Junior ISA with myM&G

Target Market Information

myM&G

M&G has designed the Junior ISA with myM&G to facilitate tax-efficient savings by, or on behalf of, children under the age of 18 through M&G investment funds and online servicing. The target market here however, and the person we refer to as the investor, is the parent or legal guardian who is the prospective Registered Contact for the account and who is making the investment decision on behalf of the child.

What is the Junior ISA with myM&G?

The Junior ISA with myM&G is an online Stocks and Shares Junior Individual Savings Account (ISA) provided by M&G Securities Limited. It enables lump sum and regular investments to be made directly by or on behalf of children under the age of 18 via the bank account of the Registered Contact for the account. It also supports transfers from existing Junior ISAs or Child Trust Funds. Any growth achieved in the Junior ISA with myM&G is free of Income Tax and Capital Gains Tax. The investments can only be accessed by the child when they reach the age of 18.

The Junior ISA with myM&G provides access to a range of M&G Open-Ended Investment Company (OEIC) funds, including actively and passively managed options.

The value of investments will fluctuate, which will cause prices to fall as well as rise and you may not get back the original amount you invested.

Junior ISA tax rules may change in the future. Junior ISA tax advantages depend on your individual circumstances.

What type of clients/investors is this designed for?

✓ Retail client/investor

✗ Professional client/investor (eg, trustees/corporates)

Target market – investor's knowledge and experience

Investor type	Description	Appropriate for target customer?
Basic	• Basic knowledge of relevant financial products and the features of this specific product. • Can make an informed investment decision, perhaps based on the advice/ recommendation of a regulated intermediary, supported by appropriate information and documentation from the product manufacturer. • Basic or no financial industry experience.	✓
Informed	• Reasonable knowledge of relevant financial products and the features of this specific product. • Can make an informed investment decision, perhaps based on the advice/ recommendation of a regulated intermediary, supported by appropriate information and documentation from the product manufacturer. • Some financial industry experience.	✓
Advanced	• Good knowledge and experience of relevant financial products and the features of this specific product. • Can make an informed investment decision, perhaps based on the advice/ recommendation of a regulated intermediary, supported by appropriate information and documentation from the product manufacturer.	✓

Key: ✓ Yes ✗ No — In some circumstances

Target market – investor's age

Investor's age	Description	Appropriate for target customer?
Under 18	The Registered Contact must be over the age of 16. NB The child beneficiary of the Junior ISA with myM&G must be under 18 years of age.	—
18-40	The Registered Contact will often be in this age range.	✓
41-85	The Registered Contact will often be in this age range. It is possible for someone with parental responsibility or legal guardianship to be towards the upper age range (eg grandparent) but there may be more reluctance of this group to engage digitally, in which case the Junior ISA with myM&G might not be a suitable product for them.	✓
Over 85	Not the main target market as any Registered Contact is less likely to be in this age range and more likely to be unable or unwilling to engage digitally.	—

Note: Anyone can gift or contribute money via the bank account of the Registered Contact, including the child beneficiary.

Target market – investor's financial situation

Registered Contact's financial situation	Description	Appropriate for target customer?
Constrained (No funds to invest)	Not suitable for their needs.	✗
Limited (Less than 3-6 months' income in savings)	May be suitable as the investor has limited savings and/or is able to make a fair level of ongoing contributions with the potential to build a moderate investment holding for the child beneficiary.	✓
Good (At least 3-6 months' income in savings)	• May be suitable if the child beneficiary has remaining Junior ISA Allowance and/or existing Child Trust Fund or Junior ISA funds to transfer to the Junior ISA with myM&G.	✓
	• Not suitable if the child beneficiary has no remaining Junior ISA Allowance and/or no existing Child Trust Fund or Junior ISA funds to transfer to the Junior ISA with myM&G.	✗

