

KEY FEATURES FOR THE PORTFOLIO MANAGEMENT SERVICE STOCKS AND SHARES ISA AND MAIN ACCOUNT

Financial Advisers

The Financial Conduct Authority is the independent financial services regulator. It asks us, Hargreaves Lansdown Asset Management Limited, to give you this important information to help you to decide if the Portfolio Management Service is right for you. Please read this document carefully so that you understand what you are buying and keep it safe for future reference. You will also need to read your recommendation report, supplied to you by your Hargreaves Lansdown Financial Adviser, before you apply. To keep this document short we have not outlined every feature so please also read the terms and conditions for the Portfolio Management Service before investing.

Its aims

- To give you the opportunity to invest in a portfolio where the investment decisions are made on your behalf by Hargreaves Lansdown's professional managers.
- To increase the value of your investment over the long term.
- To provide an investment income where you invest in a portfolio for income and growth.
- (PMS ISA only) To provide a tax-efficient wrapper for your investment.
- To achieve the best possible returns for a given level of risk.

Your commitment

- Take initial and ongoing advice from a Hargreaves Lansdown Financial Adviser on the suitability of the Portfolio Management Service.
- Invest a sum or sums of money as agreed with your Financial Adviser.
- Consider the Portfolio Management Service as a medium to long term investment (i.e. to be held for five years or more), although there is no minimum or fixed investment term.
- Where you invest in the PMS ISA, to not invest in any other Stocks and Shares ISAs in the same tax year.

Risk factors

- The portfolios are invested in the stock market. The value of your investment and the income from it can go down as well as up so you may get back less than you invest.
- What you receive when you sell your investment is not guaranteed; it depends on how your investments perform.
- Governments can change the way investments are taxed.
- Inflation will reduce the real value and therefore what you could buy with your investments in future.

Your questions answered

What is the Portfolio Management Service?

The Portfolio Management Service is designed for investors who wish to invest in a portfolio managed by investment professionals. It is a discretionary managed service, meaning all investment decisions are made by the portfolio managers without reference to you.

The Portfolio Management Service allows you to invest in a managed portfolio directly in the Main Account or within the tax shelter of an ISA. The managed portfolios invest predominantly in unit trusts, OEICs and cash.

How do I invest?

The Portfolio Management Service is available exclusively through Hargreaves Lansdown Advisory Services. To invest you must first receive advice from a Financial Adviser on the suitability of the Portfolio Management Service. To make a new investment please contact your Financial Adviser via the Advisory Helpdesk on **0117 317 1690**. If your Financial Adviser recommends the Portfolio Management Service they will provide you with the appropriate application forms to make your

investment. Investments can be made by cheque, debit card, direct debit and cash transfer from your existing investment providers.

How much can I invest in an ISA?

You will agree an investment amount with your Financial Adviser. The minimum investment is £500. This tax year (2023/24) the maximum you can invest in a Stocks & Shares ISA like the PMS ISA is £20,000.

You can also transfer ISAs from previous tax years without affecting the amount you can invest in an ISA for this tax year. When transferring a Cash ISA to a Stocks and Shares ISA please remember that stock market investments can fall as well as rise, so your capital is not guaranteed.

How much can I invest in the Main Account?

You will agree an investment amount with your Financial Adviser. The minimum investment is £500. There is no maximum limit to the amount you can invest.

Do you offer a monthly investing plan?

If you'd like to invest monthly, you can through direct debit. Your Financial Adviser can recommend an appropriate plan. The minimum monthly investment is £250 a

month to each PMS Stocks and Shares ISA and Main Account.

There is no need to make a new direct debit application each tax year. We will simply roll over your plan into the new tax year unless we receive a telephone or written, via letter or Secure Message, instruction asking us not to.

How do I stop or change my direct debit?

If you would like to increase your direct debit this must be arranged through your Financial Adviser. We also suggest you take advice before decreasing or stopping your direct debit. Please contact your Financial Adviser via the Advisory Helpdesk on **0117 317 1690**.

To proceed with an amendment to your direct debit please ensure we receive your instruction, via telephone or written via letter or Secure Message, by the 21st day of the month for a direct debit to cease or change in the following month.

What charges will I pay?

Please refer to the PMS Tariff of Main Charges in the PMS Terms and Conditions booklet, and your fee agreement with your Financial Adviser.

In addition, the investments held within the managed portfolios will have their own charges. Typically the portfolios invest in funds, which have an annual management charge and other expenses. Your Financial Adviser will confirm the total expense of the portfolio before you invest.

