



Terms and Conditions

of the Red Rose Assurance
Shariah ISA



Terms and Conditions of the Red Rose Assurance Shariah ISA

These are the full Terms and Conditions of the Red Rose Assurance Shariah ISA. It is an important document which you should keep with your policy document. You will also receive a Key Information Document which gives you the key information required by law to help you understand the nature, risks, costs, potential gains and losses of this stocks and shares ISA and to help you compare it with other products.

We have made every effort to write these Terms and Conditions in plain English however, if you have any questions please contact this office and we will be able to help you.

1. Red Rose Assurance

- 1.1 Red Rose Assurance is a trading name of The Rechabite Friendly Society Limited (the Society).
- 1.2 The organisation is an incorporated Friendly Society within the meaning of the Friendly Societies Act 1992 and is registered in the UK.
- 1.3 We are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Our Financial Services Register no. is 109994. You can confirm this by visiting their website www.fca.org.uk/firms/financial-services-register or by telephoning the FCA on 0800 111 6768.
- 1.4 The Society is a mutual organisation which means that all members have a say in the way that the organisation is run. Through having this policy you become a member of the Society. All adult members (aged 18 and over) receive an invitation to our Annual General Meeting and are entitled to vote on various issues, including the appointment of Directors. As a friendly society we have a rulebook which sets out the way we are governed. You can request a copy of the rulebook at any time or download one from our website www.redroseassurance.co.uk
- 1.5 Every year the Society produces a Solvency and Financial Condition Report which includes important information on the financial performance, solvency and governance of the Society. You can download a copy from our website or request a copy from our office.
- 1.6 When the Society was formed in 1835 we only allowed members to join who signed a pledge to abstain from alcohol. Whilst we now allow anyone to join we still ask all our new members to sign, as part of their application, that they either drink alcohol moderately or abstain altogether. We also support a number of charitable initiatives that promote healthy living.

2. The contract with us

- 2.1 By signing the application form you enter into a formal legal contract with the Society. We are not obliged to accept your investment.
- 2.2 The Red Rose Assurance Shariah ISA is an insurance based investment product which includes a small amount of life insurance which is why its referred to sometimes as a policy.
- 2.3 You must ensure that all the information on your application form is correct. If it isn't, we may not be able to accept your contract in the first place or it may become void in the event of a claim.
- 2.4 In the case of legal disputes the law of England and Wales will apply.
- 2.5 Nothing in these Terms and Conditions will reduce your statutory rights. For further information about your statutory rights contact your local authority's trading standards department or a Citizens Advice Bureau.
- 2.6 We can only vary these Terms and Conditions if we have a valid reason to change them. Examples of a valid reason would be to respond proportionately to changes in taxation, insurance and other laws, decisions of the Financial Ombudsman Service, to meet regulatory requirements or to improve our service to you. We will write to you to give you advance notice of the proposed change and provide an explanation.
- 2.7 The ISA investments will be, and must remain in, the beneficial ownership of the investor and must not be used as security for a loan.
- 2.8 The policy, or the rights conferred by the policy and any share or interest in the policy or rights respectively, other than the cash proceeds from termination or part surrender of the rights conferred, cannot be transferred to the investor. The policy may be owned or held only as a qualifying investment for an ISA. The policy shall terminate automatically if it ceases to be owned or held in the ISA.
- 2.9 The policy, the rights conferred by the policy and any share or interest in the policy or rights

