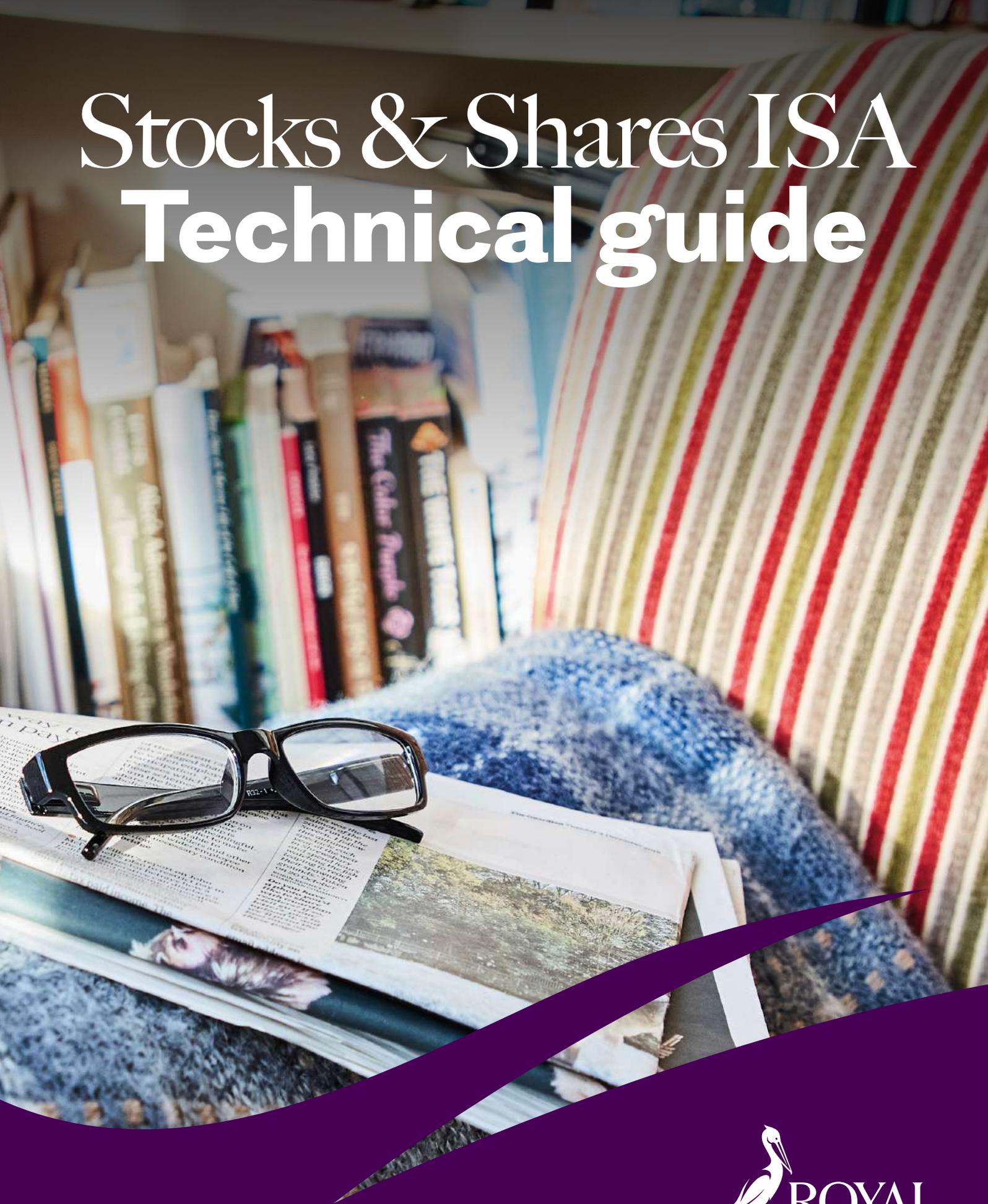


Stocks & Shares ISA Technical guide



Pensions and Investments



THIS IS FOR FINANCIAL ADVISER USE ONLY AND SHOULDN'T BE RELIED UPON BY ANY OTHER PERSON.