Target market – investor's risk tolerance

Risk tolerance	Description	Appropriate for target customer?
Zero	The Junior ISA with myM&G isn't a Cash ISA and doesn't offer any funds that protect against capital loss.	✗
Low to Medium Medium Medium to High	The Junior ISA with myM&G offers access to M&G's range of active and passive OEIC funds. The funds span a range of risk levels, for use in a diversified portfolio according to the investor's attitude to investment risk on behalf of the child beneficiary. None of the investment funds are designed to reduce investment risk as the child reaches age 18.	✓
Very High	The available fund choice doesn't extend to the highest risk rating, but concentrations of high-risk investments may be suitable as part of a wider diversified portfolio.	—

Key: ✓ Yes ✗ No — In some circumstances

Target market – investor's needs and objectives

Need/Objective	Description	Appropriate for target customer?
Ability to access online	The investor accepts that correspondence will be provided digitally rather than by post (ie, sent to the investor's online document store).	✓
General savings	The investor is looking to build a tax-efficient investment holding on behalf of the child beneficiary, and the child has sufficient Junior ISA allowance to support contributions and/or has existing Junior ISA funds or Child Trust Funds to transfer in.	✓
Junior ISA consolidation	The investor is looking to consolidate the child beneficiary's Junior ISA assets together into one place for economies of scale and efficient management.	✓
Tax-efficient investment growth	The investor, on behalf of the child beneficiary, is looking for investment returns in excess of those available from cash, in a tax-efficient manner and suited to the level of risk they are comfortable with.	✓
Medium-to long-term investment horizon (normally at least 5-10 yrs)	The investor is looking to invest for the medium to long term as part of long-term income planning.	✓
Building savings for the future	The investor is looking to build an investment holding for the child, to help with future costs say, and is comfortable that the beneficiary can do with the proceeds as they wish when they reach age 18.	✓

Who is the Junior ISA with myM&G not suitable for?

Need/Objective	Description	Appropriate for target customer?
Non-digital service	The product is not suitable for those unable or unwilling to engage with the product digitally (eg, pick up their documents in their online document store or buy and sell investments online with limited support).	✗
Short-term investment horizon	The product is not suitable for those looking to invest only for a very short period, ie, less than five years.	✗
Capital preservation	The product is not suitable for those primarily looking for preservation of existing capital in all circumstances (ie, they have no tolerance for investment risk).	✗
Very high investment risk	The product is not suitable for those looking for very high-risk investments.	✗
Guarantees	The product is not suitable for those looking for a guaranteed return of at least your money back or a level of guaranteed return on their investments.	✗
Flexible access to investments	The product is not suitable if the child will need access to the investments before the age of 18; nor if the Registered Contact thinks they might need access to the investments themselves in the future (they are solely for the benefit of the child); nor if the Registered Contact would like control over how the proceeds from the Junior ISA are used by the child beneficiary when they reach age 18.	✗

Key: ✓ Yes ✗ No — In some circumstances

How can you invest?

Initial sale		Appropriate for target customer?
Execution-Only*	The Junior ISA with myM&G is available on an execution-only basis.	✓
Non-Advised**	The Junior ISA with myM&G is available on a non-advised basis.	✓
Advised***	While you can receive advice, you have to apply for the Junior ISA with myM&G yourself. No adviser charging is facilitated. You may choose to give an adviser read-only access to your account online through the 'Share my Account' facility.	—

Top-ups		Appropriate for target customer?
Execution-Only*	Single and/or regular contribution top-ups and additional transfers-in can be made by customers on an execution-only basis.	✓
Non-Advised**	Single and/or regular contribution top-ups and additional transfers-in can be made by customers on a non-advised basis.	✓
Advised***	While you can receive advice, you have to make single and/or regular contribution top-ups or arrange any additional transfers-in yourself. No adviser charging is facilitated. You may choose to give an adviser read-only access to your account online through the 'Share my Account' facility.	—

Key: ✓ Yes ✗ No — In some circumstances

* Execution-only covers situations where the investor has an adviser but is transacting without advice.
** Non-Advised is where an investor doesn't have an adviser.
*** Advised is where an investor has an adviser and has taken advice.

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