

Regular Savings Plan

For financial
products with
a friendlier
face...



Why should I save with the Kingston Unity Friendly Society?

Kingston Unity is a Friendly Society which was established in 1840 and is a mutual organisation owned by its members. Being mutual means that any surplus funds are used for the benefit of members and not to pay shareholders.

What is the Regular Savings Plan?

It is a regular savings plan which is designed to run for a period which you choose, between 10 and 30 years, to build a lump sum on maturity. The regular premium must also be fixed at onset. The regular savings plan invests in a fund on which Kingston Unity pays tax. Under current legislation the proceeds of a regular savings plan are tax-free at maturity.

You should read this leaflet in conjunction with the Key Features leaflet which explains the main details.



How much can I save in a Regular Savings Plan?

The minimum amount you can pay into a Kingston Unity Regular Savings Plan is £5 per month or £50 annually. The upper limit is determined by the term and age of entry as the maximum sum assured is £100k per member. You can take out additional plans if you decide you would like to save more at a future time.

How Does It Work?

The Society will provide you with a fixed Sum Assured. The value of this will depend upon the agreed premium level and the number of years that the policy is due to run.

In addition to the Sum Assured, depending upon investment performance of the with-profits fund, the Society's Board, in consultation with the Actuary, will declare an annual bonus which is added to the Sum Assured (see section How does the Bonus work?). Once annual bonuses have been added to your plan they cannot be taken away, assuming the plan runs to maturity. Therefore at maturity or earlier death you will be paid the guaranteed sum assured plus any bonuses. There may also be a terminal bonus on maturity, but this is not guaranteed and will depend on investment performance over the life of the plan.

Are there any Guarantees?

Yes – the minimum amount you will receive at maturity or earlier death is the sum assured.

Please note that if you surrender your plan early then you are unlikely to get back more than you have paid in, especially in the early years. If you are a higher rate tax-payer then there may also be a tax-liability on any gains made on surrendered plans.

Where is my money invested?

Premiums are invested into the Society's With-Profits fund. This fund is made up of investments into four main asset classes; equities, commercial property, fixed interest (eg gilts, corporate bonds, etc) and cash. The purpose of this is to reduce investment risk whilst giving exposure to assets that over a period of time should generate growth and provide a balanced approach with low to medium risk. This makes an appropriate investment for someone who is not averse to a small amount of risk but would like the opportunity to take advantage of potential growth in assets not given by deposit based accounts. The mix of assets will vary from time to time to reflect market conditions.

How does the Bonus work?

The Society's Board, in conjunction with the Actuary, will review the performance of the With-Profits fund at the end of each year and decide how much of any profits generated can be allocated after the liabilities have been covered. This is paid in the form of a bonus, the rate of which is declared generally in April each year. It is calculated on the Sum Assured not on the premiums paid during the year. You will receive a bonus statement each year advising of the amount of new bonus and current policy value assuming it runs to the anticipated maturity date.

Who can save in a Regular Savings Plan?

Anyone from 10 to age 65 at entry can have a Regular Savings Plan.

How can a child have a plan?

A child may not have any income of his/her own but an adult can pay the premiums on their behalf and 'sponsor' the policy. We can either send correspondence to the sponsor or the child as requested during the life of the policy but it should be remembered on maturity that the proceeds of the policy will be payable to the child. The child does not need to be a child or grandchild of the sponsor. Please note that because of the Data Protection Act we can only give information about the plan to the sponsor of the plan or to the child.



What happens if I die before the maturity date?

In the event of death before the end of the term, your estate will receive the Sum Assured plus any bonus allocated to your plan.

What do I do next?

If you have decided how much you wish to save and for how long you should read the Key Features literature and illustration which gives other important facts. Providing you do not need any additional advice, you should complete and return the application form and direct debit or standing order authority and send them to Kingston Unity Friendly Society, 9 Navigation Court, Calder Park, Wakefield, WF2 7BJ along with a cheque payment for the initial premium.

What if I would like advice?

If you require further advice from one of our Financial Advisors, please contact us at the above address or by telephone 01924 240 164 or by email enquiries@kingstonunity.co.uk. We will then arrange to see you either at home or another convenient location.

Money Laundering Requirement

The Society has to confirm the identity, address and source of funds for each of our customers before we can issue a policy or accept your investment. We may therefore ask you to provide documents such as a passport or driving licence & utility bill or bank statements in order to do this. Alternatively we may verify your identity and address by the use of an electronic search.



Please ask for details of our other products:

- Investment Bond
- Tax Exempt Savings
- Individual Savings Account (ISA)
with profit/tracker



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

KEY FEATURES OF THE REGULAR SAVINGS PLAN

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 Regular Savings Plan 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 REGULAR SAVINGS PLAN SUITABLE FOR?

Individuals who are looking to build a lump sum by saving a regular amount either monthly or annually for a specified period of at least 10 years and who wish to invest in a spread of assets such as equities, property, fixed interest and cash. Individuals who may require some life cover of up to £100,000 for a specific term.

