

# Switching Guide

For customers who originally invested with financial advice after 31 December 2012.



Building Society

This guide has been put together to help you decide whether you wish to go ahead and switch investment funds. In it, you'll find all the key information you need to know before switching. You'll also find an Action Summary and Key Investor Information Document (KIID) enclosed with your letter which, along with this guide, will help you make an informed decision about your investments.

**If you're unsure about which fund to choose or would like to chat to us about the most suitable option for you, one of our Financial Planning Managers will be happy to guide you through this process.**

# What are my options for switching funds?

Your Action Summary document will tell you everything you need to know about your existing investment, along with important information on the alternative fund we're recommending you switch to. It's not your only choice though, and is just one of the funds available within the two fund ranges we offer: the Primary Fund Range and the Model Portfolio Fund Range. Here's a quick summary below:

Primary Fund Range	Model Portfolio Fund Range
<p>The Primary Fund range is a selection of multi-asset funds, provided by Legal &amp; General.</p> <p>Each of the funds in this range is designed to work as a single investment solution. The fund you invest in will reflect your attitude to risk by investing across several different asset classes and may include equities, bonds and cash, helping to reduce the need for you to switch between funds in the future.</p>	<p>The funds offered within our Model Portfolio Fund range are designed to be mixed and matched in order to give you an investment portfolio that reflects your attitude to risk and is designed to meet your goals for the future.</p> <p>Unlike the Primary Fund range, the funds available in our Model Portfolio Fund range are provided by a wide range of Fund Managers and each fund invests in a specific asset class.</p>

If you'd like to find out more about the wider fund range, just visit [nationwide.co.uk/investmentswitch](https://nationwide.co.uk/investmentswitch) where you'll be able to read more about what each one has to offer. Plus, you'll also find Key Investor Information Documents (KIIDs) which are really important to read thoroughly before making any decisions.

As well as the documents above, you'll also find other key documents online at [nationwide.co.uk/investmentswitch](https://nationwide.co.uk/investmentswitch) – and it's important to read these too before making any decision to switch funds:

- Nationwide Tariff of Charges
- Nationwide Customer Agreement
- Investing with IPS
- IPS Non-Advised Terms and Conditions
- Important fund information

# What charges will I pay on my new fund(s)?

There are some important differences in charges that you need to know about if you choose to switch funds – and we've summarised the different charges that will apply below. Plus, your Action Summary document (enclosed in this pack) also contains details of the specific charges that will apply if you switch.

You can find further information in our Tariff of Charges. Just visit [nationwide.co.uk/investmentswitch](https://nationwide.co.uk/investmentswitch) to see the latest version.

<b>Platform Charge</b>	This fee is collected by IPS to cover their costs in administering your Investment(s). The Platform is required to facilitate all of your payments and transactions and allows you to switch between different funds should you wish to. This charge is calculated daily and collected monthly based on the value of your investments and taken from your Platform Cash Account.
<b>Fund Charge</b>	<p>This charge is taken into account when working out the unit price and is used to pay the fund managers who buy and sell assets to try and provide positive returns. You'll pay the fund's ongoing charge as shown on the fund's KIID.</p> <p>The ongoing charge is taken into account in the unit price, so you won't see it as a separate charge. Part of the fund's charge might be rebated to you. The summary section of our letter contains details of any rebates that will apply if you choose to switch to the alternative fund.</p> <p>Rebates to Unit Trust/OEIC fund charges are taxable as income and any amount used to buy units will be net of basic rate tax at 20%. This means that if you're a higher rate or additional rate taxpayer, you may have a further tax liability to pay. If you're not liable to income tax, you may be able to reclaim some or all of the tax deducted from HM Revenue &amp; Customs. Please note that for Stocks and Shares ISA investments, rebates on fund charges will not be subject to income tax.</p>
<b>Ongoing Service Charge</b>	<p>As an existing Ongoing Service customer, you'll continue to receive the benefits of the Service across any fund that you choose to switch into.</p> <p>You can find out more about Ongoing Service online at <a href="https://nationwide.co.uk/ongoing-service">nationwide.co.uk/ongoing-service</a>.</p>

