

For advisers

Our **new**
platform

nucleus^o
platform

Nucleus ISA

(Including Junior ISA)

Target market



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Nucleus ISA (Including Junior ISA)

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Nucleus ISA (Including Junior ISA)

This document provides important information on the target market of the Nucleus Individual Savings Account (ISA), and the Nucleus Junior Individual Savings Account (known together as the Nucleus ISA unless otherwise stated) and the customer aims, objectives and needs it is designed to support. It is intended for use by advisers to help you understand whether the Nucleus ISA is right for your clients. It is based on Nucleus' opinion and does not take into account individual customer circumstances.

1.1 What is the Nucleus ISA?

The Nucleus ISA is a flexible stocks and shares ISA, which allows the customer to accumulate and benefit from a tax-efficient investment. The Nucleus ISA allows the customer or adviser to choose from a wide range of investment options available within the Nucleus platform.

The Nucleus ISA has an investment allowance of £20,000 for the 2025-26 tax year less any amount invested into any other ISA with another provider during the same tax year. This limit is set by the government and could change in the future. The total subscription limit to both a stocks and shares ISA and a cash ISA in the same tax year cannot exceed £20,000. Nucleus does not offer a cash ISA.

The Nucleus Junior ISA is a stocks and shares ISA for children, which allows for the child to accumulate and benefit from a tax efficient investment over the medium to long term. The Junior ISA will be in the name of the child, who remains the beneficial owner. The Registered Contact, who must be the parent or legal guardian for the child, will be responsible for opening and administering the Junior ISA until the child becomes 18 or the child can, on request, take over as the Registered Contact from the age of 16. The Junior ISA must be linked to a Nucleus Product held by the child's parent or legal guardian. Both the Junior ISA and corresponding parent's/legal guardian's Product must have the same Adviser named.

The Nucleus Junior ISA has an investment allowance of £9,000 for the 2025-26 tax year. This limit is set by the government and could change in the future. Subscriptions paid into the Nucleus Junior ISA are a gift to the child and cannot be returned to the subscriber. As the subscriptions are a gift, these may be subject to inheritance tax depending on your personal circumstances, gifting record and available nil rate bands.

The aim of the Nucleus ISA is to:

- Enable the customer to save in a tax-efficient way for themselves or on behalf of a child either through one-off or regular subscriptions (up to the annual ISA/Junior ISA limits), or to transfer one or more existing ISA, Junior ISA or Child Trust Fund ("CTF") arrangements.
- Allow the customer and their adviser to make investment decisions for themselves or on behalf of a child in accordance with the rules of the Nucleus platform and HM Revenue and Customs (HMRC) regulations.

The Nucleus ISA has the following features:

- Online applications.
- Advisers and customers can view and manage products online.
- Adviser charge facilitation.
- A Junior ISA for minors.
- Ability to invest in a wide range of investments, such as platform funds and model Structured Products, as well as Exchange Traded Instruments (ETIs) through the platform's integrated stockbroking service (some restrictions apply for the Junior ISA).
- Ability to make single or regular tax-free withdrawals at any time, with flexible access allowing them to replace any withdrawals within the tax year back up to the annual limit (not applicable to the Junior ISA).
- Direct Debit collection dates can be flexible in frequency and date, which can be increased (subject to the maximum subscription limit), reduced, started or stopped at any time.
- Bed and ISA can be used to establish or top-up an individual ISA product from existing holdings (subject to the subscription limit).
- No liability to capital gains or income tax on investment within the ISA or Junior ISA accounts.

Charges for the Junior ISA are applied differently as the value of the Registered Contact's Product is used to calculate the rate of charges for the Nucleus Junior ISA. Further details can be found in the relevant Product's Charge Schedule which is available on our website or on request.

For more information, see our Key Features Document.

1.2 What customer needs and objectives does the Nucleus ISA and Junior ISA aim to meet?

The Nucleus ISA is designed to be compatible with the following customer status, needs and objectives:

- Advised customers with a basic level of financial capability that would enable the customer to provide informed consent to the advice provided.
- UK residents.
- Non-US persons (irrespective of country of residence).
- Have the ability to bear losses to capital without creating significant financial hardship.
- Minimum investment amount at new business set at £2,000 to avoid customer impact as we reserve the right to close the product if the value of assets falls below £1,000.
- Individuals of any age – under 18's can be eligible for a Nucleus Junior ISA opened by their parent or legal guardian.
- To build savings in a tax efficient way or (for ISA only) to provide an income and easily accessible savings for themselves.
- To invest for the medium to long term (five years, ideally longer).
- Wish to make and vary ad hoc or regular subscriptions (within subscription limits).
- To consolidate different ISA's, Junior ISA's or CTF's with one provider to benefit from economies of scale and easier administration.
- Customers (and Registered Contacts for minors) are able to amend personal details, view product bank account details, buy and sell investments, obtain an illustration and instruct and edit withdrawals.

