

# LV= ISA

## Supplementary Information Document (SID)

This document provides you with additional important information to help you to decide whether our LV= ISA 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.



# LV= ISA

With this Supplementary Information Document you should have also been provided with the Key Information Document (KID), ISA Terms and Conditions, ISA Plan Conditions and 'Your guide to how we manage our unitised with-profits LV= ISA business'. You'll find useful information to help you understand how we manage your LV= ISA and we strongly recommend you take time to read this material.

The LV= ISA is a with-profits plan which invests in our range of unitised with-profits ISA funds. As the LV= ISA is a with-profits plan you may also share in the performance of Liverpool Victoria Financial Services Limited's other businesses. For example, you may be eligible to receive a Mutual Bonus. (we've explained this in more detail in 'Your guide to how we manage our unitised with-profits LV= ISA business', which you should read along with these ISA Terms and Conditions).

## Its Aims

Our ISA aims:

- To offer a way to invest a lump sum for potential long term growth.
- To offer flexibility, in case your circumstances change in the future, with the ability to top up your existing ISA (subject to the annual ISA allowance and product limits).
- Aims to give you a better return than cash over the longer term by investing in stocks and shares, fixed interest investments (both government and corporate bonds), commercial property and other investments.
- To help you match your investment to the amount of risk you want to take.
- To give you the option to limit the risk, by adding a guarantee. We explain the guarantee option in more detail in '**What is the guarantee?**' on page 4.

## Your LV= ISA

- You can invest into the LV= ISA by paying a lump sum premium into your Plan. A premium can be either a single premium (non-ISA monies that form part of the current tax year ISA allowance) or by transfer in from another ISA manager.
- You can only invest in one fund option at a time across all policies in your Plan.
- Your LV= ISA will be set up as a single plan. Each premium paid into your Plan will be set up as a separate policy. Your Plan could therefore be made up of multiple non-guaranteed and guaranteed policies, all within the same fund option.
- You can stay invested for as long as you wish, there's no fixed date at which your Plan ends. In general, the longer you stay invested, the better the chance of your Plan performing well. Naturally, your Plan may not perform as well if you take your money out in the early years.
- We recommend that you leave your money invested for at least five years and ideally 10 years or more.

In order to keep you updated on how your Plan is performing it's important that you let us have your up to date contact details if you invest in our LV= ISA. For example, give us your new address details if you move house during the term of your Plan. You can call us on **0800 681 6292** or email us at [ISAAdmin@LV.com](mailto:ISAAdmin@LV.com).

## Risks

Clearly, if we're going to try to give you a better return than cash, there are some risks involved that you wouldn't experience if you left your money in a bank or building society account, for example:

- Your circumstances may change, forcing you to cash in early.
- Our LV= ISA invests in stocks and shares and other investments which can rise and fall in value. This means you're not certain to make a profit and you could get back less than you invested.
- If more money is taken out than the amount of growth on your Plan, this will eat into your original investment.
- The cost of goods and services goes up over time, which could reduce the real value of the lump sum you get back when you cash in your Plan, even if you've added a guarantee.
- The tax treatment of ISAs could change in the future. If the Government changes the tax treatment of ISAs this may reduce the potential growth of the investment.
- If you're transferring your Cash ISA to us, it's likely that investing in a Stocks and Shares ISA will involve a greater degree of risk, compared to that of the Cash ISA.
- If you transfer an existing Stocks and Shares ISA to us from another ISA manager your existing fund must be sold and the proceeds transferred to us as cash. We'll invest the cash proceeds into your chosen fund option. There is no loss of tax benefits when doing this.

## Questions & Answers

We've set out the answers to some very important questions about our LV= ISA below. These will help you decide whether to invest in it. To open this ISA you must speak to your financial adviser.

### What is an ISA?

An ISA is effectively a 'tax efficient umbrella' which means that the money you invest enjoys special tax treatment. All the money you receive from your ISA will be paid completely tax free.

The value to you of the tax benefits of ISAs will depend on your personal circumstances. As the money you receive from an ISA is tax free it doesn't need to be entered on your tax return.

You can invest into a Cash, Stocks and Shares, Innovative Finance or Lifetime ISA. You can invest with a single premium(s) up to £20,000 (for the current tax year) across some, or all of these types of ISAs, as you wish per year, but, with the exception of any Lifetime ISA, you can invest in one or more of each type of ISA in any one tax year.

