

# Key features of the Zurich Investment Account



# Contents

## Helping you decide

This **important document** gives you a summary of the Zurich Investment Account. Please read this **before** you decide to invest, and keep it for future reference.

The Financial Conduct Authority is a financial services regulator. It requires us, Sterling ISA Managers Limited, to give you this important information to help you to decide whether our Investment Account 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.

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# The Zurich Investment Account

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The Zurich Investment Account (the account) is provided by Sterling ISA Managers Limited, trading as Zurich – it's made available to you within your Zurich Portfolio. The account provides access to a wide range of assets, giving your savings the potential for capital growth and income. Your adviser will help you decide if the Zurich Investment Account is right for you.

## Its aims

### What the account is designed to do

- Increase the value of the money you invest.
- Provide you with a flexible means of investing and accessing your money.
- Give you access to a wide range of assets to match your investment objectives and attitude to risk.

## Your commitment

### What we ask you to do

We'll create the account at the same time as your Zurich Portfolio, but it won't start until you make a payment or re-register assets in to it. If you decide to invest in the account, you should:

- Read the information about the account, including its features and risks.
- Maintain an ongoing relationship with an adviser who has an appropriate agreement with us, they will set up and administer your account on your behalf. If you don't have an adviser, your investment options will be limited and you may not make the most suitable financial decisions.
- Agree with your adviser how you will pay them for their services to you. Where appropriate, you can authorise us to deduct your adviser's remuneration from your account, and pay it to them.
- Give us accurate information and tell your adviser when your circumstances change, for example, if you move house.
- Look to invest for at least five years.
- Regularly review your account.

## Risk factors

### What you need to be aware of

- The value of the account can go down and you may get back less than you invest.
- The level of risk and potential investment performance depends on the assets you invest in – see the 'How do I know where to invest?' section on page 11.
- Changes to tax law may affect the amount of tax you pay in relation to this account.
- Charges may increase in future.

**Information about risks associated with assets available through the account is detailed in the Zurich Portfolio Asset guide, asset information sheets and, where available, key investor information documents and supplementary information documents or simplified prospectus – these are available from your adviser.**

## Other documents you should read

### **Zurich Portfolio Terms and conditions**

These set out the terms and conditions that apply to your Zurich Portfolio and the accounts available within it.

### **Charges information document**

This document specifies the charges and adviser remuneration that apply specifically to your account.

### **Zurich Portfolio Asset guide**

This provides details of the asset classes that we make available to you, together with a description of the main investment risks associated with them.

### **Asset information sheets**

These tell you what each of the investment funds is designed to do.

### **Key investor information documents (KIID)/Supplementary information document/ Simplified prospectus**

Where available, these are issued by fund managers and set out the investment objectives, financial highlights, risks and charges that relate to each fund provided by the fund manager.

# Questions and answers

## About your Investment Account

### Who can invest?

You can have an account in your name, jointly for you and someone else or as a trustee for someone else.

If you're starting an account in single or joint names you must be:

- aged 18 or over, and
- resident in the UK for tax purposes for the last six months.

If you're starting an account held in trust the following rules apply:

- For a new Zurich Discretionary Trust or a new Zurich Bare Trust, the settlor(s) must be UK resident for tax purposes at the time the trust is created and the Zurich Portfolio is applied for.
- For an existing Trust either:
  - (a) all Trustees, at the time the Zurich Portfolio is applied for, must be UK resident for tax purposes; or
  - (b) at least one Trustee, at the time the Zurich Portfolio is applied for, must be UK resident for tax purposes and the settlor(s) must have been UK resident at the time the Trust was established.
    - Charitable Trusts must be registered with the Charities Commission in the UK with a UK Charity Number.
    - Pension Trusts must be UK resident with a Pension Scheme Tax Reference Number allocated by HMRC for approved pension schemes.

### Is the account right for me?

The account is only available within a Zurich Portfolio – a wealth management service that enables your adviser to look after all your assets online.

