

Stock Transfers

What you need to know

For individual
investors with
an adviser or
intermediary

Transferring your investments to an alternative beneficiary

This document explains the process of transferring investment funds from one holder to another, as well as the considerations that need to be taken into account before the instruction is provided. As will become clear when you read through this document, the transfer process will differ according to the share class of the fund to be transferred.

Understanding the stock transfer process

When you instruct a stock transfer, the holdings will be transferred to the Transferee's account in one of two ways:

Transfer

For most transfers, with the exception of those involving bundled share classes of Fidelity funds, the transfer of these funds will take place within one business day and you will not be out of the market.

Transfer and switch

Assets to be transferred that are held in bundled share classes of Fidelity Funds may as part of the transfer process, be switched into the clean share class of the same fund where available. This switch will take place at the next available dealing point after the units have been transferred into the Transferee's account. If no clean equivalent is available the funds will be stock transferred without a switch.

Important information:

When a switch to a clean share class is required as part of the transfer process, please be aware that you will be out of the market while the switch takes place. This can take up to two working days, over which time you could miss out on growth and income if the market rises. Please also note the number of units held in the fund after the switch may differ as the prices of bundled and clean share classes of the same fund often vary.

The value of investments and the income from them can go down as well as up so you may get back less than you invest. The value of tax savings and eligibility to invest in an ISA depend on personal circumstances. All tax rules may change in the future. If you are unsure about the suitability of an investment you should speak to your financial adviser.

Below is an explanation of some important terminology used in this guide.

Third party fund provider

A fund management company other than Fidelity International.

Bundled share class

A bundled share class of an investment fund 'bundles' together all its charges in a single fee. For a typical actively managed fund, with an Annual Management Charge (AMC) of 1.5%, this means that the fund manager retains 0.75% for managing the fund, 0.25% is retained by the platform provider and 0.5% may be paid to your adviser as commission. Bundled share classes are no longer available for new investments.

Clean share class

The AMC of a clean share class solely includes the fund management costs (0.75% - based on the example of a typical actively managed fund above) which are taken from a fund by its fund manager. The investment platform you buy the fund through will charge a separate fee for its services, as will your financial adviser. All new investments made through our platform, including the transfer of existing assets to an alternative beneficiary, are now made into clean share classes.

Dual-priced funds

A fund that is dual-priced quotes a higher buying price (offer) and a lower selling price (bid). The difference between the two prices is the bid-offer spread. Therefore, if you switch into a fund that is dual-priced the value of the holding on completion of the switch may be lower.

Transferor/transferee

Current holder of the investment/the chosen beneficiary.

In specie

The transfer of the ownership of an asset from one person/company/entity to another person/company/entity in its current form, i.e. without the need to convert the asset to cash.

Frequently asked questions

How do we determine the alternative clean share class of a bundled fund?

Where a switch is required as part of the transfer process it will always be made into an available and open clean share class of the same fund, which has been confirmed by Fidelity. In terms of accumulation and income units, this may not always result in a like-for-like switch. For example, if your fund to be transferred is held in accumulation units and the only available clean share class offers income units, the recipient of the transfer will be switched into the latter and vice-versa.

Will any switching charges be applied during the stock transfer process?

No switching charges will be applied. However, where the switched funds are dual-priced, a bid-offer spread will apply and the valuation after the transfer and switch may be lower.

Will the switch be a capital gains tax (CGT) event?

Whether a transfer is a CGT event depends upon a number of circumstances. If you are uncertain about the tax treatment of any transaction you propose to undertake please refer to your adviser.

How do I stock transfer holdings previously held by a deceased client to the chosen beneficiary?

Please read our guide for executors and administrators which has been designed to help you through the process of dealing with any investment that the deceased held with us. It provides information detailing each stage of the process, which may differ to the stock transfer process outlined above depending on the type of account held.

Please call our specialist team on **0800 358 40 60** to obtain a copy, or speak to your adviser.

What if I would like the holdings to be transferred into a joint account?

If the holdings are to be transferred into a new joint account, a Joint Holder Supplement Form should be completed by the beneficiaries and returned with the Stock Transfer form.