# Are there any other charges I need to consider?

<b>Dilution Levy</b>	<p>A dilution levy is an extra charge applied by Fund Managers during periods of high inflows or outflows, for investors adding or withdrawing capital.</p> <p>A dilution levy is used to protect existing investors from the impact of transaction costs incurred when other investors come in or out of the fund, by applying the costs to the investors that triggered them.</p> <p>This means if you choose to purchase a fund that has a dilution levy, the total amount invested into the fund will be reduced by the levy. If you choose to sell units in a fund with a dilution levy, the total amount you'll receive back will be reduced by the levy.</p>
<b>Capital Gains Tax</b>	<p>Depending on the original cost of purchasing your investment, how it is invested and other financial transactions you have made, switching out of a fund may mean you have a Capital Gains Tax liability. If you need advice regarding tax, please speak to a tax specialist. For further information, see <a href="http://www.gov.uk/capital-gains-tax">www.gov.uk/capital-gains-tax</a>.</p> <p>Please note that Capital Gains Tax does not apply to investments in a Stocks and Shares ISA.</p>

# What are my options for switching funds?

You can switch funds online, by post or by using a Nationwide Financial Planning Manager. The following pages will tell you more about these options, to help you choose the best route for you.

## Important information to read before switching

If you hold any funds that are commission-included, switching funds will mean that all commission-included funds in your account will be moved into commission-free versions of the same fund (this is known as a share class conversion). After this conversion, you'll pay a separate Service Charge to Nationwide (see the Nationwide Tariff of Charges for more details).

Once your switch request has been received, IPS will send you a Personalised Charges Schedule to help you understand the impact on your charges. How you choose to go about switching will determine when you receive your schedule.

- If you switch online, your Personalised Charges Schedule will be provided before you submit your switch instruction.
- If you switch using one of our Financial Planning Managers, they'll show you example charges during your meeting. Your full Personalised Charges Schedule will be provided after your switch has been processed.
- If you choose to switch using the Fund Switch Form, your Personalised Charges Schedule will only be sent to you after your switch has been processed.

You'll also be sent new versions of the Terms & Conditions that will apply following the change. The conversion will begin 21 days after you send your switch request.

While you can't undo the conversion to commission-free pricing for the portion of your investment that you switch, you are able to cancel the conversion for the rest of your Portfolio. You can arrange this by getting in touch with IPS.

It's also worth bearing in mind that commission-free funds don't qualify for a loyalty bonus. If you change the share-class of an existing fund that qualifies for a bonus, this will stop when the conversion takes place.

## Switch online via the Personal Finance Portal (PFP)

**(Please be aware that this option is not available for investments held in joint names).**

You can switch funds online, without receiving personalised advice via the Personal Finance Portal at <https://nationwide.mypfp.co.uk>.

All you need to do is register to use the service (if you haven't already). Just contact your Financial Planning Manager, who'll be able to send you a registration email. Once you've received that, you'll be able to access the online service.

If you've already registered and want some extra help, you can find a guide to switching online on page 9 of this booklet.

Switching online may be suitable for you if...	Switching online may not be suitable for you if...
<ul style="list-style-type: none"> <li>You're happy not to receive personalised advice from a Financial Planning Manager.</li> <li>You're comfortable choosing which fund to switch into and are happy transacting online.</li> <li>You'd like to see a copy of your Personalised Charges Schedule before you make the decision about switching.</li> </ul>	<ul style="list-style-type: none"> <li>You'd like personalised advice that takes into account your attitude to risk and circumstances.</li> <li>You want advice on the most suitable alternative fund for your circumstances.</li> <li>You do not have access to a secure internet connection or are unable to transact online.</li> </ul>

## Switch by Post

You can also switch funds using the Switch Form included within this pack. To help get you started, we've already pre-populated your Switch Form with details of your existing fund information. We've also included a pre-paid envelope for you to return your Form to IPS. Just bear in mind that if you switch funds by post, your Personalised Charges Schedule will only be provided after your switch has been processed.

