

Important Information about the Family Ethical Equity ISA.

This leaflet contains important information about changes that affect the fund in which the Family Ethical Equity ISA invests. It should be read with the "All you need to know" document to help you decide whether this product is right for you. You should read these documents carefully so you understand what you are buying and then keep them safe for future reference.

At Family Investments, we're committed to providing investments that create the best opportunities for sustainable growth. To help us achieve this aim, we regularly review our investment strategy to assess whether new approaches might provide a better potential outcome for all our customers. Following our most recent review, we're pleased to let you know about some changes that affect the Family Ethical Equity ISA.

Changing our Investment Adviser.

Our Investment Adviser is responsible for making the day-to-day decisions to buy, hold, or sell the fund's assets (eg the shares held by the fund), subject to our overall direction and in line with the fund's investment objective and policy. Following our investment strategy review, we've decided that from 1st May 2012, the Investment Adviser for all of our funds will change from Santander Asset Management UK Limited to State Street Global Advisers.

State Street Global Advisers are the asset management arm of State Street Corporation, one of the leading providers of financial services to institutional investors throughout the world.

We have chosen State Street Global Advisers because they are one of the world's largest and most well-respected passive fund managers, with many years experience of successfully managing index-tracking funds. They employ more than 460 investment professionals, are focused on serving institutional investors and manage assets worth over £1 trillion on behalf of their clients worldwide.

A change that affects the Family Charities Ethical Trust.

There are two types of units you can hold in a unit trust, income units and accumulation units. If you hold income units, the income received by the fund is paid out to you every time the fund "distributes". If you hold accumulation units, the income is not paid out following a distribution; instead, it is rolled up into the value of the units when it is received. All investments into the Family Charities Ethical Trust via a Family Ethical Equity ISA buy accumulation units.

Currently, the Family Charities Ethical Trust distributes twice a year. As a mutual, we have to consider the interests of all of our members and are always looking for ways to reduce our administration costs. With this in mind, we've decided to reduce the number of times this fund distributes its income to once a year.

This means that following the distribution on 31st May 2012, distributions will only happen on the last working day of May each year.

We do not expect this change to have any impact on the performance of the fund.

More information?

Further information about the fund, including information on where it currently invests, can be found in its factsheet, which is available in the "Daily Prices" section of our website www.family.co.uk or by contacting us.

If you have any other questions about the information in this leaflet, please call us on **0844 8 920 920*** and we'll be happy to help.

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Family Investments does not provide advice, if you have any doubts regarding the continued suitability of your investment you should seek independent financial advice. Please remember that as the fund invests in stocks and shares, the value of your investment can go down as well as up, and it is possible to receive less back than invested.

*Calls may be monitored or recorded for training purposes. Calls cost 12.5p plus 3p per minute from a BT landline (correct at 01/10/2011). The cost of non-BT landline calls may differ.

Family Investments is the trading name of Family Assurance Friendly Society Limited (incorporated under the Friendly Societies Act 1992 Reg. No. 939F), Family PEP Managers Limited (Co. No. 2934967), Family Investment Management Limited (Co. No. 1915516) and Family Equity Plan Limited (Co. No. 2208249) which are authorised and regulated by the Financial Services Authority (25 The North Colonnade, Canary Wharf, London E14 5HS). Family Enterprise Limited (Co. No. 2489291) is not authorised or regulated by the Financial Services Authority. Registered in England and Wales at 16-17 West Street, Brighton, East Sussex BN1 2RL.

Family Ethical Equity ISA.

Important Information booklet

Including the Key Features &
Terms and Conditions



Carefully read all the sections of this document.
Then keep it safely so you can refer to it in the future.

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Key Features

A short summary to help you decide whether this product is right for you.

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Definitions

Account

The Family Ethical Equity ISA

FSA

- Financial Services Authority
- Regulates financial services companies like Family Investments

Fund

The unit trust (Family Charities Ethical Trust) in which this ISA is invested

Fund Manager

Family Investment Management Limited (trading as Family Investments)

HMRC

- HM Revenue & Customs
- Responsible for ISAs and approving ISA managers

Internal Transfers

A transfer from one ISA to another ISA, where both ISAs are provided by Family Investments

ISA

Individual Savings Account

ISA manager

A firm authorised by HMRC to provide and manage ISA investments

ISA Manager

Family Equity Plan Limited (trading as Family Investments)

Money Advice Service

Set up by the Government, this is a free, independent service that provides clear, unbiased money advice to help people make informed choices

Regulations

The Individual Savings Account Regulations 1998 (as replaced or amended from time to time)

Rules

The Financial Services Authority Rules (as amended from time to time)

Tax Year

A year beginning on 6th April in any year and ending on 5th April in the following year

Unit

A unit in a unit trust

Us/our/we

Family Equity Plan Limited (trading as Family Investments)

Working day

Any day of the week not including Saturdays, Sundays and English public (bank) holidays

You/your

The person applying for the ISA – the ISA holder

Other technical terms are explained in their relevant sections

Key Features of the Family Ethical Equity ISA

This section contains important information which should help you decide whether the Family Ethical Equity ISA is right for you. Please read it carefully, along with the Key Investor Information document, so that you understand what you are buying.

