

Key Features of the **Options ISA**

- Anytime Access option

The Financial Conduct Authority is a financial services regulator. It requires us, Police Mutual, to give you this important information to help you decide whether our Options ISA is right for you.

You should read this document carefully so that you understand what you're buying, and then keep it safe for future reference.



Using this document

You want to know whether our Anytime Access is right for you. That's why we've produced this document, to help you understand exactly what it is, and how it works.

It's important that you know what the risks are before you decide to invest in this option.

Before you start reading

We refer to 'you', 'we' and 'us' throughout the document. 'You' means the owner of the plan and 'we' and 'us' mean Police Mutual. We also refer to 'plan' throughout the document. The 'plan' means the Options ISA.

You should read this Key Features Document alongside the:

- *Application*
- *Terms and Conditions*

There are also *Key Information Documents* available for the Protected Growth and Non Guaranteed options and *The Royal London's guide to investing in the With Profits fund* for these options.

When referencing other documents we've used *italics*.

What to do if you have a question

If there's anything about the plan that you'd like clarified, please call us on 01543 441630.

Who is eligible for the plan?

This product is closed to new customers, however existing planholders can still top-up their plans and switch between available options.

Do we provide advice on the Options ISA?

This Key Features Document is designed to help you decide whether our Anytime Access option is right for you. While we're happy to discuss the general features, unfortunately we can't provide you with advice.

Key Features of the Options ISA

Put simply, the plan is a Stocks and Shares ISA which gives a number of different tax-efficient ways to save lump sums, or regular amounts, or both. This Key Features Document provides information on the Anytime Access option. Key Information Documents are available for the Protected Growth and Non Guaranteed options.

This table explains the aims, commitment and risk factors for these options:

Anytime Access	
Its aims	To save up a lump sum in a flexible way over a short period of time. It comes with the protection of a money back guarantee at all times and once added, any growth is also protected.
Your commitment	You're not required to invest for any set period of time.
Risk factors	Performance Whether your money grows will depend on investment performance. Your money may not increase in value. Inflation Growth potential is low so keep in mind that inflation will reduce what you could buy.
	Please note: - Tax rules may change, which could reduce what you get back.

Questions and answers

What is an ISA?

- An ISA is a type of savings account with tax advantages
- ISAs are sometimes called 'tax wrappers'. This means that the ISA is wrapped around the investment you have in it so you pay less or no tax. HMRC set how much you can invest each tax year in an ISA. (The tax year runs from 6 April one year to 5 April the following year.)
- You don't have to pay income tax on any income you receive from your ISA
- You don't have to pay capital gains tax on any money you make from your ISA
- You can invest in a Stocks and Shares ISA, a Cash ISA, an Innovative Finance ISA, a Lifetime ISA, or a combination of all four types during the tax year
- You can choose one ISA manager for each ISA type
- You can use the same ISA manager for more than one type of ISA

Stocks and Shares ISA

- All the options are available in one Stocks and Shares ISA, which means it meets HMRC rules so money grows mainly free of tax and the payout isn't taxed - see 'What about tax?' for details
- You can only pay into one Stocks and Shares ISA each tax year
- Your Annual ISA Allowance (£20,000) can be split between the different types of ISA
- It isn't possible to carry over unused Allowance to another tax year and as the Allowance is personal you can't hold an ISA jointly with someone else
- You can invest money in more than one tax year without having to set up a new plan (although we may need to ask you to complete a new ISA Application)

What is the Options ISA?

- It's designed for people who want to invest lump sums, or regular amounts, or both

- It has a selection of savings options - you can pick just one, split your money across several or put money into different options at different times
- Each option has different levels of protection. Generally the more that's guaranteed - like how often and how much - the less growth potential there will be
- See the *Key Information Documents* for information on the Protected Growth and Non Guaranteed options.

Anytime Access	
Guarantee	Money back guarantee at all times so you can always access at least what you put in - and once added, any growth is also protected.
Minimum amount	£40 as a monthly amount or as a single amount.
Payment method	Regular payments by Direct Debit. Single amounts by card, bank or building society account transfer and ISA transfer.
Top-ups and changes	You can add money and start, change or stop a monthly amount at any time.

Switching options

- You can switch money between the options when you want - the minimum investment amount and the charges for the option you choose will apply
- Please bear in mind that if you'd like to switch just some of your money out of Anytime Access you'll need to leave at least £40 invested in the option.
- See the *Key Information Documents* for information on the Protected Growth and Non Guaranteed options.