You'll find a guide to completing the Switch Form on page 10 of this booklet, along with a checklist on page 11.

Switching by post may be suitable for you if...	Switching by post may not be suitable for you if...
<ul style="list-style-type: none"> <li>You're happy not to receive personalised advice from a Financial Planning Manager.</li> <li>You're comfortable choosing a fund from our Primary or Model Portfolio Fund Ranges.</li> <li>You're happy not to receive your Personalised Charges Schedule before switching, or are happy to go online if you'd like to have a copy before submitting your Switch Form.</li> </ul>	<ul style="list-style-type: none"> <li>You'd like personalised advice that takes into account your attitude to risk and circumstances.</li> <li>You want advice on the most suitable alternative fund for your circumstances.</li> <li>You'd like to receive your Personalised Charges Schedule before you make your decision to switch.</li> </ul>

## Switch via Financial Planning Manager

This is ideal if you'd rather review your investments with a Nationwide Financial Planning Manager. They will be able to discuss your goals, along with your attitude to risk, before making any changes on your behalf.

It's important to bear in mind that without a financial review, we're unable to make a personalised recommendation – so we won't be able to confirm if your chosen fund is the most suitable one for your personal circumstances or current attitude to risk.

Switching via a Financial Planning Manager may be suitable for you if...	Switching via a Financial Planning Manager may not be suitable for you if...
<ul style="list-style-type: none"> <li>You'd like advice based on your personal circumstances and attitude to risk.</li> </ul>	<ul style="list-style-type: none"> <li>You're happy making the decision yourself and don't require a full review.</li> </ul>

If you'd like to talk with one of our Financial Planning Managers, please call us on our Freephone number **0800 545 3014** to book an appointment. Lines are open between 8:30am and 7:30pm Monday to Friday and 9am to 12:30pm on Saturdays.

Your security's really important to us, so we'll need to confirm your identity when you call. To help us do this, just have your customer number or one of your Nationwide account numbers to hand, and we'll take you through a quick security check.

You can also email us at [FPMAppointmentTeam@nationwide.co.uk](mailto:FPMAppointmentTeam@nationwide.co.uk), quoting one of your Nationwide account numbers or customer number.

## Do I have to switch funds?

Switching funds isn't something you have to do – but we strongly recommend it. That's because, if you remain with your current fund, your investment will remain the same – making it less likely that you'll achieve your financial goals.

## Can I withdraw my money instead?

Of course. If you feel that you'd rather withdraw your money than switch funds, just call the Investor Portfolio Service (IPS) on **0345 272 0089**. You'll need to have your IPS customer number to hand – this can be found on any correspondence from IPS (previously Legal & General) and on your Annual IPS statement. Calls for withdrawals received by IPS after 10am (Monday to Friday) will be based on the following day's valuation. It may take 7-10 working days for your money to reach your nominated account.

If you're wanting to withdraw over £20,000, IPS will need written confirmation of your instruction, along with proof of your bank account details – they will confirm this over the phone.

## Where can I check my latest fund valuation?

You can do this by logging into PFP online at [nationwide.myfpf.co.uk](https://nationwide.myfpf.co.uk) – once there, you'll be able to manage your investment funds and review your fund performance with up-to-date valuations.

You can also find details of the latest fund performance and fund valuations through Nationwide. Just visit [nationwide.co.uk/investmentswitch](https://nationwide.co.uk/investmentswitch) and click on the 'fund performance' link.

## How do I get new PFP log on details?

If you've forgotten your password or username, it's not a problem. You can ask for a new one at [nationwide.myfpf.co.uk](https://nationwide.myfpf.co.uk).

## What happens if I change my mind?

Once you've made a switch request, it can't be cancelled – and a switch can't be undone once it's completed.

However, if you change your mind about the fund you've chosen, you can submit a new switch request selecting a different fund that you'd like to swap your money into. Just bear in mind that as we've removed your original fund(s) from our panel, you won't be able to switch back into this through Nationwide.