The account may be right for you if you:

- are looking for potentially higher investment returns than a typical bank or building society account
- want to invest in the types of assets available in the account and are aware of and accept the risks associated with these assets
- want to consolidate a number of existing assets within one account
- want an investment adviser to manage assets in your account
- can invest for at least five years
- have already used up your ISA allowance for the current tax year, and
- are prepared to maintain an ongoing relationship with an adviser who has an appropriate agreement with us and who has assessed that a Zurich Portfolio and a Zurich Investment Account are right for you.

The Zurich Portfolio and the accounts you can hold within it are only available through your adviser. Your adviser will administer your Zurich Portfolio and the accounts within it and instruct us on your behalf.

## How can I invest?

The account is made available to you when you first start a Zurich Portfolio. However, it will only start once we receive your first payment or re-registered asset. Your adviser will arrange the investment on your behalf.

There is currently no minimum payment.

You can:

- make regular payments monthly, quarterly, half-yearly and yearly by direct debit unless the Zurich Portfolio is held in trust
- make one-off payments by cheque, BACS or CHAPS, and
- re-register your existing assets.

Your adviser is responsible for arranging payments to your account on your behalf.

### Re-registration of existing assets

If possible, and where requested by your adviser, we'll arrange for assets that you already hold, or that are already held in trust, to be re-registered with us. The benefit of this is that you don't need to sell your assets and then buy them back – your money remains invested.

Only assets that are available under the account can be re-registered with us – your adviser will tell you what these are.

### Phased investment

If you make a one-off payment or you have some available cash, you can ask your adviser to ring-fence it and use a proportion of it to buy assets each month. You can choose to do this for a period of between 3 and 12 months.

Read the **Zurich Portfolio Terms and conditions** for more information about payments, re-registration and phased investment.

## What are the charges?

The following charges may apply to your account:

### Our charges

#### Zurich Portfolio charge

This is a yearly charge that we deduct monthly. The amount we deduct is based on the value of your account. The percentage we use to calculate the charge depends on the overall value of your Zurich Portfolio – excluding any money held in your Cash Account Cash ISA or cash held in your Stocks and Shares ISA, and our agreement with your adviser.

If you have more than one Zurich Portfolio, or if a close family member also has one, and the combined value is at least £200,000, it may be possible to link them for the purposes of calculating this charge. This could reduce the amount you pay – you should speak to your adviser about this.

If your Zurich Portfolio is held in trust please speak to your adviser to understand if it is eligible to benefit from family linking.

Your **Charges information document** and **Zurich Portfolio Terms and conditions** give specific details about our charges.

### Interest charge

Currently, we keep the first 0.1% of the interest rate we receive on cash in your account. This may change in future and we'll let you know if it does.

### Exchange-traded asset transaction charge

We apply this charge each time you buy or sell an asset using nominated stockbroker.

For each transaction under £25,000, we'll deduct a charge of £10.50.

For each transaction of £25,000 or above, we'll deduct a charge of 0.05% of the value of each transaction.

## Asset charges

Different charges will apply depending on the assets you invest in.

### Fund manager charges

These are applied by fund managers and can include, for example, initial charges, bid-offer spreads, annual management charges, fund expenses, and dilution levies or adjustments.

### Exchange-traded asset charges

Certain transactions may incur additional charges. For example, stamp duty reserve tax and/or a levy that will apply to transactions of £10,000 or more.

### Registrar charges

If you re-register existing exchange-traded assets held in your name, the registrar will make a charge for each asset which you will have to pay.

## Adviser remuneration and investment adviser charges

You will agree with your adviser their charges for the services they provide to you. Where you are invested in a model portfolio managed by an investment adviser, your adviser will explain the applicable charges.

Your adviser will tell you what charges apply to the assets you invest in. They will also be detailed on the **Charges information documents** you receive.

Your adviser will explain the options to you. For more information on adviser remuneration see the **Zurich Portfolio Terms and conditions**.

