

Flexi ISA – Summary of changes

We would like to notify you that we will be introducing a new Section I to Part III of your Close Brothers Asset Management Terms and Conditions (the “Terms”).

These changes will take effect from 31 May 2024 and be retroactively applied to 6 April 2024, as permitted under HMRC ISA Regulations.

1. With effect from 6 April 2024 the Close Stocks and Shares ISA is being replaced with the Close Stocks and Shares Flexible ISA for all clients receiving the following Close Brothers Asset Management’s Discretionary Investment Management Services:
 - a. Bespoke Discretionary Management Service; and
 - b. Discretionary Management Service.This includes clients who also have a third party or Close Brothers Asset Management Financial Adviser.

From this date the Close ISA Terms and Conditions will cease in favour of the Close Flexible ISA Terms and Conditions. HMRC ISA Regulations relating to Flexible ISAs will also apply.
2. HMRC ISA Regulations – Close Flexible ISAs:
 - a. You are permitted to make withdrawals from a flexible ISA. A withdrawal from a flexible ISA is a payment (income or otherwise) out of the Flexible ISA Account to either a nominated bank account, or transfer to your General Investment Account, or transfer to another individual’s Flexible ISA Account.
 - b. You are permitted to replace those withdrawals into the Flexible ISA Account from which you made the withdrawals as long as it done within the same tax year the withdrawals were made.
 - c. You must replace the total amount withdrawn before any allocation can be made to your current year’s subscription allowance.
3. You are no longer required to reapply if your ISA Account becomes dormant (i.e. you did not report a subscription in the previous tax year).
4. Currently you are only permitted to enter a subscription to one ISA Manager.
5. If you plan to terminate your Discretionary Investment Management Services in favour of:
 - a. Advice Service;
 - b. Self Directed Service;
 - c. Managed Portfolio Service; or
 - d. CITS;

on our acceptance of the relevant Application Form, your Flexible ISA Account will be transferred to a Close ISA Account and the Close Flexible ISA Terms and Conditions will cease to apply in favour of the Close ISA Terms and Conditions.

HMRC ISA Regulations relating to non-flexible ISAs will also apply to your Close ISA Account.

In summary, your Close Flexible ISA will change to a non-Flexible ISA. Please be reminded, under HMRC ISA Regulations you are not permitted to replace withdrawn subscriptions into a non flexible ISA.

6. If you are currently in the process of transferring your ISA into Close Brothers Asset Management please discuss the replacement of any withdrawals in the current tax year with your existing ISA Manager. Under HMRC ISA Regulations, once the transfer is complete you will not be permitted to replace those withdrawals (withdrawals must be replaced into the Flexible ISA Account from which you made those withdrawals).
7. If you have any further questions on how this change may affect you please contact either your Close Brothers Asset Management Investment Manager or CBAM Financial Adviser or third party Financial Planner as relevant.

The updated Close Brothers Asset Management Terms will be available to view from 16 April 2024 at closebrothersam.com/general-terms-and-conditions along with a copy of this summary of the changes.

Please make sure that you refer to the Terms which apply to the Products and Services you receive from Close Brothers Asset Management, or its subsidiary companies.

You will not need to take any further action as the new Close Brothers Asset Management Terms will come into effect on 31 May 2024 and be retroactively applied from 6 April 2024 as permitted under HMRC ISA Regulations.

Should you wish to receive a hard copy of the Terms or have any questions about the Terms, please let us know by speaking to your usual Close Brothers Asset Management representative.