Key Features Document

Chip Stocks & Shares ISA

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Introduction

The Financial Conduct Authority is a financial services regulator. It requires us, Chip Financial Wealth Ltd, to give you this important information to help you to decide whether our Stocks & Shares 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. We do not provide or offer financial, legal or tax advice. You should seek your own financial, legal or tax advice from a financial adviser or another suitably qualified professional. The Chip ISA is provided and managed by Seccl Custody Limited, who is the authorised ISA manager. Seccl Custody Limited, a wholly owned subsidiary of Seccl Technology Limited, is registered in England and Wales (Number 10430958) and authorised and regulated by the Financial Conduct Authority (Firm Reference Number: 793200). In this document, use of the terms us/we/our means Chip.

Its aims

- The Chip Stocks & Shares ISA allows you to invest in a tax-efficient way.
- The ISA enables you to spread and adapt your chosen investments as you wish, according to your financial goals and attitude to risk.
- The Stocks & Shares ISA will allow you to have easy access to your money and you can cash in all or part of your ISA whenever you wish.
- You can switch investments or swap investment ranges by selling down to your uninvested cash within your ISA product without losing tax benefits.
- You can transfer your existing ISA investments to us, without any loss of tax benefits.

Your commitment

Minimum investments

- The minimum initial investment into one of our ISAs is £1 and the minimum cash top-up is £1, although some funds may require a further minimum investment.

Choosing and reviewing investments

- You need to choose the Investments or funds in which to invest. You will be provided with a Key Investor Information Document (KIID) for each chosen fund, and a Key Information Document (KID) for each chosen investment trust, which will have all the relevant information to help you make a decision. To ensure that your ISA and your chosen investments continue to meet your needs, you should monitor their performance regularly, consider new investments that become available and make whatever changes may be necessary.

Keeping in touch

- There is no minimum period for holding one of our ISAs, but you should consider it to be a medium- to long-term investment.
- You will need to keep us informed about any future change of address or contact details so we can maintain efficient records for your benefit.

- You should regularly review your investments and keep up to date with information about our service by logging into your account.

Risks

- The value of your investment and the income from it can go down as well as up, and you may get back less than you put in. Past performance of any investment is not a guide to future returns.
- What you receive when you sell your investment is not guaranteed; it depends on how your investments perform.
- Shares in individual companies carry concentration risk. A fund spreads your money across many companies, but the value of a single share depends on one company alone. Its value can fall sharply, and you could lose all the money you invest in it.
- Investments in foreign assets are subject to currency risk, i.e. as well as the risk of the underlying asset there is also a risk of a loss from exchange rate variations against the pound sterling.
- Tax rules can change, and your own tax treatment will depend on your personal circumstances. Speak to a qualified tax adviser if you're unsure.
- Governments can change the way ISAs and other investments are taxed.
- Inflation can reduce the value of your money. Inflation means the cost of goods and services increasing over time. This has the effect of reducing the buying power of the money you have saved. A £10 note will still be worth £10 in five years' time, but you might not be able to buy as much with it.
- The funds available for you to invest all have specific objectives and associated risks. If the funds in your ISA do not match your attitude to risk (willingness to accept potential losses), they may not perform as you anticipate.
- The effect of charges may be higher than illustrated. If you switch to funds with higher charges than those originally illustrated, or if fund management costs increase in the funds you initially chose, the effect of charges will change.
- If you cash in your account during the early years, you may get back less than you paid in. Stocks & Shares ISAs are typically designed for medium to long term investing.
- If you decide to cancel your account within the first 30 days, you may get back less than you invested if its value falls in the meantime.

Cancelling my ISA

- Should you wish to cancel your ISA you will need to do so by contacting Chip within 30 days of opening the account. You can choose to withdraw the value of any investments you've made or transfer to another provider.

Questions & answers

Am I eligible?

- Anyone who is aged 18 or over and is a resident in the UK for tax purposes can open and subscribe to a Stocks & Shares ISA.
- Crown employees working overseas, such as diplomats or members of the armed forces, and their partners, can also invest in one of our ISAs.
- Please note if you have held a Stocks & Shares ISA with Chip previously and closed your account or transferred to another provider, you will not be able to open another Stocks & Shares ISA with Chip.

How much can I invest?

- In the current tax year you can invest up to £20,000 in an ISA. You can split the ISA allowance as you wish between any Cash ISAs, Stocks & Shares ISAs, Innovative Finance ISAs and a Lifetime ISA (if opened under 40).
- You can invest a lump sum, pay in regular amounts over the year, or a combination of the two throughout the tax year, and up to the current limit. Please note you are responsible for ensuring you do not deposit over the £20,000 ISA allowance when using multiple ISA products with other providers.
- You are able to subscribe to multiple ISAs of the same type, with the exception of Lifetime ISA, within the tax year. All subscriptions must remain within the overall ISA limit of £20,000.
- You can transfer ISAs from previous tax years without affecting the amount you can invest in an ISA for this tax year.

Can I transfer between ISA managers?

- You may transfer in all of either your current year's ISA, or a previous year's ISA at any time provided the transfer is in accordance with the regulations applying to ISAs and your existing ISA Manager agrees to the transfer. A transfer may be made in cash or by re-registering assets subject to the receiving and your existing ISA Manager's agreement.
- You may ask us to transfer all of your ISA from us to a different authorised ISA manager, subject to the ISA Regulations. The transfer will depend on the other manager agreeing.
- We will make no charge for the transfer, but you will need to check with your existing ISA Manager whether they will make a charge to sell the assets and transfer the money in cash or make a charge to re-register the assets.

What investments are available?