## How will charges and expenses affect my investment?

The following tables show the effect of charges and expenses. They are based on the following assumptions:

- Payments are invested in a mutual fund with a yearly growth rate of 4.5%.
- Net fund manager charges of 1%.
- The Zurich Portfolio charge is that applicable to our agreement with your Openwork adviser.\*
- This is the only account in your Zurich Portfolio and no family linking applies.
- No adviser remuneration or investment adviser charge applies.

\*This is the Zurich Portfolio charge that will apply while your account is linked to an Openwork adviser.

You should speak to your adviser to find out more about the effect of charges.

## One-off payment

### £20,000 to the mutual fund

At year end	Payments to date	Effect of deductions to date	What you might get back
1	£20,000	£282	£20,600
3		£912	£21,900
5		£1,630	£23,200
10		£3,940	£27,100

The last line in the table shows that for a single payment of £20,000 invested over 10 years the effect of total charges and expenses could amount to £3,940. Put another way, this would have the same effect as reducing the investment growth from an assumed rate of 4.5% a year to 3.1% a year.

### £20,000 payment to the mutual fund with 5% withdrawals taken each year\*

At year end	Payments to date	Withdrawals	Effect of deductions to date	What you might get back
1	£20,000	£0	£282	£20,600
3		£2,040	£870	£19,700
5		£3,990	£1,480	£18,900
10		£8,550	£3,190	£17,100

The last line in the table shows that for a single payment of £20,000 invested over 10 years the effect of total charges and expenses could amount to £3,190. Put another way, this would have the same effect as reducing the investment growth from an assumed rate of 4.5% a year to 3.1% a year.

\* Taken as yearly withdrawals starting after the end of the first year.



## Monthly payment

### £500 a month payments to the mutual fund

At year end	Payments to date	Effect of deductions to date	What you might get back
1	£6,000	£45	£6,090
3	£18,000	£407	£18,800
5	£30,000	£1,170	£32,400
10	£60,000	£5,120	£70,300

The last line in the table shows that for payments of £500 a month invested over 10 years the effect of the total charges and expenses could amount to £5,120. Put another way, this would have the same effect as reducing the investment growth from an assumed rate of 4.5% a year to 3.1% a year.

In each of the above examples in the early years the deductions would reduce investment growth from an assumed rate of 4.5% a year down to 3.1% a year at the end of year 3 and to 3.1% at the end of year 5.

These figures are not guaranteed and only illustrate the effect of the charges and expenses.

What you will get back depends on the value of your account when you cash it in.

The value of your investment account depends on:

- how much you invest
- how long your money is invested
- how much money you take out
- charges
- the performance of the assets you invest in.

## How will I know how my account is doing?

We'll send you a statement every April and October showing the value of your account at that time.

Alternatively, you can ask your adviser for an up-to-date valuation of your account, or if your adviser has agreed, you'll be able to view your account online via [www.myfinancialportfolio.co.uk](http://www.myfinancialportfolio.co.uk).

## What about tax?

You should discuss with your adviser, how your account will be affected by tax. Where your account is held in single or joint names the amount of tax you'll pay depends on your individual circumstances. Where your account is held in trust the tax you'll pay depends on the arrangement of the trust and circumstances of the trustees. Future changes in law and tax practice, or in your circumstances, could affect how much tax you'll have to pay.

If you need to complete a tax return, you should include details of the income from the assets in your account and, the gains or losses on assets you've sold. We'll send you a tax voucher each year to help you complete your tax return.

You may need to pay income tax on all income arising from assets, including available cash, held in your account. In addition, capital gains tax may be due on the sale of any asset in your account.

- **Income tax**

Most interest will already have had basic rate tax deducted at source

Depending on your personal circumstances you may be able to reclaim some of the tax deducted from HMRC or you may have further tax to pay. This will depend on the amount of interest & other savings income you receive, and the rate of tax you normally pay.

The Dividend Allowance means that you won't have to pay tax on the first £5,000 of your total dividend income, if you receive more than this amount you will have further tax to pay.

