

Supplementary Information Document for the LV= Smoothed Managed Funds ISA Series 1 for the ISA or JISA Portfolio investment

This document provides you with additional **important information** to help you to decide whether our Smoothed Managed Funds ISA Series 1 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.

Important

You should read this document, the Smoothed Managed Funds ISA Series 1 for the ISA or JISA Portfolio investment Plan Conditions, and 'Your guide to how we manage our unitlinked Smoothed Managed Funds business' if you're thinking of investing in a Plan via your LV= Platform Services ISA or JISA Portfolio.

With this Supplementary Information Document you should have also been provided with the Key Information Document (KID).

Once you've read this Supplementary Information Document, the Key Information Document (KID), the Plan Conditions and fund guide, and you're happy and ready to apply, please arrange for the application form to be completed and returned via your financial adviser.

Its Aims

- To enable you to invest funds held in your **LV= Platform Services ISA** or **JISA Portfolio** in one of the unit linked Smoothed Managed ISA funds available from LV=.
- To offer a way to invest a lump sum for potential long term growth.
- To give you a better return than cash over the longer term (at least 5 years and ideally 10 years or more) by investing in a tax efficient way which helps you match your investment to the amount of risk you want to take.

Your Commitment

- To invest at least £5,000 (net of any Adviser Charges) of your ISA or JISA scheme fund in one of the unit linked Smoothed Managed ISA funds available from LV=.
- To view the investment as a medium to long term one, of at least five years.
- To tell LV= about any changes that may affect this Plan.

Risks

- As the Plan is invested in stock market related investments, the value of the Plan may go down as well as up and you may get back less than the amount invested. Please refer to your Key Information Document (KID) for an indication of what you might get back.
- If you exercise your cancellation rights (detailed further in this document) you may not get back the full amount paid in.
- If the Government changes the tax treatment of ISA funds this may reduce the potential growth from your investment.
- Inflation, and any money you withdraw from the Plan, will erode the buying power of your investments in the future.
- Levels of risk and potential investment performance differ depending on the fund you choose. Please read the 'Your guide to how we manage our unit-linked Smoothed Managed Funds business' for more information.
- There may be a delay in the buying, or selling of any investment. We explain this in Condition D1 of the Plan Conditions.

Questions & Answers

We've given you answers to some very important questions about our Smoothed Managed Funds ISA Series 1 Plan. These are set out in the following sections and will help you decide if you want to invest part of your ISA or JISA fund in the Plan. **Before you decide to invest in a Plan we recommend that you speak to your financial adviser. They can help you with anything you're unsure about.**

What is an ISA Series 1 Plan?

The Smoothed Managed Funds ISA Series 1 Plan is a single contribution investment policy set up on your behalf by the ISA Manager. It offers you access to LV's unique Smoothed Managed Funds. Withdrawals can be made from the Plan to your LV= Platform Services ISA or JISA Portfolio bank account, for example to fund payments to you, or to invest in other assets under the scheme.

How does the Smoothed Managed Funds ISA Series 1 Plan work?

LV= Smoothed Managed Funds are accessed when you choose to invest in the LV= Platform Services ISA or JISA Portfolio. You can choose one of the fund options for any investment you make. The maximum investment across all Smoothed Managed Funds ISA Series 1 Plans is £1,000,000, (less the total of any current investments across the Smoothed Managed Funds Product range).

The Plan offers a unique averaging mechanism which aims to reduce the impact of shorter term market volatility.

The Plan provides access to a range of risk-rated funds that invest in a mixture of different assets and offer the potential for smoothed investment growth. You can only invest in one fund option at a time per LV= Smoothed Managed Funds ISA Series 1 Plan. Multiple LV= Smoothed Managed Funds ISA Series 1 Plans are allowed, subject to a maximum investment amount across all Smoothed Managed Funds held by you.

The Plan also provides the flexibility to allow withdrawals, into your LV= Platform Services ISA or JISA Portfolio bank account. The Plan has no fixed term but the product has been designed based on an investment term of at least five years and ideally 10 years or more.