- Have the flexibility to withdraw and repay monies within the same tax year without affecting their subscription limits (not applicable to Junior ISA).
- Customers willing to accept more risk to their capital than saving in a cash ISA, or through a bank or building society.
- To utilise Additional Permitted Subscription (APS) allowances (not applicable to Junior ISA).
- Understand this ISA will be liable for Inheritance Tax unless invested in business relief assets with exemption requirements met.

The Nucleus ISA is NOT designed to be compatible with the following customer needs, objectives or status:

- Non-UK residents (for Junior ISA this includes both child and Registered Contact).
- US persons (for Junior ISA this includes both child and Registered Contact - irrespective of country of residence).
- Non-advised customers wanting to invest in complex investments or without an existing Nucleus platform product.
- Customers with investments of less than £2,000. Minimum investment amount at new business set at £2,000 to avoid customer impact as we reserve the right to close the product if the value of assets falls below £1,000.
- To make subscriptions when not a UK resident to the Nucleus ISA.
- Customers subject to ongoing bankruptcy that has not been finalised and discharged.
- Customers aged 16 or 17 wishing to open a Junior ISA for themselves.
- To provide a guaranteed income for life.
- To invest only for the short term (less than 12 months) unless there is a specific customer objective.
- To provide an investment for customers not willing to accept any risk to capital or the other risks as stated in the Key Features Document.
- To invest in cash for the long-term.
- To utilise investments which are not available on the Nucleus platform and do not meet the requirements of HMRC regulations.
- Have little or no other savings to cover emergencies.
- Inheritance Tax planning - the Nucleus ISA and Nucleus Junior ISA are not suitable to minimise any inheritance tax which may apply.
- To access capital or make any withdrawals from the Nucleus Junior ISA before the child is 18.
- Close the Nucleus Junior ISA account unless the child has a condition which means they are not expected to live more than six months.
- To require the return of subscriptions paid into the Nucleus Junior ISA; these cannot be returned to the subscriber.
- Junior ISA beneficial owners with an existing CTF. This would need to be transferred to the Nucleus Junior ISA at application stage.

1.3 What customer characteristics is the Nucleus ISA designed to be compatible with?

In addition to the needs and objectives the Nucleus ISA is designed to meet, we can also define the customer characteristics it's compatible with. As this can be a more subjective part of your advice process we've broken down customer characteristics into three main categories:

- **Target market** – This is the core group of customers that the product has been designed for.
- **Potential suitability** – This is a wider group of customers the product may still be suitable for but is not our core target market.
- **Not suitable for** – Customers exhibiting one or more of the characteristics stated here are unlikely to be suitable for this product.

Customer characteristics	Target market	Potential suitability	Not suitable for
Age	ISA - Over 18 Junior ISA – Under 18	ISA - Over 18 Junior ISA – Under 18	ISA - Under 18 Junior ISA – Over 18
<p>The Nucleus ISA is open to individuals of any age – under 18's may be eligible for a Nucleus Junior ISA opened by their parent or legal guardian. At age 16 the child can become the Registered Contact for the Junior ISA and at age 18 the Junior ISA will convert into an adult ISA.</p>			
Investment knowledge and experience	Basic level of investment knowledge and experience with an appointed, Financial Conduct Authority (FCA) regulated financial adviser.	<p>Advised customers - Basic level of knowledge and investment experience with an FCA regulated financial adviser.</p> <p>Non-Advised customers who already have another product on the Nucleus Platform: Any level of knowledge and investment experience, however access to complex investments are restricted.</p>	Non-advised customers wanting access to complex investments.
<p>Customers must seek independent advice from a financial adviser who is regulated by the FCA and based in the UK to open their first product with Nucleus. Certain legislative restrictions may mean that not all of the assets available through the Nucleus platform are permitted for investment through the Nucleus Junior ISA or to non-advised customers.</p>			
Fund size	More than £5,000	£2,000 or more	Less than £2,000
<p>All products have a minimum fund value of £1,000. Minimum investment amount at new business is set at £2,000 to avoid customer impact. We reserve the right to close the product if the value of the assets falls below £1,000.</p>			