Will income be paid once the transfer has completed?

Income will be reinvested unless otherwise specified or if the assets are transferred to an existing account then the income options on the existing account will be followed. Please speak to your adviser regarding income settings on your account.

Does the Transferee need to complete an additional form if they wish to open a new account with us?

In most instances, no. The Stock Transfer Form will open an account for you if required. If a new corporate account is required to be opened, we would need a completed Investment Funds Application Form (Company and Scheme Accounts). These forms are available from your adviser.

What is the process if I want to stock transfer some of my holdings between my own Investment Fund Accounts?

If you want to move units between your own Investment Fund Accounts (i.e. no change in account holder(s)), you will need to complete a Stock Transfer Form. An automatic switch will not apply to any bundled funds. This is because there is no change in account owner and it is simply an administrative process between your own accounts. Please speak to your adviser for further information.

What documentation will be sent confirming the stock transfer has been processed?

The Transferor will receive a 'Transfer Out' Confirmation of Transaction letter. The Transferee will receive a 'Transfer In' Confirmation of Transaction letter.

Where a switch has taken place as part of the transfer process, the Transferee will also receive a Switch Confirmation of Transaction, with a clear indication that the switch relates to the recent stock transfer.

Before submitting a Stock Transfer application:

Both the Transferor and the Transferee should sign the Stock Transfer Form to confirm that both accept the terms of business.

All beneficiaries must read Doing Business with Fidelity Adviser Solutions and the Fidelity Adviser Solutions Client Terms. They must also read the key information document relevant to the fund(s) being transferred to them. These documents provide all the information needed to understand the investment objective, investment policy, risks, charges and past performance associated with the fund(s). These documents can be found at [fidelity.co.uk/importantinfo](https://www.fidelity.co.uk/importantinfo) If you do not have a computer or access to the internet, please speak to your adviser or call us on **0800 358 4060** to request a printed copy of the documents.

If you require additional forms please contact your adviser.

Guidance on how to complete the Stock Transfer Form for UK Unit Trusts & Open Ended Investment Companies

Section 1

Stock Transfer Instructions

Please tick the box to confirm the type of transfer. If the box is not ticked, we will not be able to proceed with the stock transfer.

Section 2

Transferor Details (Existing Holder)

Please add details of the existing holder. If a private holder we will need the client's name in full and the current holder's account number. For a corporate entity, please complete the name of the company or corporate body and account number.

Section 3

Transfer Instruction

Enter the list of funds you wish to transfer. To find the list of fund codes, ISIN or SEDOL please view your online account or your statement and valuation document. Please enter the number or % of units/shares to be transferred or tick the 'Entire Holding' box if the entire holding of that fund is to be transferred. If there is cash in the account you wish to transfer please add the amount/% you wish to transfer. If you need additional rows to add more funds, either make a photocopy or reprint section 3 of the application form.

Section 4

Transfer or Declaration

Signatures of all Holders.

All current registered holders must sign here including joint holders if renunciation authority is not set up on the existing account. If someone is signing on behalf of a holder, with power of attorney or executor for example, the document appointing them (or a properly certified copy) must be attached if it has not already been lodged with the Registrar.

Corporate bodies should execute under their common seal, or as determined by their Memorandum and Articles of Association.

Section 5

Transferee Details (Existing Customer)

If the transferee (the person to whom you are transferring the assets) already has an account with Fidelity and wishes to use this account for the transfer of assets complete section 5a. If they wish the assets to transfer to a new account complete section 5b.

If the transferee is a new customer to Fidelity complete section 6.

Section 6

Transferee Details (New Holder)

(Please only complete this if you're transferring to a new customer.)

All details need to be completed. If the account is to be set up in joint names please complete section 7.

Section 7

Joint Holder Details

Please tick the box if you wish to transfer funds to more than one holder (joint holders) and note that a Joint Holder Supplement Form is required to be completed.

Section 8

Declaration and Signature

All transferees are required to sign.

Section 9

Intermediary Details

This section should be filled out by the adviser of the Transferee if they have one otherwise the new account will not be linked to the adviser and they will not be able to view/administer the account.