You can transfer your ISA savings from one ISA manager to another at any time. You can choose to transfer your savings to a different type of ISA or to the same type of ISA.

If you want to transfer money you've invested in an ISA you can choose to transfer all or part of your savings.

The LV= ISA is a non-flexible Stocks and Shares ISA meaning that any withdrawal can only be replaced within the same tax year if you have any unused ISA allowance. So, if you've used all of your ISA allowance in the current tax year you can't invest any further single premiums in that tax year, irrespective of any withdrawals.

#### For example

Julia invests a single premium of £12,000 into a Stocks and Shares ISA in the current tax year, and withdraws £6,000 in the same tax year; she can only invest a further £8,000 within the current tax year (£20,000 less £12,000).

### Is this ISA right for me?

Our LV= ISA is designed for UK residents, and Crown Servants serving overseas and their spouse / civil partner, aged 18 or over, who wish to invest 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 LV= ISA 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 unitised with-profits LV= ISA business'.

You shouldn't invest in our LV= ISA 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.

### Can I invest in an ISA with someone else?

No, joint ISA investments are not allowed under ISA regulations.

### How is the LV= ISA structured?

When your first premium is invested, we'll set up your Plan. Each premium you make into your Plan will be set up as an individual policy. You can have multiple policies within your Plan, which can be non-guaranteed or guaranteed (subject to the availability of a guarantee on your chosen fund option at the time of purchase).

### What is the Mutual Bonus?

This is a bonus that may be payable when a plan under your Account ends. It's designed to reward eligible members for their support of the development and growth of our business. You can find out more about this in our booklet 'Your guide to how we manage our unitised with-profits LV= ISA business'.

### How is the Mutual Bonus held?

Any mutual bonus amounts we add to your plan will always be held in a single mutual bonus policy, which will be separate from the other policies within your plan. No other investments or amounts can be paid into the mutual bonus policy.

### How much can I invest?

The standard investment limits for the LV= ISA are:

- The minimum initial premium (net of any initial adviser charges) for a new LV= ISA is £10,000 per policy.
- The minimum premium (net of any initial adviser charges) for additional lump sum top ups are
  - £2,000 into a non-guaranteed policy or,
  - £10,000 into a new guaranteed policy (subject to the availability of a guarantee on your chosen fund option at the time of purchase)
- The maximum premium (net of any initial adviser charges) is:
  - £1,000,000 less the total of any previous premiums in the LV= ISA, plus premiums in the Flexible Guarantee and Smoothed Managed Funds product range (all series).
  - For single premiums (non-ISA monies), your remaining annual ISA allowance, in addition to the minimums above.
- The maximum age to open a new LV= ISA is 84 attained (85 next birthday). No further premiums are permitted into the plan from age 85 years.

### Can I add additional money to my ISA?

Yes, you can choose to top up your Plan at any time with a lump sum premium (subject to the LV= ISA minimums above and your remaining ISA allowance for the current tax year).

### Where's my money invested?

Your money is invested in one of our range of fund options. Each of these 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 the asset management team to achieve the best possible returns for you.

To help you understand the difference between the range of fund options and to decide which is right for you, we've explained them in more detail in the 'Your guide to how we manage our unitised with-profits LV= ISA 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 value will be. 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 of my money will be invested?

100% of the money you pay to us will be invested into your Plan, after any initial adviser charge that you ask us to pay to your financial adviser on your behalf.

### What is averaged pricing?

If you've been invested in your fund option for 26 weeks (roughly six months) or more, we aim to reduce the effect of short term ups and downs on your investment 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 ISA Plan Conditions, along with an example).

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 I change my fund option?

Yes, you can change your fund option at any time. We'll make the change 10 working days after we receive your instruction. We'll usually do this for free, but if you change your fund option regularly, we'll apply a charge for this. We explain this in more detail in 'What are your charges?' on page 6.

You can only invest money into one fund option for your Plan. If you choose to switch your fund option, all of the policies in your Plan will be moved into the new fund option of your choice.

When you change your fund option, any guarantees you have will be cancelled. Bear in mind, you won't be able to add a new guarantee.

We strongly recommend that you speak to your financial adviser before you switch fund option.

### What is the guarantee?

The guarantee is exactly that – a guarantee that your guaranteed policy will, at the end of the guarantee term, be worth at least the initial guaranteed amount less any money taken out of your guaranteed policy as a withdrawal, including ongoing and ad-hoc adviser charges.

