

Moving your investments to Fidelity



Personal Investing



Fidelity[™]
INTERNATIONAL

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This document explains the process of moving your investments to Fidelity and gives you all the important information you need to know before making your decision. By doing this you can consolidate all your investments in one place, therefore making them easier for you to manage. It means you will receive one statement with all your investments listed and if you register for online account management you can see the status of all your holdings whenever you wish.

Important information

To comply with Financial Conduct Authority rules, we now only offer clean share classes for new business. By doing so, you are able to have clarity on how charges are structured. Where we offer the fund you hold on our platform but have a different share class the re-registration will continue, but on receipt of the assets we automatically switch the investment into the share class of the same fund that we offer on our platform. It is important that you understand that you will be out of the market if we need to move you across to a different share class, as we have to sell your holdings in the existing share class and then invest the money in the clean or super clean share class (if available) of the same fund. This means you could miss out on growth and income if the market rises during this time. This can take up to two working days and you will probably have a different number of units in the fund after you move as the prices of bundled and clean share classes are normally different.

Bid-offer spreads will still apply on dual-priced funds. This means that a lower price for sale than purchase is offered. To understand the size of the spread, please refer to the bid and offer prices of the clean share class which can be found on our online factsheets.

Other charges

Some third party fund managers levy charges to cover specific costs for buying into the investment (known as a Fund Manager's Buy Charge) and selling out of the investment (known as a Fund Manager's Sell Charge). These are designed to discourage short-term trading of funds. For full details on whether these charges apply to the fund you wish to buy or sell, please refer to Doing Business with Fidelity, which incorporates the Fidelity Client Terms, and the relevant key information document for your chosen fund(s).

ISAs

Once we have received your instructions and your existing provider has started the process to move your ISAs over to us, it is important to understand that you won't be able to cancel your instructions until the process has been completed. Currently, completion times can be up to 6 weeks and during this time you won't be able to place any deals on these investments.

Please note that we are not able to provide advice and therefore cannot assess the suitability or appropriateness of investments held for you or other services provided to you by Fidelity. This means you do not benefit from the rules of the Financial Conduct Authority on assessing suitability or appropriateness. Please remember the value of investments can go down as well as up and you may get back less than you invested. If you are in any doubt about the suitability of any investments or services you may acquire through Fidelity, we recommend you consult an authorised financial adviser.

The value of tax savings and eligibility to invest in an ISA will depend on individual circumstances and all tax rules may change in the future.

What is the process for moving ISAs to Fidelity?

At first, we will automatically try to move your ISA investments as they are over to us. This process is known as 're-registration' and means we will keep your money invested in your chosen investment as long as we have the investment on our platform.

If you currently hold the funds in a different share class to the one we offer, we will carry out a switch as part of the moving your investments into the cleanest share class of the same funds.

Finally, if the fund you hold with the other provider is not available with us, we will transfer your investments as cash within your ISA wrapper.

Re-registering your Investments

All fund providers have a register of all the investment holders in the fund. This means the register will be changed to show that Fidelity has taken over the administration of them, leaving your monies exactly where they are invested. If you hold funds in our available clean share class, we will move your units straight over and you will not be out of the market.

Switching your investments

If you currently hold the funds in a different share class to the one we offer, we will need to carry out a switch as part of moving your money into the clean structure of the same funds. In addition for

some funds we offer a 'super clean' share class with lower ongoing charges and if available, we will automatically switch your holding into the super clean share class of the same fund. This means you may be out of market for up to two working days and you may have to pay a bid-offer spread if your funds are dual priced. Fund Manager's Buy Charges and Fund Manager's Sell Charges may also apply. Please refer to the fund factsheet for more information. When you initiate the transfer online, a tool is available to help you identify whether your investments need to be switched once re-registration has been completed. This tool will also allow you to see which funds are dual priced and those that have Fund Manager's Charges.

Please note, we cannot re-register cash funds or ISAs that contain an insurance element.

Transferring your investments

When we do not have the investments you're invested in on our platform, they will be sold and moved to us as cash within your ISA account. Your investments will maintain their ISA status and the tax benefits during this process. When you have received confirmation that the move has completed, you should consider selecting a new investment to invest in from our platform.

Currently, completion times can be up to 6 weeks but could be considerably longer. Please see page 3 'How long does it take?'

Definitions:

Bundled – a bundled share class is one where the majority of charges are included in a single ongoing charge figure (OCF). From this OCF, payments are made to Fidelity, as well as to the fund manager.

Clean – a clean (or ‘unbundled’) share class has a lower OCF as it only includes the fund manager’s charge. Fidelity has to charge you separately.