Its aims

- To provide a way for you to invest tax-efficiently over the medium to long term
- To provide you with a tax-free lump sum
- To achieve growth by investing mainly in UK shares of companies that make up the FTSE4Good UK 50 Index in order to closely follow its performance.

Your commitment

- You can open a Family Ethical Equity ISA by committing to invest at least £50 a month by Direct Debit or with a lump sum of at least £500
- You may also make additional one-off payments of at least £50
- You don't have to maintain monthly payments or save for a set period of time, but, as the investment is linked to the stock market, you should be prepared to invest for at least five years

Risks

- Because the money in the Account is invested in stocks and shares, its value can go down as well as up
- There is a chance you may get back less than has been invested
- Over time, the cost of living will generally rise, reducing the real value of any investment growth. This means that you may not be able to buy as much in the future with the proceeds of the investment as you could do today
- If you decide to cancel and the value of the Account has fallen, the amount returned to you may be less than the amount invested
- If the value of your Account falls shortly before you want or need to withdraw the money, it could mean that you do not have enough money to meet your needs
- The tax advantages of ISAs depend on your individual circumstances and their tax treatment may change in the future. If this happens, the potential growth on your Account may be reduced



For more information on risk, please see the fund's Key Investor Information document.

Your questions answered

What is an ISA?

ISA stands for Individual Savings Account. ISAs were introduced by the Government to encourage more people to save for the future. They give you the opportunity to save money tax-efficiently.

There are two types of ISA:

- cash ISAs – which allow you to invest in a deposit account tax-free; and,
- stocks and shares ISAs – which allow you to invest in stock market based investments, tax-efficiently.

The Family Ethical Equity ISA is a stocks and shares ISA.

Who is the Family Ethical Equity ISA designed for?

- The Account is designed for ethically-minded investors who would like to achieve good potential for growth by investing in shares, tax-efficiently
- As with all stock market based investments, it is possible to get back less than you have paid in
- You should only consider this Account if you are happy to take some risk in order to increase the potential return

Please note that we do not provide advice. If you have any doubts about the suitability of this product, you should seek independent financial advice.

The sales process that we use means that we are not required to assess the suitability of this ISA and, as a result, you will not benefit from the protection of the FSA Rules that relate specifically to the assessment of suitability and appropriateness.

Who can open a Family Ethical Equity ISA?

To open a Family Ethical Equity ISA, you must be 18 or over and a UK resident for tax purposes. The Family Ethical Equity ISA is not available to US Persons.

ISAs cannot be applied for in joint names and you cannot pay into more than one stocks and shares ISA in the same tax year.

In the 2012/2013 tax year, you can save up to £11,280 into ISAs. Subject to this overall limit, you can save up to £5,640 into a cash ISA and invest up to £11,280 into a stocks and shares ISA.

For example, you could pay in:

- £5,640 to a cash ISA and £5,640 to a stocks and shares ISA; or
- £2,000 to a cash ISA and £9,280 to a stocks and shares ISA; or
- £11,280 to a stocks and shares ISA only.

Where is the Account invested?

Your money will buy units in a unit trust. A unit trust is a way of investing, indirectly, in investments like stocks and shares. If you invest in a unit trust, your money will be pooled together with money from other investors and used to buy different investments (assets).

Professionals will then manage these assets on behalf of the investors. By doing this, an individual's money can be invested across a wide range of assets, helping to spread the risks associated with investing in stock market linked investments. The management of a unit trust is overseen by independent appointed trustees.

The unit trust this account invests in is called the Family Charities Ethical Trust. This fund invests mainly in UK shares of

companies that make up the FTSE4Good UK 50 Index in order to closely follow its performance. The fund typically invests in companies that meet globally-recognised social, ethical and environmental corporate responsibility standards.

What is the FTSE4Good UK 50 Total Return Index?

