

Introduction

This document provides guidance on Credo's Individual Savings Account (ISA) products.

What is an ISA?

Individual Savings Accounts (ISA's) are a scheme of investments managed in accordance with the ISA regulations under terms agreed between Credo, as the ISA Manager and the Investor. The main difference between an ISA and any other savings account is that it offers tax-free capital and interest.

What types are there?

Available on the Platform

FLEXIBLE ISA

Also known as a Stocks & Shares ISA, this is an account that allows you to hold a wide range of assets, including cash, funds, shares, gilts, bonds, exchange traded funds (ETFs), exchange traded commodities (ETCs) and investment trusts.

A Flexible ISA allows you to take out money from your ISA account and replace that money within the same tax year without eating into your annual ISA allowance. Note a withdrawal needs to be in the form of cash in order for it to be treated as a flexible withdrawal and not all withdrawals from an ISA are able to be treated as eligible.

Examples of what Credo treat as eligible withdrawals under the terms of our Flexible ISA product include, but are not limited to:

- Income paid away to the Investor
- Funds removed from an ISA and transferred to a permissible third-party account within Credo e.g. between spouses

Examples of what Credo will not treat as eligible withdrawals under the terms of our Flexible ISA product include, but are not limited to:

- Withdrawals whilst the account was administered by another ISA manager
- Removal of funds under the instruction from HMRC
- Transfer to a same name GIA to cover fees and charges that have been collected already

JUNIOR STOCKS & SHARES ISA (JISA)

A JISA is a tax-efficient investment account for children under 18. Any parent or legal guardian can start an account for their child, whilst family and friends are able to contribute to the account as well. When the child turns 18 they will gain access to the account.

Note a JISA account is not a flexible product and an Investor can hold both a Junior ISA and a Child Trust Fund.

Not available on the Platform

CASH ISA

A cash-only savings account based on a fixed or variable rate.

INNOVATIVE FINANCE ISAS

This higher risk option lets you lend your savings out to borrowers through peer-to-peer lending platforms, where interest earned is tax-free.

LIFETIME ISAS

The Lifetime ISA helps first time buyers get on the property ladder, or can be used towards retirement savings.

What's the ISA allowance?

The ISA allowance limit is set annually by the UK government and limits how much money can be subscribed annually into an ISA in each tax year (6 April to 5 April).

Subscriptions

When making a cash subscription, the Investor must only subscribe with their own funds. All cash subscriptions must be processed via a transfer of funds from the Investor's GIA which is held by Credo.

Subscriptions can be made in whole, e.g. as a single amount of the current tax year's allowance, or in part. If a subscription is in part, the minimum amount that Credo will accept is £500.00. There is no minimum subscription amount for a JISA.

In order to make a subscription, the Payment Instruction Form is to be completed and sent to payments@credogroup.com for processing.

Opening an ISA/JISA?

Please refer to the InfoHub and follow the steps outlined in Guide - Account Opening.

Subscriptions must be made in consecutive tax years otherwise a new application for an ISA would be required before we are able to accept the subscription.

Further Information

Tax rules for ISAs can change. Please refer to the government website for any further details.