Is the Smoothed Managed Funds ISA Series 1 Plan right for me?

Our Smoothed Managed Funds ISA Series 1 Plan is designed for customers who have an LV= Platform Services ISA or JISA Portfolio and who wish to invest in LV= Smoothed Managed Funds for at least five years, and ideally 10 years or more.

It's important that you understand and accept the risks associated with stock market investments, as these risks come hand in hand with the potential reward of your investment doing better than cash would over the longer term.

Our Smoothed Managed Funds ISA Series 1 Plan offers a range of fund options, with different levels of investment risk. So whether you're investing in stocks and shares for the first time and want to take a cautious approach, or you're an experienced investor looking for higher risks and potential rewards, one of our fund options could be right for you. We've explained each of our fund options in the 'Your Guide to how we manage our unit-linked Smoothed Managed Funds business'.

You shouldn't invest in our Smoothed Managed Funds ISA Series 1 Plan if you can't invest for at least five years and preferably 10 or more years or you aren't comfortable to accept the risks associated with stocks and shares. Remember that the level of risk you take depends on the fund option you choose.

How much can I invest?

The standard investment limits for the Plan are:

- New Plan: Minimum initial investment (net of any initial adviser charge) is £5,000 per plan.
- Additional Investments: Minimum investment (net of any initial adviser charge) is £5,000 per plan.
- The maximum investment (net of any initial adviser charge) is normally £1,000,000, less the total of any current investments in LV= Smoothed Managed Funds ISA Series 1 Plans, plus any investments across the Smoothed Managed Funds Product range.

In order to take out a new Plan or an additional investment there is no minimum age limit but you must be no older than age 89 attained.

Can I add additional money to a Smoothed Managed Funds ISA Series 1 Plan?

Yes, but only by taking out an additional Plan (subject to the minimum above). It's not possible to add additional money to an existing plan.

Where is the money invested?

The money from your LV Platform Services ISA or JISA Portfolio is invested in one of our fund options. Each fund invests in a mix of assets including stocks and shares, fixed interest investments (both government and corporate bonds), commercial property, and some cash.

It's then the job of our asset management team to achieve the best possible returns for you.

To help you understand the difference between each fund option and to decide which is right for you, we've explained them in more detail in the 'Your guide to how we manage our unit-linked Smoothed Managed Funds business'. Please remember that, no matter which fund option you choose, your investment can go down as well as up. The higher the amount invested in stocks and shares, the more frequently this will happen and the more significant the changes in the underlying value will be. As explained below the impact will be smoothed by our use of averaged pricing – see "What is averaged pricing?" These are stock market investments, which mean that you aren't certain to make a profit.

Your financial adviser will help you to choose the most suitable fund option for your circumstances and needs.

How much money will be invested?

100% of the money paid from your LV= Platform Services ISA or JISA Portfolio bank account will be invested into your Plan, after any initial adviser charge that is deducted from your LV= Platform Services ISA or JISA Portfolio bank account on your behalf.

What is averaged pricing?

From day 2, your investment is smoothed by gradually averaging the daily underlying price over the number of days it's been invested. After 26 weeks, your investment is then valued by averaging the value of the assets over the previous 26 weeks. Sometimes we won't use this averaging, which can lead to a change to the value of your investment (this is explained in Condition A4 of the Plan Conditions).

One effect of averaging means that if the markets are rising when you cash in all or part of your Plan, you may get back less than if you were invested directly in the assets. But if markets are falling, you may get back more.

Can money be withdrawn from the Plan?

Our LV= Smoothed Managed Funds ISA Series 1 Plan is designed for investments of at least five years and ideally 10 years or more. Withdrawals will reduce the value of your Plan. Our LV= Smoothed Managed Funds ISA Series 1 for the ISA or JISA Portfolio investment Plan is designed as a medium to long term investment.

If you want to have withdrawals paid into your LV= Platform Services ISA or JISA Portfolio bank account you can do so at any time and there is no charge for doing this. You can find out more information about taking money out of your Plan in Condition A6 of the Plan Conditions.

