



Key Features of the Beanstalk Individual Savings Account

PLEASE READ THIS DOCUMENT CAREFULLY

The Financial Conduct Authority is a financial services regulator. It requires us, KidStart Limited, to give you this important information to help you decide whether the Beanstalk Individual Savings Account (ISA) is right for you. You should read this document carefully so you understand what you are buying and then keep it safe for future reference. You will also be able to find it on Beanstalk's website.

OVERVIEW

The Beanstalk ISA is a Stocks & Shares ISA and this Key Features Document explains the main features of the product.

ITS AIMS

- To offer a simple tax-efficient account accessed and managed via the Beanstalk app through which you can make investments in funds offered through Beanstalk;
- To provide an opportunity for capital growth for the medium to long term;
- To allow you to contribute up to the ISA subscription limit each year.

YOUR COMMITMENT

- You must provide us with any information we require when setting up the Beanstalk ISA and agree to be bound by the Beanstalk Terms and Conditions;
- You must tell us about any changes to your contact details, country of residence or citizenship as soon as possible after any change;
- You must ensure that any regular or one-off contributions do not exceed the ISA subscription limits in each tax year;
- The minimum contribution required to set up a Beanstalk ISA is £10;
- Whilst your ISA has no fixed term, you should view your ISA as an investment for a medium to long term, which means it should usually be held for at least 5 years.

RISKS

- Investments should be regarded as for the longer term because their value can fall as well as rise. What you receive depends on how your investments perform and we cannot guarantee that you will get back the amount you originally invested;
- Your own tax treatment will depend on your personal circumstances and you should speak to a qualified tax advisor if you are unsure;
- The Government could change the tax rules regarding ISAs so the Beanstalk ISA may cease to be a tax-efficient option;

- 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
- If you decide to cancel the Beanstalk ISA within the first 30 days and contributions have been invested, you may get less back than you invested if the value falls in the meantime.

QUESTIONS AND ANSWERS

What is an ISA?

An ISA is a tax-efficient way to save or invest as all income and capital gains within an ISA are exempt from UK personal tax. There are four types of ISA: Cash, Stocks & Shares, Innovative Finance and Lifetime. The Beanstalk ISA is a Stocks & Shares ISA.

Is the Beanstalk ISA right for you?

The Beanstalk ISA could be right for you if:

- You are looking for an account that offers a tax efficient way to build up investments;
- You are planning to invest for the long term;
- You would like to use the round up facility and other tools within Beanstalk to contribute into your account;
- You want the flexibility to make one off or regular contributions when you feel able;
- You are comfortable that the value can rise and fall.

If you have any doubts about the suitability of the Beanstalk ISA, you should contact an appropriately qualified financial adviser.

Am I eligible for an ISA?

To be eligible for the Beanstalk ISA, you must be over 18, live in the UK and not be a US citizen.

If you move abroad you can keep the ISAs you already hold, and transfer them between managers, but you cannot make any further subscriptions.

What is the minimum contribution?

The minimum contribution is £10 except for round ups where the minimum is £5 spread across all your accounts.

Are there any maximum limits?

The maximum you can subscribe to an ISA is set by the UK government and this typically changes each year. The maximum for the tax year ending 5th April 2024 is £20,000; this is a combined subscription limit for all kinds of ISA.

What are Beanstalk's charges?

Beanstalk has a simple fee structure, which consists of an annual management fee equal to 0.5% of the value of the Beanstalk account. In addition, the funds we offer have annual charges that are deducted from the funds themselves; these are detailed in the funds' KIDs and are between 0.1% and 0.15%. More details on charging are available in the terms and conditions.

Who can pay contributions into a Beanstalk ISA?

Only the account holder (ie: you) can pay into the Beanstalk ISA. One-off and regular contributions are set through the Beanstalk app and can be made via direct debit or bank transfer from a bank account in your name.

Can I transfer an existing ISA to a Beanstalk ISA?

Yes. You can transfer one or more ISAs held with another provider into an ISA with us. All transfers must take the form of a cash payment from your existing provider(s).

Can I transfer my ISA to another provider?

You can transfer your ISA to another provider at any time; the transfer will be made in cash and you will have to sell any investments held in the ISA prior to transfer.

Can I withdraw money from my ISA?

Yes. Withdrawals from your ISA can be requested as a lump sum at any time and can be paid directly into your nominated bank account.