Guarantees are only available on initial and subsequent premiums or on expiry of a previous guarantee, subject to the availability of the guarantee at the time of purchase.

If you choose to have a guarantee, you must select this option at outset, and it will apply on the whole lump sum premium invested at that time.

Therefore, within your Plan you may have both non-guaranteed and guaranteed policies.

#### For example

James invested £10,000 on 8 May 2022 into the ISA Cautious Fund and decides not to take out a guarantee on his investment at outset. This investment is a non-guaranteed policy. On 6 March 2023 James decides to invest a further premium of £10,000 and, this time, adds a guarantee at outset. This investment is shown as a separate guaranteed policy.

Of course, we can't offer this guarantee for free – you have to buy one. We explain this in more detail in 'What are your charges?' on page 6.

## How does the guarantee work?

You may have the option to buy a guarantee when investing into your Plan, depending on whether a guarantee is available on the fund option you have chosen. Please speak to your financial adviser, or contact us, for more information on the current guarantee terms available.

By choosing the guarantee option, we guarantee that the value of your guaranteed policy at the end of the guarantee term will be at least the same as the value of your investment on the date you added it. So, if the value has increased, you'll get this higher value, but if the value would have decreased, you're protected. Of course, any money you've taken out of your policy during the guarantee term (including any money that's been paid out to your financial adviser as ongoing and ad-hoc adviser charges) will be taken into account and deducted from the initial guaranteed amount.

### For example

Adrian invested £20,000 on 8 May 2022. At the same time, he decided to add a ten year guarantee on the ISA Cautious Fund. This means that if no money is taken out, either by Adrian or to pay ongoing or ad-hoc adviser charges, then the value of his guaranteed policy on 8 May 2032 is guaranteed to be at least £20,000.

If Adrian cashes in his guaranteed policy on 8 May 2031, he'll get at least £20,000 back plus any increase in his investment.

If Adrian hadn't added a guarantee, and the value of his policy on 8 May 2031 is less than £20,000, he'll make a loss if he cashes in then.

At the end of the guarantee term, if the value of your guaranteed policy is less than the initial guaranteed amount we'll add units to your policy, to increase the value to the initial guaranteed amount (less any withdrawals and adviser charges since the guarantee was added). So you don't need to cash in your guaranteed policy at the time of guarantee expiry to benefit from this guarantee.

You can find out the current guarantee options and charges by calling us on **0800 681 6292** or looking on our website at **LV.com/Investments/ISA**.

If you cancel a guarantee you won't be able to buy a new guarantee at a later date on that policy. However, you'll be able to add a guarantee, at outset, to any additional premium paid into your Plan in future, subject to the availability of the guarantee at the time of purchase and our product minimums and maximums. We explain this in more detail in '**How much can I invest?**' on page 3.

## We strongly recommend that you speak to your financial adviser before you cancel a guarantee.

Before any guarantee term ends, we'll write to you to confirm the date it will end and let you know if replacement guarantees are available at that time, should you wish to add a new one. To find out more about how our guarantee works and how to replace a guarantee when your current guarantee term comes to an end, please refer to Conditions A5 and A7 of the ISA Plan Conditions.

## Can I take money out?

Our LV= ISA is designed for people who can leave their money invested for at least five years and ideally 10 years or more. If you want to take money out or transfer part of your investment to another ISA manager, 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 A11 of the ISA Plan Conditions.

Withdrawals will reduce the value of your Plan. Our LV= ISA is designed as a medium to long term investment and is a non-flexible ISA. Any money that you withdraw from it can't be reinvested into your Plan without counting as a new single premium for the current tax year (i.e. the reinvested amount will also count towards your annual ISA allowance).

**Ad-hoc withdrawals** – You can take lump sums from your Plan whenever you like or transfer part of your investment to another ISA manager. We'll ask you to provide clear instruction as to whether you want to take money from your non-guaranteed policies or a particular guaranteed policy within your Plan. We'll usually pay the money to you as quickly as we can. In some circumstances, we may wait up to 10 working days before we take the money from your Plan. 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. It will take a few days more to pay the money out to you.

**Full or partial encashment** – You can cash in your Plan at any time or transfer all or part of your investment to another ISA manager. As with ad-hoc withdrawals, 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 to you.