You can take lump sums from your Plan whenever you like, as long as the fund value doesn't fall below £500.

We'll usually pay any withdrawals to your LV= Platform Services ISA or JISA Portfolio bank account as quickly as we can. In some circumstances, we may wait longer; normally this will be up to 10 working days before we take the moneys from the Plan. See Condition A6 of the Plan Conditions for more details. If a waiting period is applied, we'll use the price on the date we cancel the units.

We'll only apply a waiting period if we feel it is in the best interests of all of our remaining members and if required to protect our funds.

Can the Plan be transferred to another ISA Scheme?

No, if you join another ISA scheme, it is not possible for the Plan to be assigned to the new ISA scheme by way of an in-specie transfer. In order for funds held in the Plan to be transferred to another ISA scheme, the Plan would first need to be cashed in, with the proceeds paid into your LV= Platform Services ISA or JISA Portfolio bank account.

Can the Plan be cashed in?

You can cash in your Plan at any time and all proceeds will be paid into your LV= Platform Services ISA or JISA Portfolio bank account. As with any withdrawal, we may in some circumstances wait up to 10 working days before we complete the transaction, and it will take a few more days to pay the money out. It's also important to note that if you cash in an entire Plan and it is the last LV= Smoothed Managed Funds ISA Series 1 Plan you hold as an investment under the LV= Platform Services ISA or JISA Portfolio you cannot reinvest in another LV= Smoothed Managed Funds ISA or JISA Series 1 Plan, within 12 months. We've explained this in more detail in Condition A6 of the Plan Conditions.

What are the charges?

Please refer to Condition C1 of the Plan Conditions. This will help you understand what charges you pay when you invest in our LV= Smoothed Managed Funds ISA Series 1 Plan. We take our charges by taking units away from the Plan. The charges will be applied by cancelling units on the monthly anniversary of the Plan.

The charges for the Plan will depend on the fund option that you chose to invest in.

Annual Management Charge

We'll apply an Annual Management Charge to pay for the costs of administering the Plan. This will be taken monthly. The charge for the Plan will be based on the total value of the Plan each time the charge is taken.

What might the Scheme get back?

The value of the Plan when you cash it in will depend on:

- how much was invested
- how well our investments have performed
- our charges
- any money you've withdrawn from the Plan

When you invest new money into your overall ISA or JISA Portfolio you will be provided with a Key Investor Information Document (KIID) for any collective investments, and a Key Information Document (KID) for investments in Smoothed Managed Funds ISA Series 1 funds. Together, these documents, taking into account any investments into this product, will give you an idea of what you will get back.

What happens if I die?

If we receive evidence of your death the value of the Plan, which after 26 weeks of investment will always be based on the average price of units, will be paid to your LV= Platform Services ISA or JISA Portfolio bank account. The fund value will then be included with death benefits payable by the ISA Manager ISA or JISA.

We'll pay 100.1% of the value of the Plan, and any additional Plans held in your name.

We won't make any payment from this Plan directly to your estate, or to anyone other than the ISA Manager.

What about tax?

Under current law, any investment growth within the Plan is free of UK taxes on income (except dividend income from UK equities) and capital gains. Current tax reliefs and privileges could be changed in future, as could the range of benefits available by HM Revenue and Customs (HMRC) under the ISA scheme.

LV= won't deduct tax from any of the payments we make to your Scheme. Any tax and reporting requirements will take place under your Scheme.

These references to taxation are based on our understanding of current legislation and HM Revenue & Customs practice, which can change.

How much will the advice cost?

If you need advice about whether this Plan is suitable for your needs, please contact your financial adviser who will give you details about the cost of providing advice. Any adviser charge will be paid from your LV= Platform Services ISA or JISA Portfolio bank account before money is invested into the Plan.

How will we know how the Plan is performing?

You and your financial adviser will have the ability to access an on-line valuation of the Plan in real time.