Shares listed on the various global stock markets can also be included in one or more “indices”. There are literally hundreds of different indices across the globe. These indices can provide an indication of how different types of companies are performing.

The FTSE4Good UK 50 Index lists the largest 50 companies in the UK that meet the Index’s ethical criteria, valued using their share price. **The FTSE4Good UK 50 Total Return Index** includes those same companies but, when valuing those companies, it also includes the value of the dividends paid from their shares. As such, it is considered a more accurate representation of the return an investor would have made had they actually invested in the shares on the Index.


 For more information about the ethical criteria of the FTSE4Good UK 50 Index, please contact us or visit www.ftse.co.uk/FTSE4good

How can I pay money in?

Money can be paid in by cheque or by setting up a regular Direct Debit.

How can I track how my ISA is performing?


Every six months, we will send you a statement showing the number of units held and the value. An up to date valuation can also be obtained by contacting us.

 For more information about paying into and keeping track of your Account, see pages 11 and 12 in the Terms and Conditions section.

What are the charges?


We deduct an Annual Management Charge (AMC) of 1.5%.

Other costs may also be paid by the fund.

 For more information about charges, see page 12 in the Terms and Conditions section.


What tax will I pay on my investment?

- The proceeds from the Account are free from Income Tax and Capital Gains Tax
- The fund is subject to tax

 For more information about tax, see page 15 in the Terms and Conditions section.

How can I make a withdrawal?

You can withdraw some or all of your money at any time by writing to us.


 For more information about withdrawals, see page 14 in the Terms and Conditions section.

Can I transfer other ISAs to the Family Ethical Equity ISA?

Currently, we do not accept ISA transfers from other ISA managers.

Can my ISA be transferred elsewhere?

Yes, you can arrange for your Account to be transferred to another ISA manager at any time. To arrange for the transfer you will need to contact the new manager.

 For more information about transfers, see page 13 in the Terms and Conditions section.

Can I change my mind?

- Yes, you have 14 days from the date your Account opens to cancel.
- You can cancel by completing and returning the cancellation notice included in your Welcome Pack.
- When we receive your instruction to cancel, we will sell any units held. If the value of the investment has fallen, the amount you receive will be less than the amount that has been paid in.
- If you do not cancel within the 14-day cancellation period, and you change your mind, you will only be able to open another stocks and shares ISA with another provider in this tax year if they accept transfers.

Terms and Conditions

This section sets out the Terms and Conditions of the Family Ethical Equity ISA. Please make sure you read it carefully as it contains information you need to know.

General information

Family Investments

Family Investments is a trading name used by all the companies within the Family Assurance Friendly Society group, including Family Equity Plan Limited and Family Investment Management Limited.

ISA Manager

Family Equity Plan Limited, 16-17 West Street, Brighton BN1 2RL. The main business of Family Equity Plan Limited is arranging investment business.

Fund Manager and Registrar

Family Investment Management Limited, 16-17 West Street, Brighton BN1 2RL.

Investment Adviser

Santander Asset Management UK Limited, 2 Triton Square, Regent's Place, London NW1 3AN.

From 1st May 2012, the Investment Adviser will be State Street Global Advisors Limited, 20 Churchill Place, Canary Wharf, London E14 5HJ.

Trustees

State Street Trustees Limited, 20 Churchill Place, Canary Wharf, London E14 5HJ.

Auditors

Mazars LLP, Tower Bridge House, St Katharine's Way, London E1W 1DD.

Regulator

The Financial Services Authority (FSA), 25 The North Colonnade, Canary Wharf, London E14 5HS (Tel: 0207 066 1000).

The Family Charities Ethical Trust is authorised by the Financial Services Authority.

Family Equity Plan Limited and Family Investment Management Limited are authorised and regulated by the Financial Services Authority. Family Equity Plan Limited is entered on the FSA Register under Registration Number 122351 and Family Investment Management Limited is entered on the FSA Register under Registration Number 122394.

The FSA Register can be viewed at www.fsa.gov.uk

Eligibility

You must be resident and ordinarily resident in the UK for tax purposes or, if not so ordinarily resident, be performing duties as a Crown employee serving overseas and paid out of the public revenue of the UK, or be married to, or in a civil partnership with, such a person. If you stop being eligible under the above criteria, you must let us know.

You must be aged 18 or over.

Our investments are not open to US persons. This includes citizens or residents of the United States.

If you become a US person after your Account has been opened, you must let us know immediately. This may result in your Account being closed, and the value returned to you.

You may only pay in to a single cash ISA with one ISA manager in each tax year. You may only pay in to a single stocks and shares ISA with one ISA manager in each tax year. Each ISA type can be with the same or different ISA managers.