ITS AIMS

- To build a guaranteed lump sum payable to you at the end of the specified term by investing in the Society's with-profits fund
- Depending upon investment performance to enhance the guaranteed lump sum by the addition of annual bonuses
- To provide a guaranteed sum payable at your death at any time during the plan.

YOUR COMMITMENT	RISK FACTORS
<ul style="list-style-type: none"> ● You agree to pay a regular fixed premium for a specified number of years ● You cannot withdraw cash from the plan other than by closing it and taking the surrender value, if applicable. 	<ul style="list-style-type: none"> ● Maturity proceeds will depend on the investment performance of the Society and its with-profits fund ● Your circumstances may change forcing you to cash in early. Any surrender value then payable may be less than you have paid in particularly if you surrender during the early years ● Inflation may reduce what you could buy in the future ● Depending on tax legislation at the time you may have additional tax to pay on the proceeds of the policy.

QUESTIONS AND ANSWERS

ARE THERE ANY GUARANTEES?

Your plan will have a guaranteed sum assured which is the minimum you will receive if the plan runs to its intended maturity date or if death occurs during the term of the plan and all premiums are paid. Bonus rates are declared annually and any bonus is added to your plan. Once added these cannot be taken away unless you surrender your plan. On maturity your plan value will be the guaranteed sum assured plus accrued bonuses. The final maturity value will depend on investment performance over the life of the plan.

ARE THERE ANY CHARGES?

Yes, the Society takes a management contribution of 50% of premiums paid in year 1 and in the second and subsequent years 5.5% of the annual premium amount. These are to cover the cost of expenses incurred in setting up the policy and maintaining it thereafter. The effect of charges are shown in the illustration enclosed with this leaflet.



WHAT HAPPENS IF I STOP PAYING PREMIUMS?

The Regular Savings Plan is a medium to long term savings plan. If you surrender the plan less than 12 months from inception there will be no surrender value. If you surrender your plan more than one year from inception, there will be a surrender value payable. However, especially in the early years, this may be less than you have paid in. The Society reserves the right to lapse your plan if premiums are more than 6 months in arrears.

WILL THERE BE ANY LIABILITY TO TAX?

Your money is invested in a fund on which Kingston Unity pays taxes. Currently you will not be subject to taxation on maturity proceeds from your plan. However, if you surrender your plan and you are a higher rate taxpayer in that year you may be liable for tax on your investment gain at the difference between the higher and basic rates of tax. The amount of the gain may result in a reduction of the amount of any old age relief or child tax credits being received. This information is based on our understanding of current taxation legislation which may change in the future.

IS LIFE COVER INCLUDED?

If death occurs during the term of the plan, your estate will receive the guaranteed Sum Assured plus any bonus that the plan has accrued.

HOW WILL IT WORK FOR ME?

Accompanying this leaflet you will find an illustration which shows an example of possible payment on maturity or earlier surrender. If you require a specific illustration please contact us.

OTHER INFORMATION

FURTHER READING

You should read the leaflet 'Kingston Unity's Regular Savings Plan' in conjunction with this document. This gives more detailed information on the Regular Savings Plan.

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

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

LEGISLATION

It is possible that legislation affecting the tax status of the Regular Savings Plan 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 enquiries@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 £45 million and there are over 4500 members and 60,000 child trust fund members.

This leaflet is a brief guide to the key features of the plan. Full details are contained in the policy document which is a legally binding contract between you and Kingston Unity Friendly Society.

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



The Regular Savings Plan with Life Cover

Your Example

Name	An Example	Sum Assured	£9,230
Age	30	Premium	£75.00 Monthly
		Contract Term	10

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

- The figures below show what maturity benefit you might receive at the end of the contract term.
- 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.

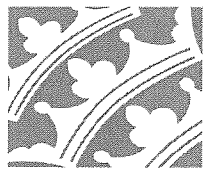
If investments grew at 4% a year you would get back:	£9,490
If investments grew at 6% a year you would get back:	£10,400
If investments grew at 8% a year you would get back:	£11,500

The Early Years

- **WARNING** - If you cash in before maturity you could get back less than you have paid in.

The last two columns assume that investments will grow at 6% each year.

At End of Year	Total Paid To Date (£)	Total Actual Deductions To Date (£)	Effect Of Deductions To Date (£)	What You Might Get Back (£)
1	900	529	529	399
2	1,800	587	619	1,290
3	2,700	650	719	2,230
4	3,600	719	831	3,230
5	4,500	792	954	4,280
10	9,000	1,240	1,780	10,400



KINGSTON UNITY

THE FRIENDLY SOCIETY

TRADITIONAL VALUES - MUTUAL BENEFITS

What Are The Deductions For ?

- The deductions include the cost of commissions, expenses, charges and any surrender penalties and other adjustments.
- The last line in the table shows that over the full term the effect of the total deductions could amount to £1,780.
- Putting it another way, if the growth rate were to be 6% a year, which is in no way guaranteed, this would have the effect of reducing it to 3.00% a year.