

# Target Market Statement

## Wealthtime Classic Individual Savings Account (ISA)

November 2024

### 1 Product Overview

The Wealthtime Classic ISA is a tax-efficient investment account designed to help clients save for the future while benefiting from tax-free income and capital gains. Clients can invest in a wide range of assets within the ISA, including equities, bonds, and funds, offering flexibility and control over their investment strategy. Contributions are subject to the annual ISA allowance, and withdrawals are tax-free, making this an attractive option for investors looking to grow their wealth in a tax-efficient environment.

### 2 Who is this appropriate for?

- **UK Resident Investors:** Clients who are UK tax residents and looking to invest in a tax-efficient manner while maximizing their ISA allowance.
- **Clients Seeking Tax Efficiency:** Those seeking tax-free growth on investments and who want to benefit from the tax-free nature of withdrawals and income within the ISA.
- **Long-Term Investors:** Clients who are willing to invest for at least five years, aiming to grow their wealth through a diversified portfolio of investments.
- **Advised Clients:** Clients who receive professional financial advice to ensure that the Wealthtime Classic ISA is appropriate for their overall financial strategy.

### 3 Who is this not appropriate for?

- **Non-UK Tax Residents:** Clients who are not resident in the UK for tax purposes cannot benefit from the tax advantages of an ISA.
- **Short-Term Investors:** Those who expect to access their savings in less than five years or who are unwilling to take on the investment risks associated with equity-based assets.
- **Non-Advised Clients:** Investors who do not seek or have access to financial advice, given the need to understand the complexities and long-term nature of investing in an ISA.
- **Clients with Specific Income Needs:** Those who require guaranteed returns or predictable income may not find the ISA appropriate due to its reliance on market-based investments.

### 4 Key Features

- **Tax-Free Growth:** Investments within the ISA grow free from UK Income Tax and Capital Gains Tax, and withdrawals are tax-free.
- **Annual ISA Allowance:** Clients can contribute up to the annual ISA limit, which may vary year by year, ensuring they take full advantage of the tax-efficient benefits.
- **Broad Investment Options:** The ISA allows investments in a wide range of eligible assets, including equities, bonds, and funds, enabling a tailored approach based on the client's risk appetite and goals.
- **Liquidity:** Clients can withdraw funds at any time without penalty, though it is recommended for long-term savings due to market volatility.

## 5 Product Complexity

The Wealthtime Classic ISA is considered a moderately complex product. The ability to invest in a diverse range of assets and the annual ISA contribution limits add layers of complexity, requiring advisers to ensure that clients understand the tax benefits, risks, and the potential impact of market fluctuations on their returns.

## 6 Fair Value Assessment

The Wealthtime Classic ISA delivers fair value for clients who wish to grow their savings in a tax-efficient manner. The transparent fee structure, coupled with the opportunity for tax-free returns, makes it a competitive option for those who maximize their annual ISA allowance. Regular reviews are necessary to ensure the ISA continues to meet the client's financial objectives.

## 7 Risks

- **Investment Risk:** The value of investments within the ISA can fall as well as rise, and clients may receive back less than they originally invested due to market conditions.
- **Tax Risk:** Tax advantages are contingent on UK residency, and any future changes to ISA tax rules could affect the attractiveness of the product.
- **Liquidity Risk:** While funds can be withdrawn at any time, the value of underlying assets may fluctuate, which could impact the amount available upon withdrawal.
- **Regulatory Risk:** Changes in tax legislation or regulations could impact the tax efficiency or overall attractiveness of the Wealthtime Classic ISA.

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