We will let you know if your ISA has, or will, become void because of any failure to meet the regulations that we are aware of.

If you believe that you have broken the ISA regulations (for example, by paying into two ISAs of the same type), you must phone the HMRC Savings helpline on 0845 604 1701.

The investment

Your money will buy units in the Family Charities Ethical Trust.

All payments buy accumulation units.

Units are priced at 10am each working day.



What are accumulation units?

There are two types of unit you can hold in a unit trust, income units and accumulation units. If you hold income units, the income received by the fund is paid out to you every time the fund "distributes". If you hold accumulation units, the income is not paid out following a distribution; instead it is rolled up into the value of the units when it is received.

When does the fund distribute its income?

Distributions are made on the last working day of May each year. This income remains invested and is not paid out to you.



For more information on the Family Charities Ethical Trust, including risk, please see the fund's Key Investor Information document.

Accepting your application and opening your ISA

Applications must be completed in writing. We will accept your application on the working day it is received unless:

1. Your application is incomplete, and/or it is necessary to clarify information on the application
2. We need to ask you for proof of identity

Your ISA will be opened as soon as an application has been accepted and a payment has been received by us.

If we are unable to accept your application, we will write to you to let you know.

If, after the Account has been opened, we find that any of the details you supplied as part of the application were not correct, we may regard the application as invalid. This may result in the Account being closed, and the value returned to you.

Keeping track of your ISA

Statements and valuations

Every six months, we will send you a statement.

The statement will show the value of your ISA based on the price of the units held as at 31st January and 31st July each year. You can also contact us directly for a current valuation.

Daily unit prices

The unit price can be found in the Daily Prices section of our website. The unit price, along with the estimated distribution yield, can also be found on the IMA and Financial Express website www.fundlistings.com. The published price is the price from the previous working day.

Other information available to you

You should have been provided with a Key Investor Information document which, along with this Important Information booklet, should provide you with enough information so that you can make an informed investment decision.

Please contact us before you apply if you have not received a copy of the Key Investor Information document for the Family Charities Ethical Trust.

We also produce detailed documents about the fund, such as the fund's Prospectus, and the annual and half-yearly Report and Accounts. These documents are designed for experienced investors and contain more technical information about the fund than that contained in the Key Investor Information document.

If you would like a free copy of these documents, please contact us. They can also be found on our website.

If you ask us to do so, we will also send you any other information issued to direct unitholders of the unit trust.

Investor meetings

You can also attend investor meetings of the unit trust and vote at these meetings. If you would like to attend, please contact us.

Charges and expenses

There is an Annual Management Charge (AMC) of 1.5% of the value of the fund.

Please note, the AMC is deducted directly from the fund, not from your ISA.

We calculate the charge on the last working day of each month. The charge is then deducted on a daily basis from the fund's income.

Other costs paid by the fund

The Family Charities Ethical Trust is priced using the "mid-market" values of its assets, but the actual costs of buying and selling those assets may be different than this "mid-market price". This is due to dealing costs, taxes and any spread between the buying and selling prices of the assets. These costs are therefore deducted directly from the fund when they are incurred, thereby diluting its value.

What is a "mid-market price"?

A price artificially calculated to value an asset using the mid point between its bid (selling) price and its offer (buying) price.

Other costs may exist that are not paid through us or imposed by us.

Paying into your ISA

Payments into an ISA must be made with your own money.

As with all ISAs, if you do not pay into your ISA for a full tax year, you will need to complete a new application form before you can make any more payments.

Payment methods

We accept payments by Direct Debit and cheque. We do not accept cash or post-dated cheques.

Direct Debits will be collected within 14 days of processing your application. Subsequent collections will be on the same day each month as the date your account opens. We will write to you and let you know exactly when your collections will be before the first collection is made.

Direct Debits must be set up on personal bank or building society accounts only on which you are solely or jointly named.

When payments are accepted and invested

Payments are used to buy units in the Family Charities Ethical Trust. We only accept payments (and post) on working days. The table below shows when these payments are accepted and invested.

| Payment type | Day accepted | Day invested |
|-----------------|--|---------------------------------------|
| By Direct Debit | The day we receive the Direct Debit payment | The day the payment is accepted |
| By cheque | The day we receive and date stamp the cheque | The day after the payment is accepted |

We only accept payments into Accounts that are open. If your Account opens later than the dates in the table above, then the date we accept the payment will be the date the Account opens.

