

PLEASE NOTE THE CURRENT INVESTMENT LIMIT FOR THE TAX YEAR 2011/2012 IS UP TO £10,680 INTO STOCKS & SHARES ISAS. UP TO £5,340 CAN BE PAID INTO A CASH ISA BUT THIS WILL REDUCE THE AMOUNT YOU CAN INVEST IN A STOCKS & SHARES ISA ACCORDINGLY.

If you wish to investment monthly into your ISA you can therefore invest up to £890 per month.

Stocks & Shares Tracker ISA



**For financial
products with a
friendlier face...**



What is an Individual Savings Account (ISA)?

ISAs are investments with tax advantages, available if you are resident and ordinarily resident in the UK for tax purposes. There are two types of ISA available – Stocks & Shares ISAs and Cash ISAs. Kingston Unity only offers Stocks & Shares ISAs. You must be aged 18 or over to open a Stocks & Shares ISA.

ISAs have special tax advantages which mean that the proceeds from your ISA will be completely tax free. This is subject to current legislation which may change in the future.



What is the Kingston Unity Tracker ISA?

A Stocks & Shares ISA which aims to track the performance and movement, both upwards and downwards, of the FTSE All-Share Index.



What is the aim of the ISA and where does it invest?

Premiums invested in our tracker fund buy a spread of equities designed to track the performance of the FTSE All-Share Index which represents most of the UK equity market. The majority of the investments in the fund will be UK investments although the overall proportion will change in accordance with the weighting within the FTSE All-Share.

The fund aims to provide medium to long term growth although there could be short term fluctuations.

It is important to remember that the ISA performance is related to the performance of the underlying equities and what you get back is not guaranteed. This could be more or less than you have paid in.



How much can I invest?

- You can invest sums up to £7,200 tax free in each tax year.
- You can invest either an initial lump sum of a minimum of £500 with further additions if you so choose up to the annual maximum of £7200.
- Or, you can choose to make monthly payments by standing order of a minimum of £25 per month (maximum £600 per month).
- If you are investing in a Cash ISA in this tax year then the amount you can invest in a Stocks & Shares ISA will be reduced. You can pay no more than £7200 in total to Stocks & Shares and Cash ISAs with a maximum of £3600 in cash.
- From October 2009 the limit for those over 50 will be increased to £10,200 of which £5,100 may be saved in cash and the remainder in a stocks & shares ISA. Alternatively the full £10,200 can be invested in a stocks & shares ISA with one provider. The new limits will roll out to the rest of the eligible population next year. The maximum monthly investment will increase to £850 per month once the new upper limit is in force.
- If you are investing in a Cash ISA and a Stocks & Shares ISA with different providers it is your responsibility to ensure that your investments do not exceed the annual allowance for that tax year.



How does the ISA work?

Each credit into the ISA buys a number of units. The number of units bought is dependent on the unit price in force on that date. For instance if you pay in £7200 and the unit price is £1 then you will buy 7200 units.

The unit price will fluctuate according to the underlying performance of the fund and the unit price is currently declared on a weekly basis.

The value of your ISA at any time is the number of units held multiplied by the unit price in force on that day. For instance if you hold 8100 units and the unit price is £1.02 then the value of your ISA would be £8262.



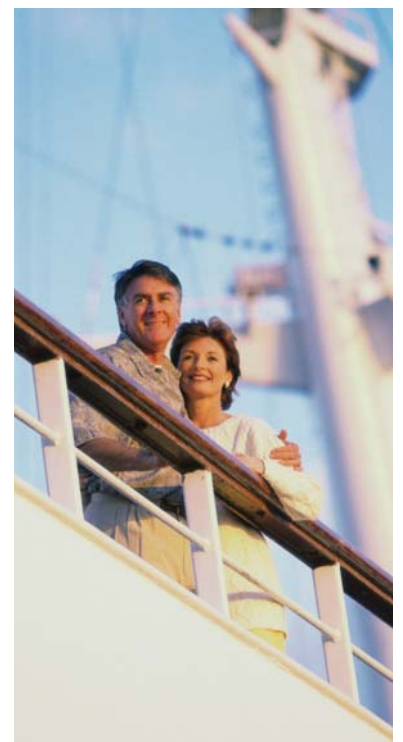
Can I stop paying premiums?