Transfers in

- You can also transfer in money held in other ISAs
 - When an ISA is transferred between ISA managers it keeps its tax benefits
 - You can transfer in all or part of the money invested in ISAs in previous tax years, or all of the money invested in ISAs in the current tax year
 - Transfers of money invested in previous tax years don't count towards your Annual ISA Allowance
 - If you transfer in savings from another type of ISA that you have taken out in the current tax year, the transfer will be treated as if you had only invested in a Stocks and Shares ISA. This means you may still be able to take out the other types of ISA in the same tax year, depending on how much of your Annual ISA Allowance you pay into this plan
 - You may lose some growth or interest during the time it takes to complete the transfer and your existing provider may charge you so it's worth checking with them first
- The plan provides a small amount of life cover during the time you hold it – see 'What life cover is included?'

What might you get back?

Each of the options has different levels of protection and growth potential - so what you get back depends on which you choose.

Anytime Access
If you withdraw at any time you'll be able to access at least the amount you put in plus any growth (less any previous withdrawals).

Here's some examples of how it might work in practice for example investment amounts (once charges are taken off). If you're thinking of investing a different amount you can multiply or divide the example amounts up or down to get an idea for your investment amount. We'll also be happy to discuss the options with you – just give us a call on 01543 441630.

As these are examples you could get back more or less than this.

Anytime Access

Period money is invested for	2 years	2 years	10 years	10 years
Amount invested	£100 a month	£10,000	£100 a month	£10,000
Guaranteed amount	£2,400 at the end of the investment period	£10,000	£12,000 at the end of the investment period	£10,000
If our investments grow at -1.80% a year you could get back	£2,400	£10,000	£12,000	£10,000
If our investments grow at 1.20% a year you could get back	£2,400	£10,000	£12,000	£10,000
If our investments grow at 4.2% a year you could get back	£2,470	£10,500	£13,900	£13,300

How your investment grows depends on:

- How long you invest for
- If you make any withdrawals, and when you make them
- The performance of the underlying investments that your money is invested in – see ‘Where are your payments invested?’
- The impact of tax – see ‘What about tax?’
- Our charges, which may vary – see ‘What are the charges?’

Please keep in mind that inflation will reduce what you could buy. We'll send you a statement every year and you can call us on 01543 441630 if you want to know your plan's value at any other time.

What life cover is included?

Life cover is included as standard and you're covered from when we receive your first premium payment. We'll pay out a lump sum on death during the time you hold the plan – the amount of life cover varies for each option. If you invest in more than one option, we'll pay the total amount due for all the options you have money in.

Anytime Access

101% of current value.

The lump sum is normally paid to your estate.

Once we pay out the life cover, the plan ends. It won't have any further cash value.

Where are your payments invested?

The Options ISA is a Stocks and Shares ISA; however money can be invested in a wider range of assets than this suggests and we take different investment approaches with the options. **Anytime Access** option invests in funds which invest their assets in money market instruments.

The investments are managed by The Royal London Mutual Insurance Society Limited

What are the charges?

We make charges to cover the expenses of running the plan, which are deducted when calculating the value of the plan, so you don't have anything extra to pay. Also, our charges don't reduce the guaranteed value.

For **Anytime Access** we make a yearly charge of 1.25% of the current value – spread across each month throughout the year

We review our charges every year - see the *Terms and Conditions* which explain when we may make changes.

How do the charges affect your plan?

Here's some examples of what you might get back from your plan. We've based the information on someone who invests their money for 10 years using example investment amounts. If you're thinking of investing a different amount you can multiply or divide the example amounts up or down to get an idea for your investment amount. We'll also be happy to discuss the options with you - just give us a call on 01543 441630.

Anytime Access

The last two columns assume that investments grow at 1.2% a year:

At end of year	Total paid in to date (£100 a month)	Effect of deductions to date	What you might get back
1	£1,200	£8	£1,200
2	£2,400	£31	£2,400
3	£3,600	£68	£3,600
4	£4,800	£119	£4,800
5	£6,000	£186	£6,000
10	£12,000	£752	£12,000

At end of year	Total paid in to date (£10,000 as a single amount)	Effect of deductions to date	What you might get back
1	£10,000	£120	£10,000
2	£10,000	£242	£10,000
3	£10,000	£365	£10,000
4	£10,000	£489	£10,000
5	£10,000	£615	£10,000
10	£10,000	£1,267	£10,000

The last line in the table shows that over 10 years the total deductions (charges) could be £752 for an investment of £100 a month and £1,267 for an investment of £10,000.

In short, deductions over 10 years have the same effect as reducing the investment growth from 1.2% to 0.0% for an investment of £100 a month or £10,000.

