

## The Financial Services Compensation Scheme (FSCS)

### What does 'FSCS' protection mean?

The Financial Services Compensation Scheme (FSCS) was set up to protect customers' money when financial services firms go bust and/or lose customer money. If this happens, and you can't get your money back, the FSCS can step in to pay you back your money, subject to meeting eligibility criteria and certain limits.

The FSCS is funded by the financial services industry, but it operates independently.

### How your cash deposits are protected under the FSCS

Protection for money in your Nude cash Lifetime ISAs comes from the fact that we hold your money with third party banks, where your money is eligible for FSCS protection. We've carefully selected third party banks we partner with, and the banks we currently use are:

- Barclays Bank plc; and
- Virgin Money.

If one of these banks were to go into default, your money would be protected through the FSCS, up to £85,000 (per eligible person, per bank) for your **total** eligible deposits (i.e. if you have various accounts at a bank, the cumulative amount of protection is £85k)

For joint accounts, the FSCS will compensate up to £170,000.

### How your investments are protected under the FSCS

If you have a stocks & shares Lifetime ISA with Nude, the units held are in a fund managed by BlackRock Fund Managers Limited. This fund is called 'MyMap5 ESG Class D (Acc)'. This is an FCA 'approved' fund and the units held are FSCS protected.

Funds are covered under the FSCS up to the value of £85,000 per person per regulated firm.

If your investments incur a loss as a result of *our* default, you will be entitled to compensation provided you are eligible for protection under FCA Rules.

Please note that any investment losses from poor performance of the fund will not be covered under the FSCS. Investments can go up and down, so please be aware that you may get back less than you put in. Past performance is not a guide to future returns.

## **Why can't I see Nude Finance Limited on the bank and savings checker of the FSCS register?**

Because, as explained above, the money in your cash Nude Lifetime ISA is held by us on your behalf securely at one of our partner banks, who are covered by the FSCS.

## **Financial Conduct Authority Rules around protecting client money**

Nude is authorised and regulated by the Financial Conduct Authority (FCA) in the UK and must adhere to certain FCA rules aimed at protecting money and assets which our customers have trusted us with.

Any money given by customers to Nude is held with a bank that is FSCS protected, as noted above. The money is held in special protected 'client money' accounts. Nude cannot use customer money for its own purposes and must ensure that the bank acknowledges that the money belongs to Nude's customers and not Nude.

Should Nude cease to operate, all money held in these client money accounts will be protected and legally ring-fenced from the creditors of Nude Finance Limited.

## **Need further information?**

Our Customer Agreement and the Nude Lifetime ISA Key Features Document contains more info about the FSCS.

<https://www.getnude.com/policy/customer-agreement/>

<https://www.getnude.com/docs/key-features-document-lifetime-isa/>

For a list of banking and savings brands protected by the same FSCS cover (compiled by the Bank of England) please see:

<https://www.bankofengland.co.uk/-/media/boe/files/prudential-regulation/authorisations/which-firms-does-the-pra-regulate/2022/list-of-banking-brands-march-2022.pdf>

The FSCS also contains lots of information on protection in the financial services industry. Please see [www.fscs.org.uk](http://www.fscs.org.uk)