Yes you can stop or vary premiums at any point during the tax year. However if you do not make a payment in the whole of a tax year and you want to start paying again in the next tax year, then you will have to make a new application.



How long do I have to invest for?

There is no fixed term but to maximise on potential growth and protect against short term fluctuations we recommend that you aim to retain your Kingston Unity Stocks and Shares ISA until at least the tenth anniversary.



Can I make withdrawals from my ISA?

Yes. You may make partial withdrawals of amounts of £500 or more or close your account at any time. If your account remains open the balance must be a minimum of £100.

What might I get back?

What you might get back depends upon the performance of the underlying funds during the life of your investment. The fund aims to provide upward growth in the medium to long term but this is not guaranteed.

When will the ISA be opened?

Your ISA will be opened immediately on the receipt of your completed application form and cheque for first payment, subject to having received satisfactory information under the Money Laundering Regulations.

Can I cancel my ISA if I change my mind?

You will have a 30 day cancellation period in which to change your mind. If you change your mind during the cancellation period your investment will be returned to you at its current value. This may be less than you have paid in.

Can I transfer my Stocks & Shares or Cash ISA with another provider to Kingston Unity Friendly Society?

Yes, under normal circumstances you can transfer all or part of the money saved in previous years with another provider to a Kingston Unity Stocks & Shares ISA without any effect on your annual ISA investment allowance for this tax year.

You can also transfer money saved in the current tax year with another provider in a Stocks & Shares or Cash ISA to a Kingston Unity Stocks & Shares ISA. The transfer must be the whole amount saved in the current tax year up to the day of transfer.

Once money saved in the current tax year in a Cash ISA is transferred into a Stocks & Shares ISA it will be treated as if it had been invested directly into the Stocks & Shares ISA in that year.

What happens if I die?

On early death the Society will pay 101% of the value of the ISA at the date of death to the individual's estate.

Upon death ISAs lose their tax free status and cannot be continued by the holder's beneficiaries.

How do charges and expenses affect my investment?

The Society makes an annual charge to cover the costs of setting up the policy and its continuing management during its life. The effects of these charges are shown in the illustration of the policy.

How can I keep track of the investment?

We will send you a statement showing the value of your ISA at the end of each tax year. The statement will also show any debits and credits during the year. You can contact us at any time if you have queries regarding the value of your ISA. The unit price is declared on a weekly basis and in time will be published on our website www.kingstonunity.co.uk. It is also available if you ring our office.

How do I open my Stocks & Shares ISA?

To apply for a Kingston Unity Stocks & Shares ISA you must complete an application form and return this to Kingston Unity together with a cheque for your lump sum investment or for your initial monthly investment (in the case of monthly investments you must also complete a standing order form or direct debit authority). Our address is FREEPOST RSJC-BBGE-KSAX, Kingston Unity Friendly Society, 9 Navigation Court, Calder Park, Wakefield, WF2 7BJ.

Who should I contact if I have further questions?

If you require any further information or have any queries, please contact any member of staff of the Kingston Unity Friendly Society on 01924 240 164. Alternatively queries can be emailed to ISA@kingstonunity.co.uk.





Money Laundering

Under the current Money Laundering Legislation and other statutory and regulatory requirements, there is a requirement to obtain proof of the identity and address of people who wish to take out a life, pension or investment contract. You will therefore be asked to supply documents as evidence of your identity and your address. Alternatively we may carry out electronic checks to verify your identity.

Your ISA will not be opened, and no investments will be accepted into the ISA until we have successfully verified your identity and address.



Membership of the Society

By taking out an account you become a member of the Society. All policies are issued in accordance with and are subject to the Society's Rules, which may be varied from time to time. A copy of the Society's rules will be supplied to members on request.

Please ask for details of our other products:

- **Investment Bond**
- **Child Trust Fund (CTF) stakeholder/non stakeholder**
- **Regular Savings**
- **Tax Exempt Savings**



KINGSTON UNITY
THE FRIENDLY SOCIETY
TRADITIONAL VALUES - MUTUAL BENEFITS

9 Navigation Court, Calder Park,
Wakefield, WF2 7BJ

You can find out lots more about 'The Friendly Society' and our products from our website:

www.kingstonunity.co.uk

Alternatively call our head office team on:

Tel: 01924 240 164

Because we are 'The Friendly Society' - you will be answered by a person, not a machine!