Over the same period, if you invest monthly you will pay less in charges than if you pay in a lump sum because the charge is taken as a percentage of the money invested in the plan. With a lump sum the whole amount is invested at once so the charge applies to the whole amount from the start. With a monthly amount you'll gradually build up your savings so the charge will be taken from a gradually increasing sum. However, a lump sum may have higher growth potential compared to a monthly amount.

When can you withdraw your money?

You can withdraw your money at any time - what you get back depends on when you request a withdrawal. The minimum withdrawal is £50.

Any money you pay in and withdraw in the same tax year still counts towards your Annual ISA Allowance.

Anytime Access

You can withdraw some or all of your money at any time. If you'd like to withdraw some of your money you'll need to leave at least £40 invested in this option.

When can you transfer out to another ISA manager?

You can transfer out, without charge, the total amount that's held in your plan at any time, but the value depends on which option(s) you're transferring money out of and when you do so. (Please see the 'When can you withdraw your money?' section.) It isn't possible to transfer out part of your Options ISA plan.

To make a transfer out you'll need to contact your new ISA manager and they will arrange the transfer for you.

Don't forget you can also switch money between the options – see 'Switching options' in the 'What is the Options ISA?' section and the *Key Information Documents* for Protected Growth and Non Guaranteed.

What about tax?

Personal tax

When you take money out you won't have to pay any capital gains tax or income tax.

There may be inheritance tax to pay if the value of your estate when you die is more than your inheritance tax allowance. It's not possible to put an ISA in trust.

There's a HMRC helpline you can call to check your tax position – 0300 200 3300.

Fund tax

The investment growth within the underlying investments that the options invest in is predominantly tax exempt, but there is an element that is taxable, which you won't be able to recover.

This information is based on our current understanding of UK legislation. Please bear in mind legislation may change in the future.

Can you change your mind?

Yes – as long as you let us know within 30 days of receiving your plan documents, we'll give you your money back. You can cancel by calling us or by writing to us. You'll find our contact details at the back of this document.

Please read the 'When can you withdraw your money?' section if you decide to withdraw after 30 days.

If you change your mind about making a transfer in, we'll try to return your transfer amount to your previous ISA manager, although this may not be possible because your previous ISA manager can choose not to accept it. Alternatively we can help you to transfer out to another ISA manager.

Please read the 'When can you transfer out to another ISA manager?' section if you decide to transfer after 30 days.

Language

All correspondence will be in English.

How to complain

We hope you won't ever need to complain about any aspect of the service you receive from us – but if you do please contact us at:

Complaints Team

Police Mutual
Alexandra House
Queen Street
Lichfield
Staffordshire
WS13 6QS

or email us at groupcomplaintsteam@pmas.co.uk

You can ask us for a copy of our complaint handling procedure.

If you're not satisfied with our response to your complaint, you can complain to:

Financial Ombudsman Service (FOS)

Exchange Tower
London
E14 9SR

0800 023 4567

financial-ombudsman.org.uk/

The Financial Ombudsman Service opening hours are: Monday to Friday - 8am to 8pm
Saturday - 9am to 1pm

Complaining to the ombudsman will not affect your legal rights.

Compensation

We're covered by the Financial Services Compensation Scheme. If we can't meet our obligations, you may be entitled to compensation from the Scheme. The Options ISA is a long term insurance product, so this means you're entitled to receive 100% of the whole of the claim.

This service is free to consumers. Further information is available from the Financial Services Compensation Scheme:

Financial Services Compensation Scheme (FSCS)

10th Floor
Beaufort House
15 St Botolph Street
London
EC3A 7QU

0800 678 1100

fscs.org.uk/

The Financial Services Compensation Scheme opening hours are: Monday to Friday - 8.30am to 6pm

Solvency and Financial Conditions Report

The Solvency and Financial Conditions Report of The Royal London Mutual Insurance Society Limited is available at royallondon.com/about-us/corporate-information/corporate-governance/regulatory-returns-and-publications/

How to contact us

1. Call 01543 441630

2. Visit policemutual.co.uk

We're open from 8.30am - 5.30pm Mon-Fri

Write to us at:

Police Mutual
Alexandra House
Queen Street
Lichfield
Staffordshire
WS13 6QS



Police Mutual is a trading style of The Royal London Mutual Insurance Society Limited. The Royal London Mutual Insurance Society Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. The firm is on the Financial Services Register, registration number 117672. Registered in England and Wales number 99064. Registered office: 55 Gracechurch Street, London, EC3V 0RL