- respectively, are not capable of assignment or assignation (other than that the policy may be transferred from one ISA manager to another in accordance with the normal rules on ISA transfers) and the rights may vest in the personal representatives of a deceased investor. They cannot be put into trust.
- 2.10 Red Rose Assurance, the ISA manager, will satisfy itself that any person to whom we delegate any of our functions or responsibilities under the terms agreed with you the investor is competent to carry out those functions and responsibilities.
- 2.11 Red Rose Assurance must notify you the investor if, by any reason of any failure by either party to satisfy the provisions of the ISA regulations, an ISA has, or will, become void.
- 2.12 We do not assess the suitability of the ISA for your needs. If you have any doubts whether this ISA is right for you or your needs, you should seek financial advice.
- 2.13 After your application is accepted you will receive a notice from us explaining your right to cancel the policy. You will then have 30 days to change your mind, cancel the ISA and receive a refund. The amount of refund you receive might be more or less than your investment if the value of units has increased or fallen between making the investment and the Society receiving your cancellation form.
- 3. Length of contract and age restrictions**
- 3.1 In accordance with HMRC rules only UK residents or Crown employees serving overseas, aged 18 or over can invest in a stocks and shares ISA.
- 3.2 If after opening your ISA you move overseas or you are not sure about your residency status contact us or HMRC for further information.
- 3.3 There is no maximum age for investing in the Red Rose Assurance Shariah ISA.
- 3.4 There is no minimum or maximum term. The ISA will continue from year to year unless you suspend it or cash it in. You should however consider this to be a medium to longer term investment.
- 3.5 Contributions to the ISA can be stopped and recommenced at any time.
- 4. Making investments**
- 4.1 There is flexibility in the way you can invest in your Red Rose Assurance Shariah ISA. You can pay a single premium and one-off investments by cheque or bank transfer.
- 4.2 Regular contributions can be made by direct debit. We will use the first available date, after giving you the required 10 working days notice, to collect your regular premium, however if you prefer an alternative date in the month simply write this on your application form or contact us.
- 4.3 Direct Debits are governed by very strict rules and are subject to the Direct Debit Guarantee. This means that we will give you 10 working days written notice of any changes to your Direct Debit and in the event of any error you are entitled to a full refund.
- 4.4 We also accept, in the event of the death of your spouse, additional permitted subscriptions.
- 4.5 All amounts received will be invested by us in the Red Rose Assurance Shariah Unit-linked Life Fund at the latest Valuation Point (see section 11.1).
- 4.6 No interest is payable on your contribution prior to investment in the ISA.
- 5. Minimum and maximum investments**
- 5.1 The minimum monthly investment is £25.
- 5.2 The minimum initial single investment is £500.
- 5.3 The minimum occasional one-off top up is £25.
- 5.4 Due to the tax advantages of investing in an ISA the government limits the amount you can invest each tax year (6 April to 5 April the following year). For details of the current limit please refer to our website or contact this office or HMRC.
- 5.5 Whilst you can invest in more than one stocks and shares and cash ISA and also have a Lifetime ISA or an Innovative Finance ISA with other providers, the total you can save in these added together cannot exceed the annual limit.
- 5.6 If a contribution is received and part or all of that contribution will exceed the subscription limit, then the contribution will be rejected. If possible, we will purchase units with part of the contribution, ensuring that the overall subscription limit is not exceeded.
- 5.7 Once the ISA has been taken out you have the flexibility to change or suspend the amount of any regular investments. You are not committed to making regular contributions for a fixed period of time. Just let us know if you want to change any regular investment being made.
- 5.8 Transfers in from other ISA providers are accepted subject to it being eligible and a maximum transfer value of £500,000. These will be undertaken within the timescales laid down by HMRC.
- 5.9 If your spouse has died you may be able to transfer their ISA to you without affecting your

annual ISA allowance.

6. The investment

- 6.1 The Red Rose Assurance Shariah ISA is an insurance based investment product (policy) which invests in the Red Rose Assurance Shariah Unit-linked Life Fund.
- 6.2 The Red Rose Assurance Shariah Unit-linked Life Fund is currently 100% invested in the HSBC Islamic Global Equity Index Fund. The fund is overseen by an independent Shariah Committee of renowned scholars ensuring compliance with Islamic principles.
- 6.3 The Society reserves the right to use other funds within the Red Rose Assurance Shariah Unit-linked Life Fund providing any fund used is managed in accordance with Shariah principles and is subject to oversight by a Shariah Committee.
- 6.4 The title of the investments in the ISA will be registered in the name of the Society or, the name of our nominee. Any share certificate or other document evidencing title that may be issued will be held by the Society or as the Society may direct.
- 6.5 We can arrange for the ISA holder to receive a fund fact sheet for any collective investments the Red Rose Assurance Shariah Unit-linked Life Fund invests in or for them to receive a copy of the Annual Report and Accounts issued by companies in respect of shares, securities or units which are held directly in the ISA. We may make a reasonable charge for providing this service. Subject to any legal restrictions the Society will arrange, if the ISA holder so elects, for them to attend shareholders' securities holders' or unit holders' meetings. The Society may make a separate charge for this.

7. Statements

- 7.1 We will send you a statement every year showing the value of the ISA and details of all transactions that have taken place since the previous statement. The statements will not include a measure of performance.
- 7.2 We will send a closing statement if you transfer the ISA from us to another provider.
- 7.3 We publish the price of units on our website, you can obtain the value of your ISA on-line if you have registered for our member portal, or you can request a statement showing the value of the investment at any time.
- 7.4 Details of obtaining a valuation of your ISA online can be found at www.redroseassurance.co.uk

8. Withdrawing from your ISA

- 8.1 Whilst the ISA should be considered a medium to long term investment you can withdraw all or part of your investment at anytime.
- 8.2 The minimum withdrawal is £50 and the balance remaining after you have made a withdrawal must always be over £50. To make a withdrawal contact us and we will send you a form for you to complete. As soon as we have received your form we will arrange for the money to be sent to you.
- 8.3 You can ask us at any time what the value of your ISA is.
- 8.4 When you withdraw part of your ISA we will sell units in your fund at their current value and remit the monies to you. Where you want to withdraw part of the ISA we will sell the nearest number of units possible to match the amount you want to withdraw, which means that you may receive slightly more than you requested. This can never be more than the current unit price.
- 8.5 Inflation may reduce what the proceeds of the ISA will buy in the future.
- 8.6 You can transfer all or part of your ISA to another ISA provider without losing the tax advantages of investing in an ISA, depending of course on the new ISA manager and their Terms and Conditions.