The Royal London Stocks and Shares ISA is designed to complement our existing individual and workplace pension products, and is flexible enough to keep pace with your clients' changing needs and lifestyles.

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A comprehensive pensions and investments solution

We know that clients are demanding more from their financial advisers than ever before, and we're committed to putting you and your clients first.

As well as helping you deliver greater value to your clients, the Royal London Stocks and Shares ISA is designed to help you achieve better client outcomes and meet your increased regulatory requirements.

It provides:

- **A comprehensive investment solution** allowing clients to invest in a range of funds managed by Royal London Asset Management as well as funds managed by other investment companies. It also allows you to be as hands-on or hands-off as you like. If you don't have time to regularly monitor investments, with our Governed Range Royal London Asset Management will regularly monitor the portfolios and make any necessary adjustments to the asset mix, leaving you free to focus on supporting your clients.
- **ProfitShare** aims to boost your clients' investments by adding a share of our profits to their plan each year. Please note that ProfitShare isn't guaranteed.
- **A seamless digital experience** lets you instantly quote and apply, provides a combined view of your clients' pensions and investments, and lets your clients manage their own investments.

- **A comprehensive range of remuneration options**, allowing you and your clients to choose how your advice will be paid for.
- **One clear, competitive charge.** If a client has a personal pension and ISA, we'll reduce our annual management charge as the value of their total investments grows – making us easy for you to recommend.

Eligibility

To be eligible, clients must:

- be over 18
- have a UK National Insurance number
- be habitually resident in the UK
- not be a US citizen.

Suitability

Our Stocks and Shares ISA is designed to suit the needs of clients across all life stages.

It should appeal to clients with existing savings to invest or who have spare income after meeting their day-to-day expenses. Clients also need to be willing and able to invest in assets that fluctuate in value. It's unlikely to be appropriate for very cautious short-term investors or clients who want the guarantees that come with cash-based savings.

Important information

Our ISA is a life assurance policy invested in insured funds held within an ISA tax wrapper.

The life assurance policy provides a death benefit of 101% of the ISA value.

The Royal London Mutual Insurance Society Ltd (RLMIS) is the registered ISA manager under which the ISA will be distributed.

The ISA is an individual contract that isn't linked to any other plan. This means that any changes to your clients' associated pension plan will have no impact on their ISA.

Investment returns may fluctuate and aren't guaranteed. The price of units may fall as well as rise, so clients may not get back the value of their original investment.

Nothing in this guide can override the terms of the contract as set out in the terms and conditions. Copies are available on request.

Contributions and withdrawals

Money in

Clients can contribute to their Stocks and Shares ISA at a time and in a way that suits them.

You and your clients can provide contribution and transfer instructions online quickly and easily. Or, if you'd prefer, you can submit an application form using our digital submissions portal.

When we accept an instruction for a contribution or transfer, we always provide your client with a written application summary to review.

We aim to invest money the same working day, and for payments made outside banking hours, we invest the next working day.

We automatically track contributions to ensure your client doesn't exceed the yearly ISA allowance. However, we can't track contributions to other ISA providers.

We only accept contributions from bank accounts where your client's named on the account.

We aim to complete transfers electronically whenever possible. For transfers that can't be completed electronically, we'll email the client a transfer authority form to request their signature. Your dedicated new business consultant will support you and your clients throughout the process.

How we apply contributions

Regular contributions

You and your client can start, stop and change contributions at any time. We won't accept any direct debit instruction that will result in your client exceeding the yearly ISA allowance in current or future tax years.

The maximum regular contribution is the lower of:

- the remaining allowance (recognising expected money in) divided by the number of months remaining in the year, or
- the annual allowance divided by 12.

Contributions can be increased by either a fixed percentage (0.1% to 10%) or the Retail Prices Index (RPI). Any increase is automatically applied to the first contribution in the new tax year and automatically capped at the maximum yearly ISA allowance.

You or your clients can also stop and start contributions online.

Single contributions

A single contribution can be made at any time by bank transfer. We'll automatically include any regular contributions expected in the current tax year when validating the maximum contribution we'll accept.

Transfers from another ISA

Our online service makes it easy for you or your clients to transfer existing ISAs from another provider.