At the end of the tax year, we may decide to accept post (including applications) and/or payments on non-working days. If you would like to make an application or a payment into your ISA at the end of the tax year and would like information about the annual deadline, please contact us.

Payment limits

You can open an Account by committing to invest at least £50 a month by Direct Debit or with a lump sum of at least £500. You do not, however, have to maintain monthly payments or save for a set period of time.

Additional payments of at least £50 can be made at any time.

You can pay in up to £11,280 into ISAs for the 2012/2013 tax year. Subject to this overall limit, you can pay in up to £5,640 into a cash ISA and £11,280 into a stocks and shares ISA.

The Family Ethical Equity ISA is a stocks and shares ISA.

Transfers

When transferring an ISA, it is possible that growth could be lost between the time that one investment is sold and the new investment is bought.

Transfers In

Some ISA managers will allow you to transfer all or part of the value of your cash or stocks and shares ISA held with another provider into their stocks and shares ISA. Currently, however, we do not accept ISA transfers into the Family Ethical Equity ISA.

Transfers Out

You can transfer your ISA to another ISA manager at any time. To arrange for the transfer, you will need to contact the new provider.

We are only able to process transfers out for the full value of your ISA in cash. On transferring to another ISA manager, your ISA will close.

We will begin the transfer process when we receive a valid instruction from the new ISA manager.

Any payments received on or after the day that we receive the instruction from your new ISA manager will not be accepted. Instead, they will be refunded to you once they have cleared. If you have a Direct Debit set up, it will be cancelled.

Your units will be sold and your Account closed on the working day after we receive the instruction from the new ISA manager. We will send the transfer amount to the new ISA manager within four working days of the day:

- the units are sold; or,
- all relevant payments have cleared,

whichever is later.

You can ask us to sell the units on a date later than specified above. Any such date should be clearly stated in the instruction from your new ISA manager.

We will send you a final statement as at the date of transfer.

Internal Transfers

If you would like to transfer your ISA to another stocks and shares ISA provided by us, you will need to contact us to request the appropriate transfer form.

We are only able to process internal transfers for the full value of your ISA in cash. An internal transfer will close your existing ISA and any existing Direct Debits will be cancelled.

All units held in your existing ISA will be sold (except those bought with payments which have not yet cleared), and your Account closed, on the 2nd working day after we have accepted your transfer form.

If an application has been made for a new ISA, the new ISA will open on the following working day.

On the 2nd working day after your ISA closed, shares/units will be purchased with the value transferred.

Units bought with payments which have not cleared when we process your transfer form will be sold on the working day that they clear. This money will then be used to purchase shares/units in your new ISA two working days later.

Your existing ISA will be closed once all payments have been transferred.

You can ask us to sell your units on a date later than that specified above. If you would like to do this, you should include a note with your transfer form, clearly stating the date on which you would like your units to be sold.

Withdrawals and closing your ISA

You may request any number of withdrawals or to close your Account by writing to us.

If you ask to withdraw a cash amount from your ISA, and this amount is 95% or more of its total value at the time we process the withdrawal, we may have to sell all the units held and send you the total value.

We do this because we do not know the unit price in advance and if the price of your units falls (between processing your withdrawal and selling your units) your ISA's value may not be enough to meet the withdrawal request. Therefore, the amount you receive could be more or less than the sum you requested.

We will sell the units on the working day after we have received your written instruction and send you a cheque within four working days of the day:

- the units are sold;
- all relevant payments have cleared; or,
- we have received the necessary authorisation and/or any requested identification;

whichever is later.

Payments will clear and be available for withdrawal 10 working days after they have been accepted (eg proceeds from a payment accepted on a Monday will be available not on the following Monday, but the Monday after that).

You can ask us to sell your units on a later date than specified above. Any such date should be clearly stated in your instruction.

Any withdrawal cheques sent to you will always be made out in your name and sent to your verified address.

Once the annual payment limit has been reached, you will not be able to make any further payments in that tax year even if you make a withdrawal.

An ISA will remain open until the start of the new tax year, even if the withdrawals made have reduced the value of your ISA to zero.

We will close your ISA:

- if you ask us to
- on death
- on transfer to another provider or another ISA provided by us
- if we have to void your Account

We may also decide to close your ISA if:

- a) exceptional circumstances, such as fraud, occur; or,

b) there are commercial or practical reasons which mean we have to close your ISA.

If we decide to close your ISA for the reasons detailed in "b" above, we will give you at least 30 days' notice.

Death

On your death, the Account's tax benefits will stop and the value of your ISA will form part of your estate.

We will sell your units on the working day after we receive all the documents we have requested.