You should speak to your adviser to find out more.

- **Capital gains tax**

Whenever any asset is sold, for instance to pay a withdrawal, to switch into another asset or to cover a charge, tax may be due on any gain that arises. How much tax is payable, will depend on your individual circumstances and you must speak to your adviser to find out more.

In addition, other taxes include:

- **Stamp duty reserve tax**

This tax applies to many financial transactions, it is normally included in the asset's purchase price. You should speak to your adviser to find out more.

- **Inheritance tax**

In the event of your death inheritance tax may be due.

We may need to ask for certain documents to prove your date of birth, address and tax status. We will also have to give HMRC details of income and redemption payments we make. HMRC will pass this information to the tax authorities of the country of residence. We will also disclose information to HMRC where your tax residency means any international Tax Compliance Legislation (such as the Foreign Account Tax Compliance Act (FATCA) or that applying in connection with the Automatic Exchange of Information (AEOI) Agreements requires us to do so.

## Managing your account

Your account is an online account your adviser will manage on your behalf – only they can instruct us online.

For details on how to give us instructions – see the **Zurich Portfolio Terms and conditions**.

## What will my adviser do?

Your adviser will manage your account and instruct us on your behalf, in line with what you agree with them.

Your adviser will instruct us whenever you want to:

- set up new payments, re-register assets or take one-off and regular withdrawals
- change the assets in which you're investing, and
- make any other changes.

## What if I leave my adviser?

If you leave your adviser and want to continue with your account, you must appoint a new adviser and they must have an appropriate agreement with us. Changing your adviser may affect the charges you pay.

If you don't appoint a new adviser, we'll restrict some account features and the availability of certain assets.

You can find more information about the effects of leaving your adviser in the **Zurich Portfolio Terms and conditions**.

## How do I know where to invest?

Your adviser is responsible for helping you to decide what assets to invest in. Whether a particular asset is suitable for you will depend on your circumstances, your investment objectives and your attitude to risk. We will never assess whether any asset is suitable for you.

Before you invest you should be aware that:

- the value of assets can fall – you may get back less than you invest
- the level of income from assets can fall
- over time the value of your assets, or income from them, may be eroded by inflation
- you could lose your money if we, or another financial institution in which you have invested, fails.

Each asset you invest in will have specific investment risks associated with it – your adviser will tell you what these are.

The performance of the assets you invest in affects the value of your account – we are not responsible for how any assets perform. Fund managers are responsible for fund performance and the performance of other assets will be affected by financial markets.

If you don't want to choose your own assets, you may ask your adviser to invest in a model portfolio managed by an investment adviser. You can instruct your adviser to stop using this model portfolio at any time.

See the **Zurich Portfolio Asset guide** for more information about the risks of investing.

## Where can I invest?

We give you access to a wide range of assets that are traded and valued in pounds sterling (£). You can get more information about these assets from your adviser.

The range of assets we make available includes:

### **Onshore and offshore mutual funds**

Collective investment schemes that include:

- unit trusts
- open-ended investment companies (OEICs)
- sociétés d'investissement à capital variable (SICAVs), or
- any other collective investment scheme we make available to you through your account.

### **Non-retail funds**

mutual funds that we make available through your account and are not generally promoted to retail clients. For example:

- FCA recognised funds
- professional/experienced investor funds, or
- specialist funds.

### **Exchange-traded assets**

Assets available through our stockbroker, including:

- UK equities (company shares) listed on UK exchanges
- exchange-traded funds
- gilts (government bonds), corporate bonds, and
- investment trusts.

### **Model portfolios**

These are tailored investment portfolios made up of a range of assets. They aim to achieve a particular investment objective and reflect a specified attitude to investment risk.

See the [Zurich Portfolio Asset guide](#) for more information about the types of asset available.

## What about cash?

Available cash is any cash held in your account that is not currently invested in assets. It is available for investing in assets or for withdrawals, or to pay charges.

Available cash can come from payments, the sale of assets, investment income, interest and annual management charge rebates from fund managers.