Customer characteristics	Target market	Potential suitability	Not suitable for
Length of investment	Long term – five years, ideally longer	Medium term (one to five years) if there is a specific customer objective	To invest for the short term (less than 12 months) unless there is a specific customer objective
<p>We recommend that investments are made at least for the medium to long term – that is at least five years and ideally longer. Shorter timescales may be appropriate in certain circumstances but less than 12 months is unlikely to be.</p> <p>Withdrawals cannot be made from a Junior ISA until the child reaches age 18. Earlier access to a Junior ISA is only permissible if the child has a condition which means they are not expected to live more than 6 months.</p>			
Attitude to/ capacity for risk	All except no appetite for risk	All except no appetite for risk	No appetite for risk and/ or investing for capital preservation only
<p>The wide range of investments on offer mean that all attitudes and capacities for risk could be met except for zero risk or preservation of capital.</p>			
Tax status	Customers must be a resident in the UK for tax purposes	Customers must be a resident in the UK for tax purposes	Customers who are not a resident in the UK for tax purposes/US persons
<p>The Nucleus ISA is designed for UK residents. Non-UK resident customers and US persons (irrespective of country of residence) are not permitted. Members of the armed forces or a Crown servant (for example diplomatic or overseas Civil Service) or their spouse or civil partner if they reside overseas are permitted.</p>			
Income / wealth	Ultra and high net worth, affluent	Mass affluent, with funds available for investment	No funds to invest
<p>Our target market includes those customers likely to have sufficient income and savings to invest in their ISA.</p>			
Country of residence	UK residents (exemption below)	UK residents (exemption below)	Non-UK residents/ US persons
<p>The Nucleus ISA is designed for UK residents. Non-UK resident customers and US persons (irrespective of country of residence) are not permitted. This applies to both the child and Registered Contact. Members of the armed forces or a Crown servant (for example diplomatic or overseas Civil Service) or their spouse or civil partner if they reside overseas are permitted. The child can be eligible for a Nucleus Junior ISA if they are a dependent of a crown servant.</p>			

We categorise customers as a 'retail client' as defined by the FCA. You may be able to request alternative categorisation, subject to our agreement. However, this may limit the level of regulatory protection and compensation available.

1.4 Nucleus ISA advice

Customers must seek independent advice from a financial adviser who is regulated by the FCA and based in the UK to open their first product with Nucleus. Ideally, they will have an adviser to support them during the lifecycle of their product(s). There may be certain tools and functions that can only be used by customers with an adviser. Customers may not be able to execute some actions if there is no adviser linked to their product. We are not permitted to provide investment advice and cannot provide advice on the merits of using the service.

Non-advised customers are not part of our target market but applications will be accepted if customers already have an existing Nucleus platform product.

Both the Junior ISA and corresponding Registered Contacts Product must have the same adviser named.

1.5 Nucleus ISA, Nucleus and our part in the distribution and value chain

We're responsible for ensuring that the Nucleus ISA represents fair value to customers on an ongoing basis. This includes due diligence to establish and monitor fair value of the investments distributed.

We are not responsible for charge levels or the determination of fair value regarding charges for products or services not selected by Nucleus. For example, we are not responsible for charges relating to financial and investment advice, although we do apply decency limits to advice charges facilitated by the ISA account.

1.6 How is the Nucleus ISA distributed?

The Nucleus ISA is distributed via FCA regulated financial advisers that have customers within our target market. All advisers intending to introduce business to Nucleus must first sign an Adviser Terms of Business agreement which should be read in conjunction with the Adviser Remuneration Policy.

The Registered Contact opening the Nucleus Junior ISA must have an existing platform product with Nucleus at outset.

1.7 Vulnerable customers

We have both a moral and regulatory duty to ensure that vulnerable customers are identified and treated fairly, according to their needs and experience outcomes as good as those for all other customers. We understand the importance of recognising and responding to vulnerability and the varied needs of vulnerable customers. To that end, we have a Group Vulnerable Customer Policy in place and staff have received and continue to receive ongoing training and support in recognising, dealing with and accommodating the needs of vulnerable customers.

The FCA has identified four key drivers which may increase vulnerability, these are:

- Health
- Life Event
- Financial Resilience
- Capability

To aid us in identifying and accommodating any additional support or tailored requirements that our customers may require it is helpful if advisers or customers:

- Notify us at time of new business application of any adaptations required to support the customer.
- Update us through the lifecycle of the plan of any new vulnerable characteristics identified or any that can be removed.

Examples of adaptations that can be made for customers with vulnerable characteristics, include the provision of:

- Documentation provided in a range of formats, such as larger font size, braille, or audio.
- Customers can have a single contact, so they can speak to the same person each time they call.
- Tailoring communications in a way that suits customers, for example by phone, email, post or secure message.
- If customers can't sign paperwork easily, we can arrange for use of a secure signature stamp.
- Following up telephone calls with written letters.
- Calls with the customer and a supportive third party.