The full value of your ISA will still be subject to fluctuations in the unit price until we sell the units.

Any growth on the investment between the date of death and the date of settlement will be subject to tax. It will be the responsibility of your personal representatives to report any such growth to HMRC.

Payment will be sent within four working days of the day;

- the units are sold; or,
 - all relevant payments have cleared,
- whichever is later.

Tax

Taxation can have an impact in two different ways: on the fund and on an individual taxpayer.

The following is based on our current understanding of UK tax law. The tax advantages of ISAs depend on your individual circumstances. If the law changes, and this means that the fund will be taxed more, the potential growth on your investment will be affected.

There may be other taxes that are not paid through us or imposed by us. If you are not sure about your tax position you should talk to HMRC or seek professional advice.

Tax payable by the fund

The income of the fund is subject to Corporation Tax. Capital gains in the fund are, however, exempt from Corporation Tax.

There is a Stamp Duty Reserve Tax charge of up to 0.5% on the value of units redeemed. This tax is paid by the fund.

Tax payable by you

As your investments are held within an ISA, there will be no Income Tax or Capital Gains Tax (CGT) to pay when you cash in your investment.


Complaints

If you need to make a complaint, please contact us and we will do what we can to resolve your complaint as quickly as possible.

When we first write to you, we will send you a summary of the procedures that we will follow when resolving your complaint. You can also find these procedures on our website, or you can write to us to request a copy at any time.

If you are not satisfied with our response to your complaint, you may be able to refer your complaint to the Financial Ombudsman Service (FOS).


Making a complaint won't affect your legal rights.

 For more information about how to make a complaint about a financial product or service, including information on your legal rights, please see the Money Advice Service's leaflet "Making a complaint", which is available on their website or by calling their helpline. Contact details for the Money Advice Service and the FOS are on the back page of this document.

Compensation

You may qualify for compensation from the Financial Services Compensation Scheme (FSCS) if we cannot meet our obligations due to financial difficulties. Circumstances vary, but most types of investment business are covered up to £50,000.

Further information about compensation arrangements is available from the Financial Services Compensation Scheme (FSCS).

 Contact details for the FSCS are on the back page of this document.

Data protection

How do we obtain information about you?

As well as receiving information from you directly, we also receive information about you from third parties.

How do we use your information?

We use your information to provide you with a high quality service. For example, we use your information to identify you, to maintain records of your Family Ethical Equity ISA, and to answer your queries. We may also use your data to inform you about carefully selected services offered by us or any of the selected partners we work with.

Security of your data

We will not ask for, nor keep, unnecessary information about you. The data we hold on you will be kept securely and will be up to date and accurate. To help us with this, you must inform us if you change your personal details.

We will keep records about you and your Account securely after our business relationship with you has ended. This is so that we can deal with any queries from you or a third party.

Who do we share your data with?

- People you have directly asked us to share your information with or people who we believe are acting with your consent
- Third party credit reference agencies to help us complete anti-money laundering checks
- Companies which process data on our behalf
- Legal, tax or regulatory authorities at their request
- Subsidiaries or partners for marketing purposes.


Your rights

You have the right to request a copy of the personal information that we hold on you and the reason we are holding it. To request this information you will need to write to us. We will provide you with this information within 40 days. This is normally provided as a photocopy or computer print out. We may charge you for this information. Currently, this can be no more than £10.

You can contact us in writing at any time to tell us to stop using your information for marketing purposes.

Contact us in writing if you believe that the way we use your information might cause you damage or distress. If so, we will stop using the information for this particular purpose.

Sometimes we use automated software to process information about you or to make decisions which affect our relationship with you. If you are not happy with this, please contact us in writing. You have the right to be informed when this kind of automated decision takes place.

-  For further general information regarding data protection and your rights you should refer to the Information Commissioner's website www.ico.gov.uk or call their helpline on 0303 123 1113.

General terms

Security

You must make sure that the personal details we hold about you are kept up to date, and that arrangements for receiving mail at your address are secure.

You must check any statement carefully and tell us promptly if you think it contains any errors. You must tell us promptly if you think we have made any other mistake in operating the Account.

You must tell us immediately if you know, believe or suspect that the security information we have recorded for you has been compromised, or if you believe that a withdrawal has been made from your Account that you did not authorise.

If you act fraudulently or without reasonable care, you may be responsible for any losses incurred as a direct result.

All instructions you send us in writing must be signed.

Proof of identity

To comply with anti-money laundering legislation, we will need to verify your identity before you can open an Account. So that we can do this, you must send us two forms of identification with your application.