Your right to cancel

You can cancel any time within 30 days of receiving your Plan documents. If you do so, and we've already set up the Plan, we'll cancel it. We'll then pay your investment back to your LV= ISA or JISA Portfolio Plan bank account.

To cancel you need to tell us in writing. Our address is: LV= Savings & Retirement, Pease House, Tilehouse Street, Hitchin, Herts, SG5 2DX.

If we've already received your investment and set up the plan, and you cancel it within the 30 day period, we'll pay the current value of your investment to your LV= Platform Services ISA or JISA Portfolio bank account.

What you receive may therefore be less than the amount you originally invested, in particular if any withdrawals have already been paid to your LV= Platform Services ISA or JISA Portfolio bank account.

Further information

Client categorisation

We're required by our regulator, the Financial Conduct Authority, to categorise our customers to determine the level of protection they'll receive. If you take out the plan described in this key features document, we'll treat you as a retail client. This gives you the highest level of protection available under the Financial Conduct Authority rules.

If you know a lot about investments, maybe because you work in the industry, you can be treated as a professional client or eligible counterparty under the regulations. This won't affect the way we deal with you. But, it may affect your ability to refer complaints to the Financial Ombudsman Service or to make a claim under the Financial Services Compensation Scheme.

Law

The plan is governed by the law of England as applied by the courts for the part of the UK where your ISA is administered. We'll always communicate in English.

We reserve the right to make adjustments to your plan, or the benefits payable, if there are any changes to the law which affect either:

- this plan
- our freedom to invest
- the ability to vary investments
- the taxation rules that apply to companies carrying out ISA or life assurance business
- We will only make adjustments if we believe that any of these changes has meant that it has become impossible or impractical for us to either:
 - provide all of the options and benefits previously available under this plan
 - continue with any stated or established practice used in operating or valuing any fund

In these circumstances, we will make any such changes that we feel are appropriate, so that as far as is possible, the intended purpose of this plan is still met.

Where any reference is made in this plan to any legislation, this will be deemed to include any later amendment to that legislation.

Queries and complaints

If you have a complaint about any part of our service it's important that we know about it so we can help put things right. You can let us know by calling us on **0800 783 7533** (for textphone, dial 18001 first). Or you can write to us at: LV= Savings & Retirement, County Gates, Bournemouth, BH1 2NF.

Your complaint will be dealt with promptly and fairly and in line with the Financial Conduct Authority's requirements. If you want more information on how we handle complaints, please contact us, or visit [LV.com/complaints](https://www.lv.com/complaints).

We hope that we'll be able to resolve any complaint that you have. If you aren't happy with the outcome, you can refer your complaint to the Financial Ombudsman Service. If you make a complaint it won't affect your right to take legal action.

Compensation

We've been in business since 1843, and take great care to manage our affairs sensibly.

We're required to publish a report each year about our solvency called a Solvency and Financial Condition Report. Solvency is a company's ability to meet its long term financial commitments and this report will help you understand more about our solvency and how we manage our capital and risks. If you'd like a copy you can visit [LV.com/sfcr](https://www.lv.com/sfcr), or you can write to: Group Company Secretary, County Gates, Bournemouth BH1 2NF.

If we ever did get into financial trouble and could not honour our commitments, you may be entitled to compensation from the Financial Services Compensation Scheme. If you are eligible to claim under the scheme, the compensation you could get depends on the type of product you have. For this type of plan, the scheme covers 100% of the claim. The scheme's first responsibility is to seek continuity rather than to pay compensation.

For more information go to [fscs.org.uk](https://www.fscs.org.uk) or call **0800 678 1100** or **0207 741 4100**.

How we use your personal information

Find out how we use your personal information, and what rights you have by visiting [LV.com/dataprotectionlife](https://www.lv.com/dataprotectionlife). Please let us know if you'd like us to send you a copy, or have any questions. This includes who we are, how long we hold your information, what we do with it and who we share it with.

If you'd like us to send you this document or any future correspondence in another format, such as Braille or large print, please just let us know.

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