- You will be able to search the full range of available investments at any time when you log-in and access Chip Investment Platform in the App as and when they become available in your ISA.
- You can invest in ISA eligible investments offered by the Chip Stocks and Shares ISA including:
  - UK Open Ended Investment Companies (OEICs)
  - UK Unit Trusts
  - Investment Trusts
  - UCITS IV compliant overseas OEICs and SICAVs
  - Exchange-traded funds (ETFs)
  - Exchange-traded commodities (ETCs)
  - Shares in individual companies listed on a stock exchange

How do I find out more information about each investment?

- Key Investor Information Documents (KIIDs) relating to any funds you are invested in, and Key Information Documents (KIDs) relating to any investment trusts you are invested in, will be available via the Investment Platform, as well as information about the charges for investments.
- Some funds and investment trusts are complex in nature, KIIDs and KIDs are issued by the fund manager to give a more comprehensive information about the way each fund works and its investment risks.

What happens to any money which remains uninvested?

- This is held in your ISA as a cash balance. Your ISA is designed to hold cash ready for investing and to meet platform and investment charges.

Where is my cash held?

- Client money is held in a client money bank account by Seccl Custody Limited. Client money bank accounts are designated trust accounts and segregated from firm funds in accordance with the FCA's client money rules and guidance.
- Seccl's policy for choosing banks is continually reviewed and the primary consideration is always security.

What happens to income from the investments in my ISA?

- Income from investments in your ISA will be added to your cash balance.

Can I vote or take part in corporate actions?

- If you want to vote at a company meeting for shares you hold, contact us and we'll arrange it for you with Seccl. You can't take part in voluntary corporate actions, such as rights issues or tender offers. Mandatory corporate actions, such as share splits, are applied to your holdings automatically.

What happens if an investment stops qualifying for an ISA?

- Some investments, such as shares, can stop qualifying for an ISA, for example if a company's shares are no longer listed on a recognised stock exchange. When this happens, ISA rules require the investment to be sold or moved out of your ISA within 30 days.
- We'll tell you as soon as we can and give you a deadline to sell the investment or move it out of your ISA yourself. If you don't act by that deadline, we'll sell it and keep the proceeds in your ISA. If it can't be sold, for example because it is suspended or delisted, we'll open a General Investment Account in your name and move the investment into it.
- Once an investment is held outside your ISA, any income or gains from it may be subject to tax, and General Investment Account charges may apply.

Can I replace cash I have withdrawn?

- Yes. The Stocks & Shares ISA we offer is a Flexible ISA. This means that any withdrawals won't count towards the annual ISA allowance.
- For example, if you subscribed £20,000 – the maximum allowed in the current tax year – then chose to withdraw £5,000, you would be able to reinvest the £5,000 in the same year without breaching your ISA subscription allowance.

What charges do I have to pay?

- There are no charges for using the ISA product. However, platform and investment charges may apply.
- Please refer to Chip website for more details at https://www.getchip.uk/pricing.
- In addition, fund managers will apply charges to your chosen investments. Details of these charges are available when you select your investments online. These charges are normally deducted from the fund value.
- When you buy or sell an investment priced in a currency other than pounds, we convert your money into that currency and back. A foreign exchange fee applies to each conversion and is included in the exchange rate you receive. You can find the fee on our pricing page https://www.getchip.uk/pricing, and you'll see it in pounds before you confirm each trade.

What could I get back?

- The amount you get back will depend on the following factors:
  - how much you invest;
  - the performance of your investments;
  - any charges;

- any income you have taken or withdrawals you have made;
- and the terms and conditions of your investment.

What tax will I pay?

- There is no capital gains tax to pay on any gains and no UK tax on the income. You do not have to declare ISA income or capital gains on your tax statements.
- Dividends from shares in overseas companies may still have tax deducted in the company's home country before they reach your ISA. This is called withholding tax, and it can't be reclaimed through your ISA. We don't currently support the forms that claim a reduced rate under a tax treaty, such as the W-8BEN for US shares, so the full local rate applies, for example 30% on US dividends.
- Please note that tax rules are applied according to individual circumstances and may change in the future.

How do I close my account or withdraw cash and how much will I receive?

- To close your account, you must head to the profile tab on your Chip app and scroll down to "Delete Account". Please note you will be unable to open another Stocks & Shares ISA with Chip if you close your account.
- Withdrawals must be made in cash. If you are selling investments to fund a withdrawal, the sale must have settled before cash can be paid out.
- If you want to transfer your investments to another manager, please contact them and ask them to arrange the transfer with us.

What happens if I die?

- If you hold investments with us when you die, your investments are not necessarily sold; the ISA manager will follow the instructions that your executors give them.

What if I have a complaint?

A full breakdown of Chip's Complaints processes can be found at: https://www.getchip.uk/legal/complaints.

At a high level, you can make a complaint either through email (at hello@getchip.uk), by post (to our registered address) or live-chat (this can be found under the profile tab in the app).

If you wish to make a complaint directly to the ISA manager, Seccl Custody Limited, please email them at complaints@seccl.tech. Their complaint process will apply, which is available on request.

If you are not satisfied with the way your complaint is dealt with, or if your complaint is not dealt with within eight weeks, you can refer this to the Financial Ombudsman at:

Address: The Financial Ombudsman Service, Exchange Tower, London E14 9SR
Telephone: 0800 023 4567 – calls to this number are free from mobile phones and landlines
0300 123 9123 – calls to this number cost no more than calls to 01 and 02 numbers
Email: complaint.info@financial-ombudsman.org.uk.

Can I claim compensation?

Client money and client assets held by Seccl Custody Limited may be eligible for compensation through the Financial Services Compensation Scheme (FSCS). Head to https://www.fscs.org.uk/ for more information.