Kingston Unity is authorised & regulated by the Financial Services Authority FRN 110056

TRACKER STOCKS & SHARES ISA KEY FEATURES

WHAT IS THE PURPOSE OF THIS LEAFLET?

The Financial Services Authority is the independent financial services regulator. It requires us, Kingston Unity Friendly Society, to give you this important information to help you decide whether our Tracker Stocks & Shares ISA is right for you. You should read this document carefully along with the illustration and general product leaflet, so that you understand what you are buying and then keep it safe for future reference.

WHO IS THE TRACKER STOCKS & SHARES ISA SUITABLE FOR?

Individuals who wish to save or invest tax free for a period of at least between 3 and 10 years in a range of equities, which tracks the general movement upwards or downwards in the FTSE All Share Index and are prepared to take some risk with their investment in order to potentially achieve an increased rate of return.

ITS AIMS

- To enable you to save or invest tax free over the medium to long term
- To provide the potential to achieve growth in an equity based investment which spreads the risk by investing in a broad range of equities
- To allow you to vary or cease your contributions if your circumstances change.

YOUR COMMITMENT	RISK FACTORS
<ul style="list-style-type: none"> ● To pay a regular monthly premium of between £25 and £600 (£850 from 6th April 2010) or single premiums with a minimum initial investment of £500 up to the maximum investment limit in any one tax year ● You can withdraw all or part of your investment at any time but should consider your investment to be a medium to long term plan ● You will be unable to start a Stocks & Shares ISA with another provider during the same tax year. 	<ul style="list-style-type: none"> ● The value of your ISA is not guaranteed. It depends on the performance of the underlying fund which can go down as well as up. You may get back less than you have invested ● The tax treatment of ISAs may change in the future which may result in you having to pay additional tax or reducing the amount you may get back ● Inflation may reduce what you could buy in the future ● If you decide to cancel your investment in the cancellation period and the unit price has fallen then you will get back less than your initial investment.

QUESTIONS AND ANSWERS

HOW MUCH CAN I INVEST?

You can currently invest up to £7200 per tax year in a Stocks & Shares ISA. However, from October 2009, those aged over 50 will be able to invest up to £10200 per tax year in a Stocks & Shares ISA, and this new limit will apply to all who are eligible from April 2010. If you have also invested in a Cash ISA in the same year this will reduce the amount you can invest in your Stocks & Shares ISA accordingly.

IS THERE A MINIMUM INVESTMENT TERM?

Your ISA does not run for a specific term. However it should be viewed as a medium to long term investment to minimise the risk of short term market fluctuations.

HOW DOES THE INVESTMENT WORK?

Each credit made to the ISA will buy units. The amount of units purchased will depend on the unit price on the date of purchase. The value of the units will then fluctuate according to the performance of the underlying FTSE Tracker Fund.



WHERE DOES THE FUND INVEST?

Contributions are invested in a fund which aims to track the performance of the FTSE All-Share Index and thus represents most of the UK market. The range of investments in the Unit Trust will vary according to the performance of the FTSE All-Share Index but is primarily made up of investments in UK equities.

ARE THERE ANY CHARGES?

Yes, the Society deducts an annual charge of 1.5% before unit prices are declared.

CAN I STOP PAYING PREMIUMS?

You can vary or cease the amount of premium you pay within a tax year. However if you do not make a payment in the whole of a tax year you would have to make a new application if you wished to make a payment in the next tax year.

WILL THERE BE ANY LIABILITY TO TAX?

Any money you receive from your ISA will be completely free of tax and you will not need to declare any growth or income from your investment on your tax return.

Capital gains and investment income made to the fund are currently tax-free but we cannot reclaim the 10% tax credit on dividend income.

The tax treatment is subject to current legislation which may change in future.

WHAT HAPPENS IF I DIE?

On death during the term of the investment, the Society will pay 101% of the value of your ISA investment to either the surviving spouse or your estate.

HOW WILL IT WORK FOR ME?

Accompanying this leaflet you will find an illustration which shows an example of possible growth and performance of an ISA. If you require a specific illustration please contact us.

