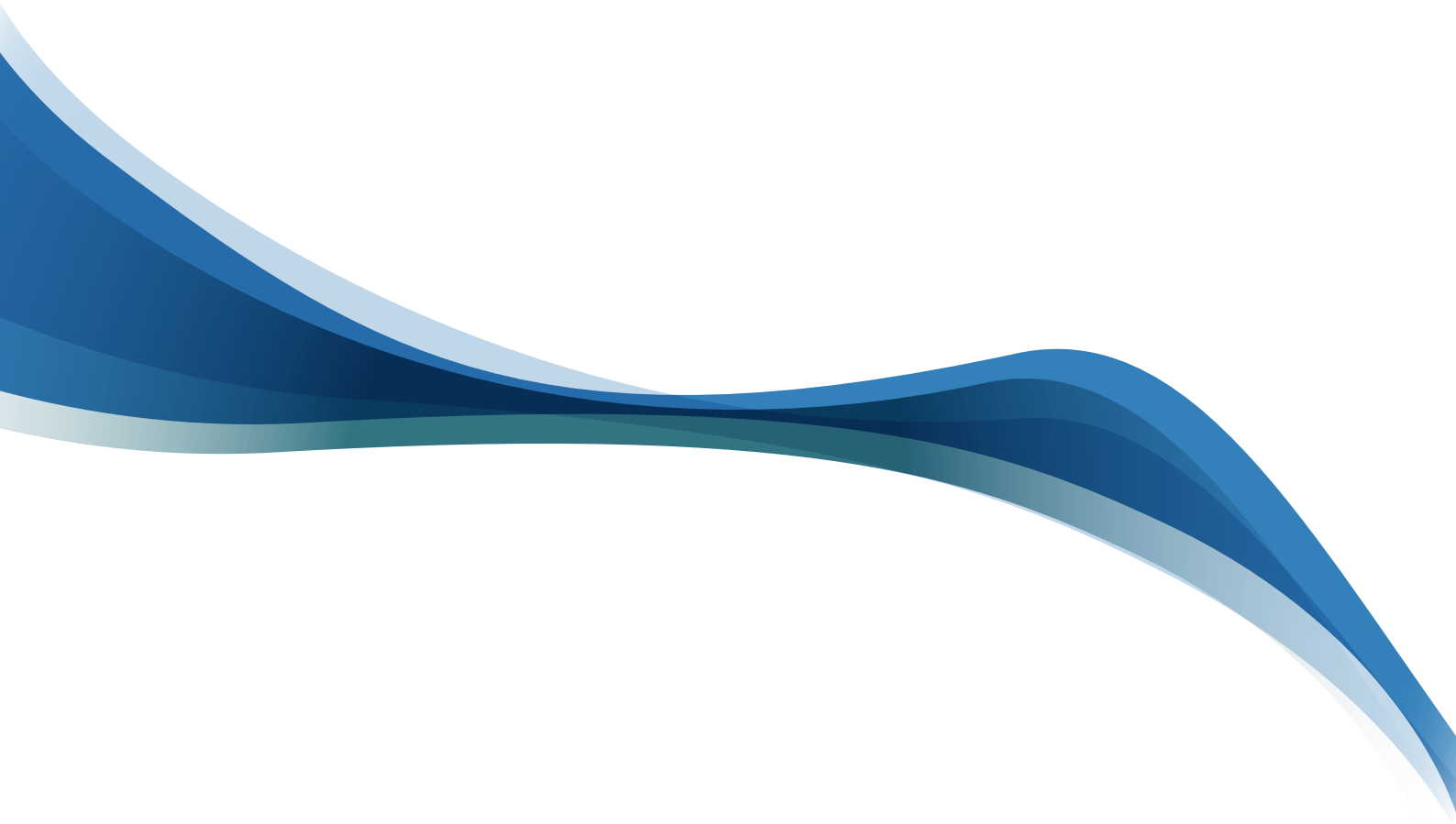
We do not provide financial advice. Your financial adviser (if you have appointed one) will normally be your first point of contact. However, if you need more help or information regarding the administration or features of your Modular GIA or if you wish to exercise your right to cancel your Modular GIA, you can write to us at the following address:

**James Hay Partnership**  
**Dunn's House**  
**St Paul's Road**  
**Salisbury**  
**SP2 7BF**

**Website: [www.jameshay.co.uk](http://www.jameshay.co.uk)**  
**Telephone: 03455 212 414**

Lines are open from 9am to 5pm Monday to Friday. To help us improve our service we may record or monitor calls.





We are able to provide literature in alternative formats. For a Braille, large print or audio version of this document call us on 03455 212 414 (or via the Tynetalk service on 18001 03455 212 414).

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