Will I receive interest on the cash held in the portfolio?

For our current interest rates please call the Helpdesk on **0117 900 9000** or visit our website <http://www.hl.co.uk/charges-and-interest-rates>.

Where is the cash held?

Client money is held in a client bank account. Client bank accounts are designated as trust accounts and segregated from our own funds in accordance with the FCA's client money rules and guidance.

Over the next 12 months, HL expects to receive interest of between 0.5% p.a. below and 0.5% p.a. above the prevailing base rate on cash balances in client money accounts. In accordance with the PMS terms and conditions, HL receives all interest earned on cash balances held in our Client Bank Accounts. We will separately pay interest to you on cash you hold with us at rates determined by us. Rates are determined by reference to the interest we receive and the cost to us of managing your cash.

Our policy for choosing banks is continually reviewed and the primary consideration is always security. Cash held within the PMS Stocks and Shares ISA and Main Account is currently spread across a number of banks.

Will I receive income?

If you invest in a portfolio that provides income you can choose to have the income paid out of your account. Income received in the previous month will be paid directly into your bank account within the first 10 working days of each month. Other options for paying an income are available – please speak to your Financial Adviser.

Alternatively, you can choose to have income automatically reinvested within your account.

Can I change the investments I hold within my PMS account?

No, this is a discretionary service which means the investment manager is responsible for changing any investments held in the portfolio. If your circumstances or investment needs change it is possible for your Financial Adviser to arrange for you to switch to a different portfolio. If you have any concerns about the suitability of the portfolio please contact your Financial Adviser via the Advisory Helpdesk on **0117 317 1690**.

How will I know how my investment is performing?

We will send you a valuation every three months. You can also log in to your account via our secure website or app and follow your investments 24 hours a day, seven days a week.

What tax will I pay?

Within a Stocks and Shares ISA such as the PMS ISA, there is no capital gains tax to pay on any gains. UK dividend income and interest on cash is paid gross. There is no UK tax on the income.

Within the Main Account your tax liability will be the same as if you held funds and shares in your own name. We will provide you with a schedule of income once a year to help you complete your tax return.

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

We strongly recommend that you take further advice from a Financial Adviser before making a withdrawal or closing your account. This is because the PMS account will have been recommended as part of a 'financial plan' for you which will need to be re-assessed if your circumstances have changed.

To proceed with a withdrawal or to close your account you will need to send a written instruction via letter if the value is over £100,000, otherwise you can contact our Instruction line on **0117 980 9847**. Please see the PMS Terms and Conditions. There is no notice period.

If you want to transfer your investments to another manager please contact them and ask them to arrange the transfer with us. There are no charges to transfer.

The amount you receive will depend on the value of your investment on the day it is sold.

What happens to my investments when I die?

Your investments will continue to be managed under the Portfolio Management Service. For jointly held Main Accounts, the account will be re-registered in the name of the survivor. For the ISA and solely held Main Accounts, we will await further instruction from your representatives. Please see the PMS Terms and Conditions for further information.

Can I cancel my investment?

You can cancel your initial investment within 14 days and withdraw from your PMS account. If you cancel your initial investment and it has fallen in value you will not receive back the full amount you initially invested.

For details of how to exercise your right to cancel please see the PMS Terms and Conditions.

If I am not happy with the service I have received how do I complain?

Please send us a secure message via your online account, or call or write to us using the details below. We have a clear policy to ensure that we deal with complaints promptly and fairly. If you are not happy with our response you can also complain to the Financial Ombudsman Service.

HOW TO CONTACT US

By Phone – You can call our PMS Helpdesk on **0117 980 9963** (calls may be recorded and monitored)

By Post – You can write to us at:
Hargreaves Lansdown
One College Square South
Anchor Road
Bristol, BS1 5HL

Online – You can visit our website www.hl.co.uk

COMPENSATION ARRANGEMENTS

Hargreaves Lansdown contributes to the Financial Services Compensation Scheme (FSCS), details of which are available from the FSCS or the Financial Conduct Authority.

OTHER INFORMATION

Scheme particulars, annual and quarterly reports, Key (Investor) Information Documents and accounts or other information for the underlying investments held in the portfolios can be obtained directly from Hargreaves Lansdown by contacting our Helpdesk on **0117 980 9963**, or making a written request via letter or Secure Message.

These Key Features are governed by English law and we shall communicate with you in English.

Hargreaves Lansdown Asset Management Limited is authorised and regulated by the Financial Conduct Authority.