We accept full or partial transfers from existing cash ISAs and stocks and shares ISAs. We won't allow clients to move a lifetime ISA without advice.

We accept the transfer of the cash element of any innovative finance ISAs. But as we don't currently provide a junior ISA, we don't support transfers of child trust funds or junior ISAs.

Transfers depend on personal circumstances and may not always be in your clients' best interests.

Money out

We provide a range of options for your clients to conveniently withdraw their money.

The quickest way for you and your clients to provide a withdrawal instruction is online. However, you can also request a withdrawal by completing an application form or a telephone instruction. The withdrawal must be entered as a monetary amount, not a percentage of the fund.

We aim to pay withdrawals within one to two working days, assuming we have valid bank details and no security concern during the authorisation process.

When we receive a withdrawal instruction, we always issue a written communication to your client after the payment's been processed.

We only make payments to bank accounts where your client's named on the account.

Regular withdrawals

Regular withdrawals can be started, stopped or changed at any time without penalty.

They can be increased by a fixed percentage (0.1% to 10%) or RPI. Any increase is automatically applied to the first withdrawal following the anniversary of the plan start date.

The BACS instruction is sent three days before the regular payment is due so the money's paid into your client's bank account on the right day.

Single withdrawal

A single withdrawal can be made at any time. Your client can take some or all of their money, subject to our minimum withdrawal amount.

For security, online withdrawal requests require two-factor authentication via a one-time verification code sent to the client's registered mobile phone.

You don't need to complete two-factor authentication.

Transfers out

Any registered ISA manager can instruct us to transfer money out, as long as they hold a valid request.

We don't support partial transfers out.

Your client doesn't have to close their ISA if they withdraw all their money.

Transfers depend on personal circumstances and may not always be in your clients' best interests.

Contribution and withdrawal limits

Contribution/withdrawal type	Minimum amount (T&Cs)	Client payment method
Regular contribution	£50 a month	Direct Debit
Single contribution	£500 (at initial plan set up) £25 (top-ups)	Bank transfer
Transfers	None	Transferred between ISA managers
Regular withdrawal	£25 a month	BACS
One-off withdrawal (partial)	£25	Faster payment
Fund holding	£500	N/A

Investment options

Recommend sophisticated investment solutions – without expensive extras

With options covering different goals and risk appetites, our **Governed Range** multi asset portfolios can provide solutions for all your clients' needs. The portfolios include broad diversification, active management, independently led governance and a responsible investment approach – at no extra cost.

- The **Governed Portfolios** offer different risk/return profile options designed to meet a range of investment goals.
- The **Target Lifestyle Strategies** are designed with specific retirement income targets in mind – whether that's taking a regular income, buying an annuity or taking cash lump sums.

- The **Governed Retirement Income Portfolios** are specifically designed to address the challenges that come with generating a sustainable income in retirement.

Alternatively, you can choose individual funds from our **full fund range**. The range covers different asset classes, regions and investment styles, and includes externally managed options as well as funds managed by Royal London Asset Management. For clients who want to align their investments with their values, we offer a number of sustainable options.

These investment options are available across our products, and you can choose different options for each product.

Fund factsheets and/or supplementary information documents for all investment options are available on our website at adviser.royallondon.com/funds/fund-factsheets-and-prices/

Robust monitoring and governance designed to give you and your clients peace of mind

Our independently led Investment Advisory Committee (IAC) oversees the design of the Governed Range portfolios and reviews this on an ongoing basis to make sure each portfolio continues to meet its objectives.

Headed up by an independent chairperson, the IAC has five members – industry experts who meet quarterly to review and monitor the strategic asset allocation and tactical position of each risk-graded portfolio.

This ongoing governance is supported by active management from Royal London Asset Management's Multi Asset team, environmental, social and governance (ESG) insights from Royal London Asset Management's dedicated Responsible Investment team, and in-depth analysis from Moody's and Morningstar Investment Management.

Clear, competitive charges

Charging structure

We offer clients one clear, competitive charge for all Royal London managed investments.

The different elements that make up our annual management charge (AMC) are:

- **A Basic charge** of 1% per year.
- **Minus** any product charge discount.
- **Plus** any additional investment charges (for external funds)
- **Equals** the total AMC.