It's also important to remember that if you cash in your entire Plan, you cannot reinvest in another LV= ISA within 12 months. We've explained this in more detail in Condition A1 of the ISA Plan Conditions.

## Do I have to pay additional premiums into my ISA?

No, you don't have to pay additional premiums into your Plan after your initial investment. However, you can add an additional premium to your Plan at any time, subject to the LV= ISA limits and your remaining overall ISA allowance for the current tax year. If no additional premiums are made, your Plan will still benefit from any potential growth of your chosen fund option.

If you want to invest an additional premium into your Plan please speak to your financial adviser in the first instance or you can call us on **0800 681 6292**.

Following your initial application, if you don't pay any additional premium(s) into your Plan during the current tax year, you'll need to complete a new declaration before further premiums can be made.

## Can I transfer money out of this ISA into one with another ISA manager?

Yes, you can transfer to another Stocks and Shares ISA or Cash ISA, provided that the new ISA manager accepts transfers.

If you decide to transfer your Plan to another provider, you can transfer all or part of your Plan at this time. In some circumstances, we may wait up to 10 working days before we transfer the money from your Plan to another provider.

We do not charge for transfers.

## What are your charges?

This will help you understand what charges you pay when you invest in our LV= ISA. We take our charges by taking units away from your Plan. The charges will be applied by cancelling units on the monthly anniversary of your Plan.

The charges for your Plan will depend on the fund option that you chose to invest in and on a guarantee, if you have chosen to add one. Details of the charges that will apply when you first take out your Plan (and subsequent premiums invested) are shown in your personal example.

### Annual Management Charge

We'll apply an Annual Management Charge to pay for the costs of administering your Plan. This will be taken monthly. The charge for your Plan will be based on the total value (including any mutual bonus) of all investments within your Plan each time the charge is taken. Details are shown in your personal example.

### Guarantee Charge

If you add a guarantee, we'll make an additional monthly charge for the term of the guarantee from the policy that the guarantee applies to. This is in addition to the Annual Management Charge. The current guarantee charge for your guarantee term is shown in your personal example.

To find out the latest available guarantee terms and the charges that would apply if you were to replace an existing guarantee at the end of your guarantee term, you can call us on **0800 681 6292** or look on our website at [LV.com/Investments/ISA](http://LV.com/Investments/ISA).

Once you've added a guarantee, the guarantee charge you pay is fixed for the term of the guarantee, and based on the current value of your guaranteed amount each month (this is the initial guaranteed amount minus any withdrawals taken including ongoing and ad-hoc adviser charges taken from the guaranteed policy since the guarantee started).

Our charge for each new guarantee you add may be higher or lower than a previous guarantee. If you cancel your guarantee, or the guaranteed amount falls to zero due to withdrawals made, the guarantee charge will stop.

If you have a guarantee, any withdrawals you make (including ongoing and ad-hoc adviser charges) will reduce the guaranteed amount.

### Administration Charges

You can change your fund option up to three times in any Plan year for free. If you make more than three changes during this period, we'll charge £25 for each extra change.

### For example

Chris invests £20,000 into the ISA Cautious Fund (after any initial adviser charge has been paid). He adds a 10 year guarantee at outset. He withdraws £50 a month to pay for an ongoing adviser charge, starting the date the guarantee is added. We calculate the guarantee charge every month with the first charge payable when the investment is set up. The table below shows how this works in the first 6 months of the investment.

	Initial guaranteed amount	Total withdrawals taken since guarantee added	Guaranteed amount used to calculate guarantee charge	Value of guarantee charge taken (0.083%)*
Month 1	£20,000	£0	£20,000	£16.60
Month 2	£20,000	£50	£19,950	£16.56
Month 3	£20,000	£100	£19,900	£16.52
Month 4	£20,000	£150	£19,850	£16.48
Month 5	£20,000	£200	£19,800	£16.43
Month 6	£20,000	£250	£19,750	£16.39

\*This is the monthly equivalent of a yearly guarantee charge of 1.0%.

### What might I get back?

The value of your Plan when you cash it in, or transfer to another ISA manager, will depend on:

- how much you invested
- how well our investments have performed
- our charges
- any money you've taken out of the LV= ISA and any money that's been paid out to your financial adviser on your behalf as ongoing and ad-hoc adviser charges
- any guarantee you've added
- the value of your mutual bonus

Your personal example gives you an idea of what you might get back.