Committed cash is any cash that has been ring-fenced to complete any trading instructions. It is not available to be used for charges or to pay adviser remuneration.

We'll deposit cash in a bank account with our chosen banking partner as set out in the Zurich Portfolio Terms and conditions. This cash will earn a variable rate of interest – the current rate is available from your adviser and your charges information documents.

See the [Zurich Portfolio Terms and conditions](#) for more information about available cash.

## What is a disinvestment strategy?

You'll need to choose a disinvestment strategy to decide what assets we'll sell if there isn't enough available cash in your account to cover deductions, such as:

- charges due to us, and
- any ongoing adviser remuneration or any ongoing investment adviser charges.

You can choose to have assets disinvested:

- proportionately from funds and model portfolios in your account, or
- from the least volatile fund, or
- from the most recently purchased fund.

You may choose to exclude specific assets from this strategy.

If you are invested in a model portfolio managed by an investment adviser, the disinvestment strategy will be to sell units from the least volatile fund.

If we have to sell assets as part of a disinvestment strategy, it may have negative tax or investment performance consequences. Your adviser will be able to explain the potential consequences of selling assets.

[See the Zurich Portfolio Terms and conditions for more information about the disinvestment strategy.](#)

## Can I change my assets?

Yes – you can instruct your adviser to change your assets on your behalf.

You may ask your adviser to:

- buy and sell assets, and
- redirect regular payments to different assets.

If you're invested in a model portfolio, your adviser will buy and sell assets when necessary to rebalance the model portfolio.

If you invest in a model portfolio managed by an investment adviser, they'll be responsible for deciding if and when they change the assets you're invested in.

There may be restrictions on the sale of assets, for example, if an asset is suspended from trading, or where there are restrictions on when an asset can be sold.

The sale of any asset within your account may result in a tax charge – your adviser will be able to explain the potential tax consequences of selling assets.

## Can I take money out?

Yes – you can ask your adviser to arrange one-off withdrawals and start or stop regular withdrawals at any time. We won't apply any penalties for taking money out of your account. However, taking withdrawals and selling assets in your account may result in a tax charge – your adviser will explain the potential tax consequences of taking withdrawals.

If your account is held in trust there may be restrictions in the rules of the trust around taking withdrawals. You are responsible for ensuring these rules are followed.

- **Regular withdrawals**

You can choose to take regular withdrawals monthly, quarterly, half-yearly or yearly.

You must take regular withdrawals as a fixed amount and choose the assets to sell to fund them.

- **One-off withdrawals**

You can take a one-off withdrawal at any time.

One-off withdrawals must be taken from available cash in your account.

You may need to instruct your adviser to sell assets to generate cash for a one-off withdrawal.

## Can I cash in my account?

Yes – you can ask your adviser to sell all assets and arrange payment to you, at any time. Alternatively, on receiving instructions from another provider, we will re-register assets to them.

## What happens to my account if I die?

For single and joint accounts, on your death, or on the death of the last account holder in the case of joint accounts, we'll sell any assets and pay the cash proceeds, less any unpaid charges and, if applicable, any adviser remuneration or investment adviser charges, to your Zurich Portfolio Cash Account. We'll then pay the proceeds as set out in the Zurich Portfolio Terms and conditions.

For accounts held in trust, where the last remaining trustee dies the account assets will remain invested until new trustees are appointed.

## Can I change my mind and cancel?

Yes – when we issue your account documents, we'll send you a cancellation notice and information on how to cancel your account.

You can cancel your account within 30 days of receiving the cancellation notice by completing and returning the cancellation notice to us.

If you cancel your account, what you'll get back depends on the type of payment:

- If you're cancelling a regular payment, we'll give you your payment back, less any adviser remuneration or investment adviser charge we've already deducted.
- If your payment was a one-off payment, we'll return the payment to you, less any fall in value and less any adviser remuneration or investment adviser charge we've already deducted.