The ISA supports two types of product charge discount:

- You can offer any client (individual or workplace) a tiered management charge discount based on the value of their investments.
- Members of workplace schemes will have a scheme discount, which provides them with a flat rate AMC for both their pension and ISA.

Individual pensions

You can set up one of our Stocks and Shares ISAs on its own or to complement a Pension Portfolio plan as the charging structure is the same (see example below).

Workplace schemes

The scheme discount will have been agreed with the employer when the scheme was first set up. After this has been deducted, workplace pension schemes have a flat rate AMC.

If a scheme member takes out a Stocks and Shares ISA, it will be subject to the same flat rate AMC as their workplace pension.

If your client has multiple Royal London workplace plans from different employers, the lowest available flat rate charge is automatically presented during the application process.

Pension Portfolio and ISA charging structure

Basic charge

The basic charge for plan investments is 1% a year. This charge is built into the fund price and deducted on a daily basis. The actual management charge may be less than or greater than 1%. Therefore, to ensure the correct charge is applied, an adjustment is made each month by the addition/cancellation of units as required.

Minus Management charge discount

Ranging from 0.25% to 0.65% based on the total value of investments held in all associated products

plus, Additional investment charges

The proportion of money invested in funds with a fund management charge not equal to 1% (already included in the base charge) have an additional investment charge applied

Any additional investment charges are also included in the unit prices

equals Total AMC

Tiered charges

For individual (ie non-workplace) plans our management charges are tiered, so the overall charge reduces as the value of investments in all associated products grows. We apply this through a management charge discount, which will change as the value of investments increases or decreases (as shown in the table below).

There are no exit penalties or additional administration charges for withdrawals or change of investments. As the discount's linked to the value of investments, the management charge discount can vary from month to month.

Client-level charging

We offer client-level charging where a new pension and ISA are taken out together. The combined value of the pension and ISA determines the level of management charge discount.

The table below details the different discount rates and the levels they apply at.

Value of investments ¹	Fund management charge ²	Management charge discount	AMC (including discount)
£0 - £46,600	1.00%	0.25% ³	0.75%
£46,600 - £93,200	1.00%	0.50%	0.50%
£93,200 - £279,000	1.00%	0.55%	0.45%
£279,000 - £932,000	1.00%	0.60%	0.40%
£932,000+	1.00%	0.65%	0.35%

1 Discount levels increase every year on 6 April in line with RPI and will apply on the first plan anniversary after that date.

2 For Royal London investments. Additional charges may apply for investments held in external funds.

3 On 6 April 2025, the discount on new Pension Portfolio Plans increased from 0.10% to 0.25%.

Existing pension plans

If a client's Pension Portfolio plan started on or after 2 December 2024, the management charge discount will be based on the combined value of their pension and ISA. If the pension started between 6 April 2009 and 1 December 2024, the combined value will be used to calculate the management charge discount for the ISA, but the Pension Portfolio charge will be unchanged.

Workplace pensions and tiered charges

You have the option of recommending the ISA on a tiered charging structure if you prefer.

For workplace clients, the quote journey will automatically produce illustrations giving both flat rate and tiered charges, and you can choose which charging structure to apply.

Additional investment charge for external funds

As well as funds managed by Royal London Asset Management, we offer a range of externally managed funds. If your client chooses to invest in funds managed by other investment managers, there may be additional charges.

Our **Fund range summary** leaflet provides further details of what these charges are.

To ensure that your clients only ever see one clear charge, our online application journey automatically adds any external management charges into the single management charge that we present to you or your client.

Remuneration options

Adviser charges

Adviser charges will be agreed upfront between you and your client. We can support you by facilitating the payment of this from the client's plan if required. We do this by deducting units from the client's investment options and then paying the charge to you.

We offer three types of adviser charges – initial, ongoing and ad hoc – which can be used together or separately, depending on the advice and services you've agreed with your client.

Each charge type contains different payment options, which are summarised in the table opposite. Full details of the options available can be found in our Terms of Business and **Pensions and investments remuneration guide**.