OTHER INFORMATION

FURTHER READING

You should also read the leaflet 'Kingston Unity's Tracker Stocks & Shares ISA' in conjunction with this document. This gives more detailed information on the Tracker Stocks & Shares ISA.

CANCELLATION RIGHTS

After your proposal is accepted you will receive a notice of your right to cancel. You will then have 30 days in which to change your mind.

LAW & LEGISLATION

In legal disputes the Law of England and Wales will apply.

It is possible that legislation affecting the tax free status of ISAs may change in the future. This may affect the benefits, premiums or plan conditions.

COMPLAINTS

If you wish to complain about any aspect of a product or the service that you have received please contact the Compliance Officer at the address shown below. If a complaint is not dealt with to your satisfaction you can then complain to the Financial Services Ombudsman, South Quay Plaza, 183 Marsh Wall, London, E14 9SR. Making a complaint will not prejudice your right to legal proceedings.

WHO SHOULD I CONTACT IF I HAVE FURTHER QUESTIONS?

If you require any further information or have any queries, please contact any member of staff of the Kingston Unity Friendly Society at the address shown below or on 01924 240 164. Alternatively you can email isa@kingstonunity.co.uk.

COMPENSATION

Information on compensation arrangements is available from the Society on request.

THE KINGSTON UNITY FRIENDLY SOCIETY

Was founded in 1840. Total assets exceed £30 million and there are over 4,500 members and 40,000 Child Trust Fund members.

Kingston Unity Friendly Society

9 Navigation Court, Calder Park, Wakefield, WF2 7BJ

Telephone: 01924 240 164 Fax: 01924 242 992

Email: enquiries@kingstonunity.co.uk Web: www.kingstonunity.co.uk

Kingston Unity is authorised & regulated by the Financial Services Authority FRN 110056



Individual Savings Account

Your Example

Name	An Example	Age last birthday	30
Single premium	£ 5,000.00	Regular Premium	£0.00 Annually

Death Benefit

- 101% of the value of the policy will be paid on death.

What Might I Get Back At The End of The Term ?

- The figures below show what the cash in value of your policy might be at the 10th anniversary
- These figures are only examples and are not guaranteed - they are not minimum or maximum amounts. What you will get back depends on how your investment grows.
- You could get back more or less than this.
- All friendly societies use the same rates of growth for projections but their charges vary.
- Do not forget that inflation would reduce what you could buy in the future with the amounts shown.

If investments grew at 5% a year, you would get back: £7,000

If investments grew at 7% a year, you would get back: £8,460

If investments grew at 9% a year, you would get back: £10,100

- The figures below show what the cash in value of your policy might be at the first policy anniversary after your 75th birthday.

If investments grew at 5% a year, you would get back: £23,600

If investments grew at 7% a year, you would get back: £56,300

If investments grew at 9% a year, you would get back: £132,000

The Early Years

- **Warning-** If you cash in during the early years you could get back less than you have paid in.
- The last two columns assume that investments will grow at 7% each year.

End of Policy Year	Total Paid to Date (£)	Total Actual Deductions to date (£)	Effect of deductions to date (£)	What You Might Get Back (£)
1	5,000	80	80	5,270
2	5,000	163	169	5,550
3	5,000	252	269	5,850
4	5,000	345	381	6,170
5	5,000	443	506	6,500

End of Policy Year	Total Paid to Date (£)	Total Actual Deductions to date (£)	Effect of deductions to date (£)	What You Might Get Back (£)
10	5,000	1,020	1,370	8,460
15	5,000	1,770	2,770	11,000
20	5,000	2,740	5,010	14,300
25	5,000	4,020	8,480	18,600
30	5,000	5,670	13,700	24,200
35	5,000	7,830	21,800	31,500
40	5,000	10,600	33,700	41,000
45	5,000	14,200	51,500	53,400
46	5,000	15,100	56,000	56,300

- The deductions include cost of life cover, expenses, charges and any surrender penalties and other adjustments.
- The last line in the table shows that, at age 75, the effect of the total deductions could amount to £56,000.00
- Putting it in another way, if the growth rate were to be 7%, which is no way guaranteed, this would have the effect of reducing it to 5.41% a year.

How much will the advice cost?

- The amount will depend on the size of the premium.
- For arranging this policy, Kingston Unity Friendly Society will provide benefits and services worth £100.00.