Super clean – a super clean (or ‘limited availability’) fund share class have a lower OCF, compared to a standard clean share class. These share classes are not widely available and the discount (we have negotiated with the fund provider to sell their fund on our platform) is built into the OCF which makes them cheaper than the standard clean share classes.

What is the process for moving investments outside of an ISA (Investment Accounts)?

We will only move investments to Fidelity when we offer the same investment on our platform. In addition, any cash held within your account with the other provider will be moved across as well and will be placed in cash within your account with Fidelity.

If you hold the investments in a clean charging structure, we will move your money straight into the same investment and you will not be out of the market.

If you currently hold the investments in a different charging structure to the one we offer (either because you are currently invested in a bundled fund or because we offer a super clean share class of the same fund), we will need to carry out a switch as part of moving your money into the same investments. This means you may be out of the market for two days and you may have to pay a bid-offer spread on your investments. However, this will not create a capital gains tax liability. Fund Manager’s Buy Charges and Fund Manager’s Sell Charges may also apply to some investments.

Investments we do not hold on our platform will remain with your current providers. You can then choose to sell them and use this money to buy investments with us. However, it’s important to understand that you may incur a capital gains tax liability, depending on your circumstances. We suggest you speak to a financial adviser should you require further information on this.

Transferring pensions

You can also transfer all eligible pensions into the Fidelity Self Invested Personal Pension (Fidelity SIPP), please visit fidelity.co.uk/transfer or call **0800 358 7480** for more details. Exit fees may be imposed by some non-Fidelity pension schemes and you may lose out on associated benefits if you transfer out of a pension scheme. Please ensure you take specialist advice if you are in doubt. Please note, with pension products you will not be able to withdraw money until you reach age 55.

How do I move my investments?

All we require are your details, the details of your provider along with your account number with them and then we will do the rest. The simplest way to apply is to visit our website and complete the online re-registration process. In some instances, you will be required to print, sign and return a letter of authority giving Fidelity written permission to approach your current provider. Please see ‘How long does it take?’ section to find out more about the scenarios where a letter of authority form would be required to be signed and posted.

What happens after you have received my instruction?

On receipt of your instructions we will contact your current provider, arrange for your investments to be moved and let you know when the process has been completed.

If the investments held within your ISA are available on our platform, the

administration of all your eligible investments will be moved to Fidelity so you will not be out of the market. If you have investments that are not eligible then these will be sold and the money placed into the cash within your account which means the ISA status of the money is preserved whilst you’re out of the market. For more information on how cash within your account works, please refer to our Doing Business with Fidelity document at fidelity.co.uk/doingbusiness. When you decide to move your cash into a chosen investment simply go online and choose which new investments you wish to invest in from our platform. When switching from cash into a new investment, please note that some fund managers will apply additional costs when buying or selling their funds.

If you are moving your investments which are not held in a tax wrapper such as an ISA or SIPP, the administration of all your eligible funds will be moved to Fidelity and placed into an Investment Account. In addition, any cash held within your account with the other provider can be moved across as well and will be placed in cash within your account with Fidelity. Any funds that are not eligible will remain with your current provider. You may wish to sell them and use the cash balance to buy new funds from our platform. Please be aware this may incur a capital gains tax liability depending on your circumstances. We suggest you speak to a financial adviser should you require further information on this.

Do I have to move all of my investments to Fidelity?

If you are moving an ISA you do have to move all the investments held within the ISA wrapper, whether it is the current tax year, previous tax years or both. Please be aware that all tax rules may change in the future.

For investments held within an Investment Account, all eligible funds including any cash held with your provider or platform will be moved. If funds are ineligible to be held on our platform, we will leave them where they are. You can find more information about fund eligibility on our website.

Are there any other charges?

There are charges and expenses that are applied to investments that you invest in, including fund charges, transaction charges and service charges. An explanation of what these are can be seen in the Doing Business with Fidelity document, which incorporates the Fidelity Client Terms. For further information please visit fidelity.co.uk/doingbusiness. For charges relating to the specific investments you choose, please refer to the relevant key information document specific to your chosen fund. These documents give you all the information you need to know about the fund provider, including details of the objective, investment policy, risks, charges and past performance associated with your chosen investment(s). You can access these from the fund factsheet.

When you move over £1,000 of investments to Fidelity, we will reimburse the exit fees charged to you by your former provider, up to a maximum amount of £500 per customer. Please see fidelity.co.uk/exitfeeterms. To make a claim write to us with proof of the charge, such as a closing statement, and we will either transfer the money to your bank account, if you provide us with your details or send you a cheque.

If a switch has to be placed as part of the re-registration process, will it be into a fund with the same income preference?

We will always try to find an exact match or as close a match as possible clean share class to the funds being re-registered.

Where a clean share class with an accumulation unit type is not available, your holdings will be switched into a clean share class with an income unit type of the same fund. The income will be automatically re-invested unless you instruct us that you would like the income to be paid out.