# Your Guide to switching online via PFP

1. Go to the PFP log on page at <https://nationwide.myfpf.co.uk>. Click 'Manage' from the PFP home screen to open IPS in a new browser window, where you'll be taken to the Investment Summary screen and will be able to manage your investments.
  - Once you've logged in, the menu on the left hand side of the page is titled 'what would you like to do?' – From this menu, please click 'Switch'. If you just have one account with us, this will already be selected; just click 'next'. If you have more than one account, please select the account that you'd like to switch from.
  - You'll need to confirm the product that holds the fund you wish to change e.g. Stocks and Shares ISA, and then click 'next'.
  - Please note if the fund you want to change is in more than one product i.e. both Stocks & Shares ISA and Unit Trust you'll need to repeat this process for both.
2. Select the fund manager and fund that you would like to switch from then click 'add fund'.
  - Click 'all' to sell all of your units, then click 'next'.
3. Select the fund manager and fund that you would like to switch into then click 'add fund'.
  - Enter 100% to switch all of your original funds in.
  - Read and confirm that you've read the appropriate Key Investor Information Document(s) for the fund(s) you'd like to invest in by clicking 'next'. You must have read and understood the Key Investor Information Document before making any decision to switch funds.
4. Read the Personalised Fees and Charges Schedule and tick to confirm that you're happy to accept these.
5. Read the legal information and if you're happy to proceed, check the box and click 'next'.
6. Review the summary page and if you're happy, click 'submit'. You can now print a confirmation for your files if required.



# Your guide to switching by Post

If you'd like to switch funds by post, please complete Section 1 of the enclosed Switch Form with your personal details, including your IPS Customer Reference.

If you don't know your IPS Customer Reference this can be found on any correspondence from IPS (previously Legal & General) and on your Annual IPS statement.

Please ensure you complete your National Insurance number which is required for regulatory purposes. If you're unsure of your National Insurance number, please refer to your **P60** or latest tax return. Alternatively, your tax office may be able to help.

We've already pre-populated Section 2 with the alternative fund we've recommended. However, if you'd rather switch to a different fund, just cross this out and provide details of your new fund choice in the blank row below.

Please sign and date, giving authority to complete your switch. Failure to do this will result in your instruction being rejected.

# Switch Form checklist

We've included a checklist below, so that you can make sure you've done everything you need to before sending your completed Fund Switch Form back to IPS using the pre-paid envelope provided.

Have you decided on which fund you'd like to switch into?	
Have you read the relevant Key Investor Information Document (KIID) for your chosen fund?	
Have you completed the form with your personal details including your National Insurance Number?	
Have you completed a form for each account you'd like to switch and include your IPS account number?	
Have you supplied a valid telephone number in case IPS have any queries with your instruction?	
Have you signed and dated your form?	
You understand that by requesting a fund switch, any commission-included funds you hold will be converted to a commission-free version and will be subject to the Nationwide Ongoing Service charge.	
You understand that switch requests can't be undone once completed and that if you subsequently change your mind you will not be able to switch bank into commission-included funds.	
You understand that you have not received personalised advice based on your individual circumstances or attitude to risk	

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**Just ask in branch**

Call **0800 30 20 11**

Visit **nationwide.co.uk**



Nationwide cares about the environment – this literature is printed in the UK with biodegradable vegetable inks on paper from well managed sources.

We are able to provide this document in Braille, large print or audio format upon request.

Your local branch will arrange this for you or you can contact us on **0800 30 20 11**.

If you have hearing or speech difficulties and are a textphone user, you can call us direct in text on **0800 37 80 01**. We also accept calls via BT TypeTalk. Just dial **18001** followed by the full telephone number you wish to ring. Calls may be recorded.

#### **Important Information**

Investments are provided through Legal & General Assurance Society Limited (Select Portfolio Bond) and Cofunds Limited for the provision of Investor Portfolio Services and facilitation of dealing.

Nationwide Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under registration number 106078. You can confirm our registration on the FCA's website [www.fca.org.uk](http://www.fca.org.uk) or by contacting the FCA on 0800 111 6768..

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