	Charge type		
	Initial	Ongoing	Ad hoc
All money	–	Percentage of fund	Monetary amount
			Percentage of fund
Regular contributions	Percentage of contributions	Percentage of contributions	–
	Monetary amount	Monetary amount	Monetary amount
	–	Percentage of fund	Percentage of fund
Single contributions and transfer payments	Percentage of contributions	–	–
	Monetary amount	Monetary amount	Monetary amount
	–	Percentage of fund	Percentage of fund

ProfitShare

Sharing our success

We believe our customers should share in our success. That's why when we do well we'll aim to boost their investments by adding a share of our profits to qualifying plans each year. We call this ProfitShare.

As a mutual, we're customer owned, which gives us the freedom to focus on understanding their needs and working to solve the problems that matter to them. We invest in our customers, using our profits to improve our products and services so that we can strive for even better outcomes.

How ProfitShare works

Sharing our profits is just one way that we express our mutuality. With no shareholders to answer to, we can also use our profits to provide our customers and members with better products and services.

It's this long-term view, along with our financial strength and performance at the end of each year, that helps us decide if ProfitShare can be awarded.

ProfitShare awards will be applied as at 1 April each year – and they'll be based on the value of your clients' investments with us on that date.

To qualify, clients' plans must be in force on 31 December the previous year and on the date the award is given.

ProfitShare awards will be applied in the same investment choice as your clients' plan investments – and they don't count as a contribution, so they won't affect your clients' yearly ISA allowance and the contributions they can make to their plan each year.

Clients will see the value of their ProfitShare account each year in their statement, by logging into our online service and in our mobile app.

There's no guarantee that we'll be able to award ProfitShare every year, so you shouldn't rely on future awards when advising your clients.

Online service

Opening an ISA

You can apply for an ISA for any of your clients using our online service, regardless of whether or not they're an existing Royal London customer.

We know how important it is that you can demonstrate the value of your advice, so we give you the option to produce a personalised quote for your client.

When you're creating a quote, we'll only ask for the information we need. You can also save time by using a saved quote to create a pre-populated application form.

Modern online experience

You can use our online service to:

- create instant quotes and applications
- change your clients' personal details
- track new business through our new business tracker – with proactive task and email alerts
- manage your clients' investment choice
- manage contributions, withdrawals and transfers.

Workplace pensions

Members of workplace pension schemes can apply for our ISA without speaking to an adviser.

We provide articles and videos on our website to support key decisions throughout the product lifecycle.

We'll always promote the benefits of financial advice and provide information on where to find an adviser if they don't already have one.

Registering

To register for our online service, visit adviser.royallondon.com

You can login using either the username and password chosen when registering or by using a Unipass certificate, if you have one.

A Unipass certificate is a free alternative to multiple usernames and passwords, and is used by many UK financial services companies. To find out more, visit www.unipass.co.uk

Once you have a Unipass certificate, you can register for Origo's Agency Administration service which allows you to update your agency details across multiple providers at the same time.

Client online experience

Our online service gives your clients more flexibility and control to manage their ISA online.

They can:

- make contributions and withdrawals
- make changes to personal information, like their contact details
- switch their investment choice
- enjoy a clear and complete view of their investments
- view plan performance and growth.

Your clients also have access to our online fund switching facility, allowing them to change their own investment fund selection.

Mobile app

Once they've registered for our online service, clients will be able to keep an eye on their investments whenever they like, with our mobile app.

It's available on the App Store and Google Play. App Store is a service mark of Apple Inc. and Google Play is a trademark of Google LLC.

Service that really delivers

Adviser support

Attractive product features are all very well. But they need to be backed up by the right customer service.

That's why we work hard to understand what matters to you so we can deliver the service you want.

We've invested significantly to develop a service proposition that not only enhances the product, but also makes it easy for you and your clients to deal with us.

The same award-winning servicing teams that look after your clients' pensions will also look after their ISAs.

Contact information



Address

Royal London House
Alderley Park
Congleton Road
Nether Alderley
Macclesfield
SK10 4EL



Telephone

0345 60 50 050
(8am – 6pm Mon to Fri)



Email

PP1@royallondon.com



Royal London
royallondon.com

**We're happy to provide your documents in a different format, such as braille,
large print or audio, just ask us when you get in touch.**

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