If you cancel your account during the 30-day cancellation period, any gain in the value of your assets up to the point at which you cancel will not be returned to you.

If you start your account by re-registering assets, you'll have 14 days from the date you sign your transfer authority to tell us if you want to cancel. Where possible, we'll stop the re-registration of assets. However, if the process to re-register assets has already started, we'll be unable to stop the transaction and you must arrange to re-register the assets to another provider after we've completed the re-registration.

# Other information

We classify you as a retail client under Financial Conduct Authority (FCA) rules. This means you'll receive protection for complaints and compensation and receive information in a straightforward way.

## How to complain

If you need to complain, please see the **'How to contact us'** section on page 17.

Details of our complaints handling process are available from your adviser or directly from us.

If you're not satisfied with our response you can complain to the Financial Ombudsman Service.

Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

Telephone: 0800 023 4567 or 0300 123 9123

Write to:  
Financial Ombudsman Service  
Exchange Tower  
Harbour Exchange Square  
London  
E14 9SR

This service is free and using it won't affect your legal rights.

## Compensation

If we, or any of the asset providers you are invested with are unable to meet any financial obligations to you in full, you may be entitled to help from the Financial Services Compensation Scheme (FSCS). The compensation you will receive will be based on the FSCS rules, and whether or not you are eligible to make a claim may depend on which firm is in default, what service or investment they were providing, where they are based and where you are resident.

The Zurich Portfolio Terms and conditions give more details about compensation limits, the circumstances when it might be available and how to claim.

## Benefits we may give to your adviser

We may give benefits to your adviser – designed to help them give you an improved service. These benefits may include marketing and promotional support, technical services and training, seminars, travel and accommodation expenses, gifts and hospitality. Your adviser will give you details of any such benefits they receive from us.

## Terms and conditions

This key features document gives a summary of the Zurich Investment Account. It doesn't include all the definitions, exclusions or terms and conditions.

Your adviser will give you a copy of the Zurich Portfolio Terms and conditions, which you should read before you take out your account.

We'll also send you a copy when you first start your Zurich Portfolio. We'll let you know about any changes when we send your half-yearly statements.

If at any time you'd like a copy of the latest Zurich Portfolio Terms and conditions, please contact your adviser.

## Law

The account is governed by the law of England.

## Our regulator

Sterling ISA Managers Limited, trading as Zurich, is authorised and regulated by the Financial Conduct Authority. We are entered on the Financial Services Register under number 191278. You can find this on the website [www.fca.org.uk](http://www.fca.org.uk).

You can contact the FCA:

Telephone: 0800 111 6768 (freephone).

Write to:  
Financial Conduct Authority  
25 The North Colonnade  
Canary Wharf  
London  
E14 5HS

## Communicating with you

The account documents and Zurich Portfolio Terms and conditions are in English and all our other communications with you will be in English.



# How to contact us

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## Keep in touch

It's important we keep in touch so, if you change your address, or any of your contact details, please tell your adviser.

We'd like everyone to find it easy to deal with us. Please let us know if you need information about our plans and services in a different format.

If you are a textphone user, we can answer any questions you have through a Tynetalk operator. Please call us on **18001 0345 607 2013**. Or, if you prefer, we can introduce you to a sign language interpreter.

To contact us you can email, phone or write.



Email

[zurichportfolioteam@uk.zurich.com](mailto:zurichportfolioteam@uk.zurich.com)



Phone

**0345 607 2013**

(Monday to Friday 8am until 6.30pm, Saturdays from 9.30am to 12.30pm, except on public holidays)

We may record or monitor calls to improve our service.



Write to

**Zurich Portfolio Team**  
**PO Box 1200**  
**Bishops Cleeve**  
**Cheltenham**  
**GL50 9UP**  
**UK**

Please let us know if you would like a copy of this in large print or braille, or on audiotape or CD.





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25 The North Colonnade, Canary Wharf, London E14 5HS.  
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Telephone Number: 0345 607 2013  
We may record or monitor calls to improve our service.