1.8 Reviewing customers against our target market

We review ISA new business on a regular basis to assess whether the products have been distributed in accordance with the information in this target market document. However, in line with FCA guidance, it remains the responsibility of each distributor to ensure that this target market is followed as they are best placed to consider customer personal circumstances, needs, objectives, characteristics and suitability.

If we have concerns about plans distributed to customers that we believe are unsuitable, we will first contact the distributor to raise and discuss our concerns. We will not take further action until this discussion has taken place unless we feel there is significant potential for poor customer outcomes by delaying action.

1.9 Product and Services outcome

We regularly conduct product reviews against the relevant Consumer Duty rules contained in PRIN 2A.3, the Products & Services outcome rules. The review seeks to ensure the product delivers fair customer outcomes, in line with the standards they are led to expect by looking at:

- Target market and distribution strategy.
- Risks of the product to the target market and vulnerable customers.
- Vulnerable customers.
- Meeting the needs, characteristics and objectives of the target market.
- Terms and conditions review.
- Avoiding adverse effects on groups of customers.
- Product testing.
- The Cross-Cutting Rules.
- Avoiding foreseeable harm and risk mitigation.

2.0 Price and Value outcome

We regularly conduct price and value assessments against the relevant Consumer Duty rules contained in PRIN 2A.4, the Products & Value outcome rules. Our three broad assessment categories are Price, Service and Product and proposition.

This gives us a comprehensive view of the costs incurred by customers in relation to the benefits they're receiving from our products. We assess the status of each category using internal and external comparative metrics. External metrics being compared to the relevant market competitors where possible and internal being measured against our own targets.

We've evaluated multiple aspects from each of the below categories. The fair value result is an aggregate of all constituent parts;

- **Price:** Understanding the charges incurred by a customer is vital in assessing whether the product is representing fair value.
- **Service:** Service provision is a vital and tangible component of the perceived value of any product.
- **Product and proposition:** This comprises the key features of the product including the overall proposition within which the product is provided.

We concluded that the product represents fair value to customers in the target market.

2.1 More information

For more information about the Nucleus ISA (including the Nucleus Junior ISA), please review the following documents;

- Platform Services Terms and Conditions for the Nucleus ISA
- Nucleus ISA Charges Schedule
- Nucleus ISA Key Features Document
- Nucleus ISA Permitted Investments List

These documents tell you more about how Nucleus operates;


- Product Technical Guide
- Order Execution Policy
- How Your Investments are Held

For more information about our Product Lifecycle Management process or for questions regarding Due Diligence, please contact your usual Sales representative.


2.2 Contact us

If you'd like to speak to us about this target market document, please call **03455 212 414** or send us a secure message. Please don't send personal, financial or banking information via email.

The value of the Nucleus ISA may fall as well as rise. The tax treatment and tax benefits of a Nucleus ISA outlined in this document are based on our understanding of current tax law, and draft legislation that can change. Tax treatment depends on a customer's individual circumstances and may change in the future. Product provider: Nucleus Financial Services Limited, authorised and regulated by the FCA under Firm Reference Number: 456117.

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"Nucleus" is the trading name for Nucleus Financial Platforms Limited (NFPL) (registered in England, number 06033126), Nucleus Group Services Limited (NGSL) (registered in England, number 02538532); James Hay Services Limited (JHS) (registered in Jersey, number 77318); James Hay Administration Company Limited (JHAC) (registered in England, number 04068398); James Hay Pension Trustees Limited (JHPT) (registered in England, number 01435887); James Hay Wrap Managers Limited (JHWM) (registered in England, number 04773695); James Hay Wrap Nominee Company Limited (JHWNC) (registered in England, number 07259308); Nucleus Financial Services Limited (NFS) (registered in England, number 05629686). NFPL, NFS, NGSL, JHAC, JHPT, JHWM, JHWNC have their registered office at Suite B & C, First Floor, Milford House, 43-55 Milford Street, Salisbury, SP1 2BP. JHS has its registered office at Aztec Group House, IFC6, The Esplanade, St Helier, Jersey, JE4 0QH. JHAC, JHWM and NFS are authorised and regulated by the Financial Conduct Authority. NGSL, NFS, JHWM, JHPT, JHAC and JHS are members of a VAT group with VAT registration number 514 0358 80. All companies are wholly owned subsidiaries of NFPL. Further details of the Nucleus Group can be found at nucleusfinancial.com (12/24)