We may also use a credit reference agency. By completing the application you are agreeing for these checks to take place.

We may also ask for identification to be provided at other times. If we do not receive adequate identification when we ask for it, we may not be able to accept payments, and we may withhold the proceeds of any redemption or transfer.

If you provide false or inaccurate information at any time and fraud is identified, details can be passed to fraud prevention agencies. We and other organisations may also access and use this information to prevent fraud and money laundering.

Ownership

The Account will be in your name only and this "beneficial ownership" cannot be changed. You cannot "assign" the Account to a third party and you cannot use the Account as security for a loan.

If you are physically unable to sign the application form, or mentally incapable of understanding its significance, an Account can be opened for you by an attorney appointed under a registered Enduring Power of Attorney and/or a registered Property & Financial Affairs Lasting Power of Attorney.

ISA payments will be invested in a unit trust for which certificates of title are not issued. The units will be held in a nominee account in our name as the ISA manager. Individual entitlements will not therefore be identifiable on the unit trust register.

Pricing errors, dealing errors and compensation

Compensation may be paid to the funds, the Account or to individual ISA holders in response to an error we have made that has resulted in a financial loss, whether or not the affected person has complained.

Where there is an error which affects only one person, we will only pay compensation where the financial loss incurred by that person is calculated to be £1.00 or more at the time of the error.

Where a pricing or dealing error has occurred which affects the unit price by less than 0.1%, compensation would not normally be paid.

Where a pricing or dealing error occurs which affects the unit price between 0.1% and 0.5%, compensation may be considered.

Where a pricing or dealing error occurs which affects the unit price by more than 0.5%, compensation will be paid.

Where compensation is by means of a cash payment, no compensation would normally be paid unless the amount due is £10.00 or more.

Wherever possible we attempt to calculate any compensation payments consistently in line with guidance provided by the Financial Ombudsman Service.

The ISA Manager

We, as the ISA Manager, reserve the right to appoint any person to advise on, or perform, any of the functions or responsibilities under these Terms and Conditions, and may provide details of your Account to any such person when necessary so that they can carry out the delegated function or responsibility.

We will remain responsible for the operation of the ISA at all times and will ensure that any person to whom we delegate any of our functions or responsibilities is competent to carry them out.

Conflicts of interest

We aim to run our business so that conflicts of interest do not arise. However, we have in place a Conflicts of Interest policy to help us identify and record any actual or potential conflicts that may arise between you, us, our employees, our funds, our associated companies and/or any companies to whom we delegate any of our functions.

A summary of this policy is detailed below:

- We will consider the interests of all our customers and treat them fairly
- We have in place procedures to ensure that employees identify and report any new conflicts
- We will keep a written record of any conflicts or potential conflicts
- If appropriate, we will disclose any relevant conflict to a customer before undertaking business with that customer
- We will carry out regular reviews to identify any new conflicts.


In the unlikely event that a conflict of interest occurs, we will manage it to make sure that all customers are treated consistently and fairly and to minimise any possible negative effect this could have on you or other customers.

Our full Conflicts of Interest policy is available on request.

Your FSA categorisation and what this means

Our regulator, the Financial Services Authority (FSA), requires us to categorise all our customers. We have categorised you as a “retail client”. This means you will get the highest level of protection available within the rules and guidance set out by the FSA.

Your right to refer complaints to the Financial Ombudsman Service (FOS) or to claim compensation from the Financial Services Compensation Scheme (FSCS) is not determined by our categorisation.

 For more information, please contact either the FOS or the FSCS directly. Please see the back page for contact details.

Corporate governance

Family Investments is the trading name of a group of companies which includes the friendly society (a type of mutual insurer), Family Assurance Friendly Society Limited (Family Assurance).

We are committed to complying with the UK Corporate Governance Code as relevant to mutual insurers. The Code sets out good practice standards in terms of how a company is managed as well as the rights of its customers.

We believe it is important for our directors to listen to the views of our customers and understand how they affect the running of our business. We encourage you to talk to us and take an active interest in the governance of Family Assurance.

For more information, please go to the members information section of www.family.co.uk. You can also email us with feedback at members@family.co.uk, or write to us at the Member Relations Team, Family Investments, 16-17 West Street, Brighton BN1 2RL. These contact details should not be used for enquiries about your Account.

Client money

Any uninvested cash held on your behalf (eg money awaiting investment or the proceeds of encashment) will be held in a specifically designated client money bank account separate from our money in accordance with the FSA’s client money rules.