9. Life assurance

- 9.1 Whilst primarily an investment this policy includes life assurance on the life of the ISA holder, which means that should the investor die, an amount will become payable to the estate of the deceased.
- 9.2 The amount payable will be the greater of 101% of the investments you have made less any withdrawals made or the value of the ISA at the date of death.
- 9.3 On the death of an investor the policy remains as part of your ISA investments until a valid claim is made by the executors of the estate. No interest is paid if there is a delay in paying the claim.

10. Fund management charges & expenses

- 10.1 Red Rose Assurance makes an annual charge of 1.5% of the balance of the ISA for managing the ISA.
- 10.2 We can only increase the charge if we have a valid reason and after we have given you 90 days notice in writing. We may reduce the annual charge and we will notify you of any reduction when we next issue a statement.
- 10.3 Other fees and charges are taken from the Fund and reflected in the unit price. These are

any stamp duty, stamp duty reserve tax or other charges incurred directly or indirectly in the sale or purchase of investments held in the ISA.

11. Unit prices

- 11.1 The price of units held within the Red Rose Assurance Shariah Unit-linked Life Fund is calculated at least weekly. This is called the Valuation Point. Unit prices are published weekly on our website www.redroseassurance.co.uk
- 11.2 Once the ISA is open, the price that will be used for any purchase or encashment of units is the price on the first Valuation Point after Red Rose Assurance receives the application form and initial investment or withdrawal form.
- 11.3 Units in the fund are single priced. This means that the price at which units are bought and sold is the same.
- 11.4 The number of units allocated to your policy will be calculated by dividing the amount you are investing by the appropriate unit price.
- 11.5 The price of units at any time reflects all management charges.
- 11.6 Further information on unit pricing is available in our short booklet 'A Guide to How We Manage Our Unit-linked Funds', which is available on request.

12. Tax

- 12.1 If you cash in all or part of your ISA, you will not, under current tax legislation, have a tax liability on the proceeds. The value is paid out free of all UK Income and Capital Gains Tax and you do not need to declare income or gains from your ISA on your tax return.
- 12.2 Under current legislation the fund in which your premiums are invested is not taxed on any investment income or capital gains other than overseas with-holding tax.
- 12.3 There is a possibility that legislation may be changed in the future by HMRC or the government.
- 12.4 If you are in any doubt about the tax implications of taking this policy we recommend that you seek professional tax advice.

13. Data protection

- 13.1 The information you provide us with will be held by The Society.
- 13.2 We are registered as a Data Controller with the Information Commissioners Office and our registration number is Z7272821.
- 13.3 We promise to treat your data ethically and look after it securely. You can find details

about the information we collect, how we use it and your rights in our full Privacy Notice on our website www.redroseassurance.co.uk/privacy-statement.aspx or we can supply a paper version if you ask us to.

14. Complaints

- 14.1 Whilst we make every effort to provide quality products and service we recognise that on occasion things do go wrong.
- 14.2 If for any reason you are not satisfied you should contact us (see section 17) and we will try our best to sort out any problem.
- 14.3 We have a formal complaints procedure and you can have a copy of this whenever you want simply by contacting us.
- 14.4 If we do not deal with your complaint to your satisfaction you can then refer your complaint to the Financial Ombudsman Service. Their address and contact details are: Financial Ombudsman Service Exchange Tower London E14 9SR Telephone: 0800 023 4567 Web: www.financial-ombudsman.org.uk
- 14.5 Making a complaint will not prejudice your right to take legal proceedings.

15. Compensation

- 15.1 The Society is covered by the Financial Services Compensation Scheme (FSCS).
- 15.2 The scheme guarantees 100% of all your benefits with the Society in the very unlikely event that the Society is unable to meet its commitments.
- 15.3 The rules of the FSCS and whether the FSCS exists at all may be changed in the future by the government.
- 15.4 Further information is available from us or the FSCS. Financial Services Compensation Scheme PO Box 300 Mitcheldean GL17 1DY Telephone: 0800 678 1100 Web: www.fscs.org.uk

16. Client categorisation

- 16.1 As a member of the Society we must assign a client classification to you. The available classifications are retail client, professional client and eligible counterparty. We have classified you as a retail client which gives you the highest level of protection under current legislation.

17. Contact us

- 17.1 There are a number of ways in which you can contact us:

Red Rose Assurance
2 The Old Court House , Tenterden Street

Bury, BL9 0AL
Telephone: 01254 222 700
Email: info@redroseassurance.co.uk
Web: www.redroseassurance.co.uk

- 17.2 Our office is open Monday to Friday from 9am until 5pm. An answerphone is available outside of these hours.



2 The Old Court House, Tenterden Street, Bury BL9 0AL
Tel: 01254 222 700

Email: info@redroseassurance.co.uk www.redroseassurance.co.uk

Red Rose Assurance is a trading name of The Rechabite Friendly Society Limited, an incorporated Society within the meaning of the Friendly Societies Act 1992 (register no. 218f).

Authorised by the Prudential Regulation Authority and Regulated by the
Financial Conduct Authority and the Prudential Regulation Authority.
Financial Services Register no. 109994.