### What happens to my ISA if I die?

On death the value of your Plan will be paid to your estate. We'll pay 100.1% of the value of your Plan.

On cashing in the Plan to pay a death benefit we'll add any mutual bonus, once we've worked out the value of your Plan.

Your spouse or civil partner can inherit your ISA allowance if you die. This is called an 'Additional Permitted Subscription'. They can choose to use this allowance with us or another ISA manager of their choice who agrees to accept the subscriptions.

### Can I make an Additional Permitted Subscription into my Plan?

Yes, you can transfer your Additional Permitted Subscription allowance into a new or an existing LV= ISA. We'll accept single payments only. This means that if you don't fully utilise your allowance then any unused allowance will be lost.

Please speak to your financial adviser if you want to make an Additional Permitted Subscription payment.

For more information on this option see [Gov.UK/individual-savings-accounts](https://www.gov.uk/individual-savings-accounts).

### What about tax?

Tax reclaims are made to HM Revenue & Customs by Liverpool Victoria Financial Services Limited and are used to increase the value of units in the fund. A full reclaim will be made of tax deducted from eligible investments.

How much tax you pay depends on your personal circumstances. Any references we make to taxation are based on our understanding of current legislation and HM Revenue & Customs practice, which can change.

### Can I change my mind?

For each premium, which creates a new policy, we'll send you your policy documents which include a cancellation form. It's your legal right to change your mind and cancel your policy within 30 days of getting your documents. If you decide not to go ahead with a transfer in from another ISA manager we'll ask you to confirm how you'd like your monies to be returned. These options will be detailed on the cancellation form.

If you do want to cancel, just fill out the form and send it back to us at **LV= Savings & Retirements, PO Box 342, Wymondham, NR18 8HS**.

If you send us your cancellation form within 30 days of receiving it, we'll either return any money you've paid into your policy by single premium, or follow your instruction when cancelling a transfer in.

Please note if we've already paid out any adviser charges or withdrawals then these amounts will be deducted from the premium that we refund to you.

You can still surrender your Plan any time after these 30 days.

### How much will the advice cost?

If you need advice about whether this ISA is suitable for your needs, please contact your financial adviser who will give you details about the cost of providing advice. If you ask us to, we can pay any adviser charges to your financial adviser on your behalf, or you may agree to pay your financial adviser directly. If you ask us to pay them on your behalf, any initial adviser charge will be paid before any money is invested into your Plan. Any ongoing or ad-hoc adviser charges will be paid out of your Plan and treated as withdrawals.

### How will I know how my ISA is performing?

Every year we'll send you a statement showing how your Plan is performing. You can check the unit price by calling your financial adviser or looking on our website at [LV.com/Investments/ISA](https://www.lv.com/Investments/ISA).

## Further Information

### Retail Customers

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 invest in our ISA described in this Supplementary Information Document we'll treat you as a retail client. This gives you the highest level of protection available under the Financial Conduct Authority rules.

### Terms and Conditions

This Supplementary Information Document gives you a summary of our ISA. You should also see 'Your guide to how we manage our unitised with-profits LV= ISA business', the ISA Plan Conditions and ISA Terms and Conditions for further details.

### Law

The LV= ISA and its terms and conditions are governed by the laws of England and Wales. In the unlikely event of any legal disagreement, it would be settled exclusively by the courts of England and Wales. We'll always communicate in English.

### ISA Manager

This is Liverpool Victoria Financial Services Limited.

### Complaints

If you have a complaint about any part of the service you receive from us, 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 681 6292** (for textphone, dial 18001 first). You can also email us at **LifeComplaints@LV.com** or write to us at: Life Complaints, LV=, 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 the complaints part of our website **LV.com/complaints**.

We hope that we will be able to resolve any complaint that you have. If you're unhappy with the resolution of your complaint, the Financial Ombudsman Service may be able to help you free of charge, but you'll need to contact them within six months of receiving our final response letter. Their website is **financial-ombudsman.org.uk** which includes more information about the service, including details of the various ways they can be contacted.

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**, or you can write to: **Group Company Secretary, County Gates, Bournemouth, BH1 2NF**.

If we ever did get into financial trouble and couldn't honour our commitments, you would be entitled to compensation from the Financial Services Compensation Scheme. The compensation you could get depends on the type of product you have. For this type of policy, 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** 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**. 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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