The purpose of this is to protect your money in the event that either we or the bank fails, but this is not guaranteed. We will not be liable for any losses arising from any acts or omissions of the bank resulting from their negligence, wilful deceit or fraud.

You will not receive interest on any money held in a client money account.

If any amount held for you as client money remains unclaimed (eg we send you a withdrawal cheque and it is not cashed), and there is also no “movement” on that amount, for a period of at least six years, the money we are holding may no longer be protected under the client money rules. “Movement” does not include the payment or receipt of charges, interest or other similar items.

Best Execution

We are required to take all reasonable steps to obtain the best possible result for you when executing your instructions to buy or sell units, taking into account price, cost, speed, likelihood of execution and settlement, size, nature or any other relevant consideration. This obligation is known as the duty of “best execution”.

We operate a best execution policy that aims to ensure that we carry out your investment instructions as effectively and beneficially as possible. This means that when you ask us to buy and sell your units, your instructions are always passed directly to the Fund Manager who will carry them out while adhering to the terms and conditions outlined in this document.

We do not use third party “trading platforms” to execute your instructions. All trading is done directly with the Fund Manager which, in regulatory terms, means that the trades are executed outside of a regulated market or multilateral trading facility.

We monitor the effectiveness of our best execution policy regularly and implement any necessary changes when required. If there are any relevant material changes, we will notify you.

Liability

If, having made reasonable attempts to do so, we cannot provide services because of something beyond our control (including strikes, industrial action, or the failure of equipment or power supplies), we will not be liable to you for any loss that you may suffer as a direct result.

We have no liability for any action we have taken, or not taken, in good faith unless there has been negligence by us. This does not restrict or exclude any liability that we may have by law, or under the Rules and Regulations.

Important information

These Terms and Conditions, together with the terms outlined in the Key Features, along with the application, form the Agreement (an Initial Service Agreement) between you and us.

We will operate the Account in accordance with the Agreement and the Rules and Regulations applicable to ISAs. In the event that any of the terms or conditions outlined in the Agreement conflict with the Rules and/or Regulations, the Rules and/or Regulations will prevail.

The information in the Key Features, Terms and Conditions, and Key Investor Information document is based on our understanding of current law (including tax law), the Rules, the Regulations and HMRC guidance. These could change in the future and could affect the benefits enjoyed by this Account.

The law of England & Wales will apply to the Account and this Agreement, which are written in English. We will always write and speak to you in English and all financial transactions will be in Pounds Sterling.

Changes to the fund or the Agreement

Any change to the fund will be made in accordance with the Rules.

If we make a change to the Agreement which is to your disadvantage, we will notify you personally at least 30 days before we make the change. You will then be able to cash in or transfer your account without incurring any financial penalty relating to the change for up to 60 days from the date of the notice.

We may, however, have to make changes to the Agreement to reflect changes to the law, or the Rules and Regulations, or FSA or HMRC guidance. These may be made without prior notice.

We may make any other type of change to the Agreement immediately. We will tell you about these changes within 30 days, if the change is important.

We will not make any changes that might break the Rules and/or Regulations for ISAs.

This document and the Key Investor Information document for the fund, are available in large print, Braille or audiotape by phoning 0844 8 920 920. Lines open 9am-5.30pm weekdays and 9am to midday Saturday. Telephone calls may be monitored or recorded for training purposes. Calls cost 13p plus 3p per minute from a BT landline (correct at 30/12/11). The cost of non-BT landline calls may differ.

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Contact Us

Phone 0844 8 920 920

9am to 5.30pm Monday to Friday
9am to midday Saturday

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www.family.co.uk

Family Investments
16-17 West Street
Brighton
BN1 2RL

Useful contacts

HM Revenue & Customs (HMRC)

HMRC Savings helpline
0845 604 1701

The Financial Services Authority (FSA)

Telephone
0845 606 1234

Website
www.fsa.gov.uk

Money Advice Service

Telephone
0300 500 5000

Website
www.moneyadvice.service.org.uk

Financial Ombudsman Service (FOS)

South Quay Plaza,
183 Marsh Wall,
London, E14 9SR

Telephone
0800 023 4567
e-mail
complaint.info@financial-ombudsman.org.uk
Website
www.financial-ombudsman.org.uk

Financial Services Compensation Scheme

7th Floor Lloyds Chambers,
Portsoken Street,
London, E1 8BN

Telephone
0800 678 1100
Website
www.fscs.org.uk

Family Investments does not provide advice. If you have any doubts about the suitability of this product you should seek independent financial advice.

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All information in this document is correct as of March 2012.

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