The Beanstalk ISA we offer is a Flexible ISA. This means that any withdrawals will not count towards the annual ISA allowance.

Can I close my ISA?

You can close your account at any time by emailing or writing to us.

For account closures, once your investments have been sold, we will pay the full amount, minus any outstanding charges, directly into your bank account within five business days of receiving the proceeds. Typically, the whole process may take ten to fourteen days from the time we receive your instruction.

What can I invest in?

You can choose to invest in the range of funds offered via the Beanstalk app. You will be provided with a Key Investor Information Document (KIID) for each fund which will have the relevant information to help you make a decision.

What is the Key Investor Information Document?

A Key Investor Information Document (KIID) is a pre-sales document which is produced by the fund manager, not Beanstalk. It contains details of the fund into which you are thinking of investing and includes:

- ✦ A short description of its investment objective and policy;
- ✦ A presentation of past performance;
- ✦ Costs and associated charges;
- ✦ The risk/reward profile of the investment, including guidance and warnings.

Can I hold cash?

Yes, the Beanstalk ISA includes a cash account. Please note that cash may only be held for the purpose of investing in qualifying investments.

What is the tax treatment of an ISA?

Both interest and dividends paid on your ISA, and capital gains on any growth are free of tax. Where income tax has been deducted, for example on certain interest payments, we will reclaim the tax from HMRC on your behalf as appropriate, and this will be paid back to the ISA account. You do not have to declare ISA interest, income or capital gains on your tax statements.

How can I keep informed about my ISA?

Beanstalk has been designed to make it easy for you to track your investments and ensure you are on course to meet your objectives. You can find all information by logging into the Beanstalk app.

We will also email you when regular statements and other notifications are available.

What happens to the ISA if I die?

In the event of your death, your executors must provide us with formal notice in the form of the original death certificate or a copy certified by a solicitor or another regulated professional person.

We will hold the existing investments in the account but will not carry out any transactions. Your savings can continue to benefit from the tax advantages of an ISA during the administration period of the estate. Any interest, dividends or gains in your continuing account after the date of death to the date of closure of the ISA are exempt from tax. The value of the ISA will form part of your estate for inheritance tax purposes.

Can I change my mind?

When your application for the Beanstalk ISA has been accepted, you will have 30 days in which you can change your mind and cancel your application. You can do this by contacting us via email and repayments will be made into the bank account you provided us with on application.

If any subscription has been invested at the point you cancel, you may not receive the amount you originally contributed to your Beanstalk ISA if your investments have fallen in value between the date your subscription was invested and the date we receive your cancellation request.

Can you give me advice?

No. Beanstalk does not provide investment advice as we offer an execution only service. We provide information about investments only to allow you to make your own decision as to which investments you make. If you are in any doubt about the suitability of the Beanstalk ISA for you, you should contact an appropriately qualified financial adviser.

How are the investments and money in the Beanstalk ISA held?

KidStart Limited has entered into an agreement with Seccl Custody Limited ("SCL"), a firm authorised by the FCA, to provide trading, settlement, custody and associated

services. Any cash received from you is held under FCA client money rules in a client money account which is a designated trust account and segregated from firm funds opened by SCL at a major UK bank.

Are there compensation arrangements covering the Beanstalk ISA?

Yes. If you meet the eligibility criteria for the Financial Services Compensation Scheme (FSCS) you will be able to seek compensation from the scheme if we become unable to meet our liabilities to you. For investments, the level of compensation you can receive from the scheme is 100% of the amount invested up to a maximum of £85,000 per fund manager.

If any of the banks holding cash received from you is declared in default, you are entitled to 100% of the first £85,000 in total in compensation for all deposits you hold with that bank.

Further information about compensation arrangements is available from the FSCS website at www.fscs.org.uk.

What other Terms and Conditions apply?

Our terms and conditions are set out in full on our website

COMPLAINT PROCEDURES

You should in the first instance contact KidStart Limited via email at managingdirector@kidstart.co.uk or in writing at KidStart Limited, 10 Plato Place, 72-74 St Dionis Road, London SW6 4TU and we will do everything we can to resolve the problem.

If you are not entirely satisfied with the response you receive you can complain to:

Financial Ombudsman Service
Exchange Tower
London E14 9SR
Telephone 0800 023 4567
Email:
complaint.info@financial-ombudsman.org.uk

Complaining to the Ombudsman will not affect your legal rights.