If the fund being re-registered is an income paying unit type, but the only available clean share class on our platform offers an accumulation unit, the holdings will be switched into the accumulation unit.

How long does it take?

To apply it only takes a few minutes to complete the online process, and once you've submitted your instructions we'll take care of the rest. Currently, completion times can be up to 6 weeks but could be longer as the process is reliant on prompt action by your existing providers whose time frames can be variable. As a member of TISA Exchange Limited (TEX), Fidelity is able to provide an automated electronic transfer of wrappers and assets between fund managers and platforms but unfortunately this has yet to be adopted by all providers which can cause delays. If your current provider is not a member of TEX we will also require you to sign, date and post the letter of authority form (that will be generated during the transfer journey) to us in order to start the transfer. Please note that once the transfer begins you are unable to switch, top up or sell your funds until the process is complete. We will send you a confirmation letter once everything is done. Once the re-registered units have been received, the switch (if applicable) will normally take place within 48 hours.

What documentation will I receive?

We will send you a letter of acknowledgement on receipt of your instructions showing the providers that we have contacted in order to process your instruction. You will receive a confirmation for any investments that we need to move as cash on your account.

In the case of re-registrations or switching where applicable, on completion of your instruction with each provider or fund supermarket, we will send you a letter confirming your investments have been successfully moved to Fidelity.

Can I change my mind about a re-registration?

As you have invested directly without receiving advice from a financial adviser, cancellation rights do not apply (with the exception of the Fidelity SIPP). This means you do not have the right to cancel your Investments if you change your mind. You may withdraw your money at any time by selling your Investments where the product allows this. For ISA investments, if you would like to keep their tax-efficient status, you may have the option of transferring it back to your original manager.

For ISA investments, if you want to cancel the re-registrations to us but would like to keep their tax-efficient status, you may have the option of transferring it back to your original manager.

Alternatively you may ask us to sell your investments and return the proceeds to you. However, for ISA investments this means that you will lose the tax benefits of the account. In the case of an ISA from the current tax year, you would then not be able to open an ISA of that type with another manager until the following tax year.

Can I re-register my Fidelity Investments to another provider or fund supermarket?

Yes you can re-register any investments held inside or outside an ISA account to another platform if they offer those investments.

Though you can instruct partial re-registration of your investment account, 100% of the individual assets must be transferred.

Please note that when moving ISA investments 100% of the ISA must be transferred.

Contact US



0800 0854 263



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You should also bear in mind that if any of your investments in exchange-traded instruments including investment trusts and exchange traded funds have to be transferred as cash over to the other provider, our normal transaction charges of £10 per asset would apply.

After you instruct a Re-registration of all your assets to another provider, if we receive an income payment, a dividend or other cash amount relating to your investment, we will pay it into your bank or building society account, or send a cheque, payable to you, if we are unable to forward this to your new provider.

After you instruct a Partial Re-registration (Investment Accounts only), if we receive an income payment, a dividend or other cash amount (including Regular Savings Plan payments) relating to your investment(s), it will be retained in your account and we will follow your most recent investment instructions relating to that income payment, dividend or other cash amount. For example, if you have a Regular Savings Plan which allocates an amount to be invested in the investment you have Re-registered, this amount will continue to be invested in that investment until you change your Regular Savings Plan allocations. Similarly, if you have instructed us to reinvest income or dividends from an investment that you Re-register with another Provider, any income we receive will be reinvested into that investment within your account.

You will not be able to top-up, switch or sell your investments while the transfer process is taking place. We strongly recommend, therefore, that you review your investments and make such adjustments as are required before instructing the re-registration. Fidelity will make every effort to ensure your investments are transferred as quickly as possible. The process is however reliant on prompt action by third parties whose service levels can be variable.

We do not charge you for moving your assets to us or away from us, with the exception of cash transfer of exchange traded instruments including investment trusts and ETFs. A transaction charge of £10 per asset would apply if we are asked to perform a cash transfer of these holdings to the other provider. If you require any further information, please contact us on **0800 0854 263**.

What other documents should I read?

You must read this document in conjunction with Doing Business with Fidelity incorporating the Fidelity Client Terms, which gives you a summary of the important information you need to know when investing with Fidelity. Although you may retain the same investments with us as you held with your previous investment administrator, you will be entering into new contractual terms when Fidelity becomes your investment administrator. These terms may contain different arrangements, for instance, for administration and future dealing than your previous investment administrator's terms.

In addition you will need to read the relevant key information document for your chosen investment(s). You may experience different charges between supermarkets/administrators for holding exactly the same investments which is why it is important that we refer you to these documents.

For further information please visit

fidelity.co.uk/doingbusiness

