

Key Information Document(KID) - Steady Growth With Profit New ISA (SP)

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

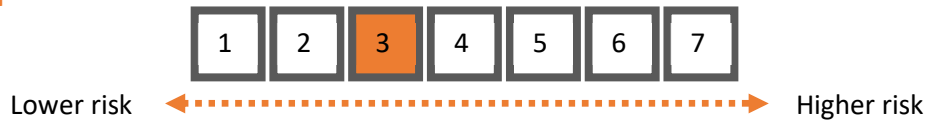
The 'Steady Growth With Profit New Individual Savings Account' is manufactured by LIC UK. Visit <http://www.liciuk.com/> or call 0800 685 712 for more information. The Financial Conduct Authority (FCA) is the competent authority of Life Insurance Corporation of India. This KID was produced on 19 December 2017.

What is this product?

<p>Type</p> <ul style="list-style-type: none"> The 'Steady Growth With Profit New Individual Savings Account' is a “with-profits” stocks and shares ISA which allows you to invest a minimum of £100 monthly or £1,200 yearly, or a minimum lump sum of £4,000. The maximum you can invest in the 2017-18 tax year is £20,000, less any amount already invested in a Cash ISA. The ISA fund notionally invests in the ratio of 50:50 between equities and fixed interest securities.
<p>Objectives</p> <ul style="list-style-type: none"> It aims to help your savings grow efficiently through tax-free returns, and provide steady but potentially good growth over a medium to long term. You may also receive a share of the profits of LIC UK’s with-profits fund, achieved by investing pooled contributions with those of other investors in a wide range of investments including stocks and shares. Depending on the performance of the fund, bonuses are declared twice in a year and the unit price rises daily in line with the declared bonus rate.
<p>Intended investor</p> <ul style="list-style-type: none"> Suitable for individuals who can afford to invest some money for a medium to long term investment horizon. Aimed at those prepared to accept the risks associated with pooled investments but not to take the risk of investing directly on to the stock market. You must be aged 18 or over and a UK resident for at least 6 months of the current tax year. You must not have made payments into another stocks and shares ISA within the current tax year.
<p>Insurance benefits</p> <ul style="list-style-type: none"> The amount payable on death is 101% of the value of units held, plus the value of any terminal bonus if payable. There will be no Market Value Reduction (MVR) applied. The tax efficient status of the plan ends on date of death, and the amount payable may be subject to inheritance tax.
<p>Further information</p> <ul style="list-style-type: none"> You have access to your money at all times, subject to a deduction called the ‘Market Value Reduction’ (MVR) when you cash in part or all of your plan. The MVR is designed to ensure that you receive your fair share of the ISA fund should adverse events occur, for example, in the event of large falls in stock markets.. The minimum withdrawal is £500. If the remaining value after withdrawal is less than £500, then the plan will be cancelled and the balance paid to you. If you wish to transfer your ISA to another provider we will charge you £30, which will be deducted from the proceeds.

What are the risks and what could I get in return?

Risk Indicator



The risk indicator assumes you keep the product for 10 years.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. We have classified this product as 3 out of 7, which is a medium-low risk class. This rates the potential losses from future performance at a medium-low level, and poor market conditions could impact the capacity of LIC UK to pay you. The value of your policy increases in line with the declared bonus. You may qualify for terminal bonus when you cash in all of your investment. The amount you get back on the plan is determined by the number of units you cash in and the unit price on that date. If LIC UK is not able to pay you what is owed, you could lose your entire investment.

Performance Scenarios

This table shows the money you could get back over the next 10 years, under different scenarios, assuming that you invest £10,000. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the product. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you. The figures shown include all the costs of the product itself, and includes the LIC distribution costs. The figures do not take into account your personal tax situation, which may also affect how much you get back. Inflation would reduce what you could buy in the future with the amounts shown.

Investment: £10,000		1 year	5 years	10 years
Stress scenario	What you might get back after costs (£)	£9,500	£10,000	£10,000
	Average return each year (%)	-5.00%	0.00%	0.00%
Unfavourable scenario	What you might get back after costs (£)	£9,500	£11,520	£14,792
	Average return each year (%)	-5.00%	2.87%	3.99%
Moderate scenario	What you might get back after costs (£)	£10,100	£13,692	£18,841
	Average return each year (%)	1.00%	6.49%	6.54%
Favourable scenario	What you might get back after costs (£)	£10,869	£16,303	£24,026
	Average return each year (%)	8.69%	10.27%	9.16%

What happens if LIC UK is unable to pay out?

If we are unable to pay you what you are owed under the policy terms, then you may be able to reclaim some of your investment through the Financial Services Compensation scheme. The details are available at <https://www.fscs.org.uk/what-we-cover/>. There are no limitations or conditions attached to this scheme.

What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. LIC UK reserves the right to alter the charges.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods under the moderate scenario. They include potential early exit penalties of 5%, 3% and 1% if you withdraw your investment within years 1, 2 and 3 respectively. There are no exit costs after year 3. The figures assume you invest £10,000. The figures are estimates and may change in the future.

Costs over time

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time. ISA transfer costs are not included.

Investment: £10,000. If you cash in after...	1 year	5 years	10 years
Total Costs (£)	£633	£1,086	£3,077
Impact on return (RIY) per year (%)	6.33%	1.64%	1.62%

Composition of costs

The table below shows the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period and the meaning of the different cost categories.

This table shows the impact on return per year			
One – off costs	Entry costs	Nil	This product does not charge any entry costs.
	Exit costs	Nil	There are no exit costs after year 3.
Ongoing costs	Portfolio transaction costs	0.05%	The impact of the costs of us buying and selling underlying investments for the product.
	Insurance costs	Nil	This product does not charge any insurance costs.
	Other ongoing costs	1.57%	The impact of the costs that we take each year for managing your investments.
Incidental costs	Performance fees	Nil	This product does not charge any performance fees.
	Carried interests	Nil	This product does not charge any carried interests.

How long should I hold it and can I take money out early?

Recommended holding period: 10 years. The recommended holding period has been selected to enable investors to benefit from long term growth whilst avoiding short term volatility.

Full and partial surrender is allowed at any time, however surrender penalties apply for the first three years. If you withdraw all or part of your investment at any time other than on the 10th anniversary, and every 5th anniversary after that, an MVR may also apply.

How can I complain?

If you are not satisfied with what we do for you, please let us know by writing to LIC UK, 1 Floor, Victoria House, 49 Clarendon road, Watford, Hertfordshire, WD17 1HP. If you prefer, you can telephone our Customer Helpline on 0800 068 5712 (Freephone) or email us at customer.service@licuk.com. You also have right to cancel within 30 days.

If you are not happy with the outcome you may be able to refer to the Financial Ombudsman Service at <http://www.financial-ombudsman.org.uk/> about this if you need it.

Other relevant information

Additional information about the product and policy conditions can be found in our terms and conditions document. You may also refer to how we manage our with-profits business at <https://www.licuk.com/about-us/principles-and-practices/>.