

terms and conditions

STOCKS AND SHARES INDIVIDUAL SAVINGS ACCOUNT



Ecclesiastical Individual Savings Account Terms and Conditions

Please read these Terms and Conditions carefully. They detail the services which will be provided and set out the obligations and rights applying between the ISA Manager and the ISA Holder. If there is anything in these Conditions which you as the ISA Holder do not understand or with which you do not agree, please contact the ISA Manager immediately.

These Conditions together with the application form represent the entire Terms on which the Ecclesiastical ISA is offered.



1 Definitions and interpretation

Business Day

means any day on which banks are open for business in England.

Conditions

means these Terms and Conditions together with the ISA application form.

FSA

means the Financial Services Authority.

ISA Manager

means Ecclesiastical Investment Management Limited (EIM), which is authorised and regulated by the FSA in the conduct of Investment Business.

ISA and Account

means an Individual Savings Account which is a stocks and shares ISA and a scheme of investment managed in accordance with the Regulations by the ISA Manager under terms agreed in writing between the ISA Manager and ISA Holder in accordance with these Conditions. It includes the qualifying ISA Investments, all rights and liabilities in the Account, and the benefit of the tax exemptions attaching.

ISA Holder

means a Qualifying Individual who has opened an Account under these Conditions.

ISA Investment

means any investment or cash as may be permitted under the Regulations to be held in an ISA.

Stocks & Shares Components

means a holding in one or more Funds nominated by the ISA Holder together with any rights and cash balances held in an ISA effected under these Conditions or such other qualifying investments as are permitted under regulation 7 of the Regulations.

Please note, Ecclesiastical does not currently offer a Cash ISA.

Qualifying Individual

means an individual:

- (a) who is 18 years of age or over
- (b) who, in the case where the Account is a stocks and shares ISA, has not subscribed and will not subscribe to any other stocks and shares ISA, in the year in which the subscription is made and
- (c) (i) who is resident and ordinarily resident in the United Kingdom or
 - (ii) who, though not resident in the United Kingdom, performs duties which by virtue of being a Crown employee serving overseas are treated for the purposes of the Income and Corporation Taxes Act 1988 as being performed in the United Kingdom.

Regulations

means the Treasury Regulations for Individual Savings Accounts 1998 as amended from time to time.

Investment Funds

means the Amity UK Fund, Amity European Fund, Amity International Fund, Amity Sterling Bond Fund, Higher Income Fund, UK Equity Growth Fund, and any other authorised scheme as permitted in the Regulations, the Authorised Corporate Director of which is currently Ecclesiastical Investment Management Limited (EIM), authorised and regulated by the FSA and an order is currently in force at all relevant times under Section 17 of The Open Ended Investment Companies Regulations 2001.

2 ISA Manager and administration

The ISA Manager (EIM) is authorised and regulated by the FSA in the conduct of its investment business. It will manage the ISA in accordance with the Regulations and the FSA's Rules. Administration of each Account is carried out by third parties depending on the components of the Account and it is believed that the third parties are competent to act in this capacity in relation to the Account.

3 Applications

In order to open an ISA an applicant must be a Qualifying Individual, and must submit a duly completed application form to the ISA Manager. An application in respect of any tax year must be received by the ISA Manager no later than 5pm on the last Business Day before the end of the relevant tax year. An applicant may apply to transfer an existing ISA to the ISA Manager. The ISA to be transferred may include either a Stocks and Shares Component or a cash component. In any tax year if an applicant already has a stocks and shares ISA he must not have an ISA of the same component but may have a cash ISA.

4 Cancellations

After a proposal is accepted the applicant will then have 30 days in which they can change their mind and cancel the ISA.

Where cancellation rights are exercised, applicants should note that they will not get a full refund of money paid if the investment falls in value before the cancellation notice is received, because an amount equal to the fall in value will be deducted from any refund. Where an ISA has been sold to an applicant at a distance, for example by telephone, there is also a 30 day cancellation period. The cancellation period for distance contracts is voluntarily offered by the ISA Manager and is not prescribed by financial regulations.

5 Indemnity

Where an ISA is made void due to the ISA Holder's fault, the ISA Holder hereby agrees to indemnify the ISA Manager and keep him indemnified against any losses, costs or other liabilities directly or indirectly arising as a result.

6 Title or custody of ISA components

Stocks & Shares

The title of the investments in the Stocks and Shares Component will be registered in the joint names of the ISA Holder and ISA Manager. All documents of, or evidence of, title in respect of the Stocks and Shares Component will be held jointly by the ISA Holder and the ISA Manager. Investments may not be lent to any third party and no borrowing may be made against the security of any ISA Components by the ISA Manager.

Cash

Please note, Ecclesiastical does not currently offer a Cash ISA.

7 Beneficial ownership of ISA components

The ISA Holder will be the beneficial owner of the ISA Components at all times and will not create or have outstanding any charge or security on or over the same.

8 ISA contributions

Total contributions to an ISA during a year will not be more than the maximum permitted by the Regulations.

Following commencement of the ISA, the ISA Manager shall apply all sums received from, or on behalf of the ISA Holder including subscriptions, distributions and tax repayments within 24 hours of receipt.

9 Charges and discounts

The offer price of Shares purchased by the ISA Manager as ISA Investments includes an initial charge at 5% (3.75% for the Amity Sterling Bond fund) made by EIM as Authorised Corporate Director of the Investment Funds; EIM also receives an annual management charge (currently 1.25% for the Higher Income Fund and the Amity Sterling Bond Fund and 1.5% for all other funds) deducted from each fund. The annual charges are included in the offer price of Shares and full details are quoted in the current Prospectus of Ecclesiastical Investment Funds. Switches between Investment Funds within the ISA will be charged at no more than 1%. Details of other charges and expenses are also included in the Prospectus.

10 ISA Holder's rights

The ISA Manager will arrange for the ISA Holder to be sent Managers' Reports and half yearly accounts in relation to his selected Funds. The ISA Holder has the right to attend meetings of Shareholders and exercise voting rights to the extent of the number of Shares held in his ISA, and receive any information issued to Shareholders. Any ISA Holder with a Stocks and Shares Component is a Shareholder in Ecclesiastical Investment Funds.

11 Statements and valuations

Twice in each year the ISA Manager will provide a statement to the ISA Holder giving details of transactions made within the ISA during the period to which the statement relates together with a valuation of the ISA as at 5 April and 5 October.

12 Tax claims

In accordance with the Regulations, the ISA Manager shall make all necessary claims for tax relief or repayment relating to ISA Components Investments and in

this connection may conduct appeals and agree, on behalf of the ISA Holder, liabilities for, and relief from, tax.

13 Loss of tax benefits

Subject to applicable law to the contrary, if an ISA Holder is found to have subscribed to two or more stocks and shares ISAs in a year the second and subsequent ISAs will be void and will result in the loss of relevant tax benefits.

14 Authorisation

The ISA Holder authorises the ISA Manager to provide all information which the Board of HM Revenue & Customs or any relevant regulatory authority may reasonably require relating to the ISA.

15 ISA transfer

An ISA Holder may require the ISA Manager within such time as they shall agree to transfer the ISA to another ISA manager who fulfils the conditions of the Regulations, if approved as such by the Board of HM Revenue & Customs and who agrees to accept the transfer.

16 Subscriptions to the ISA

The initial minimum subscription to an ISA shall be £200 lump sum or £25 per month. Subsequent lump sum subscriptions from an ISA Holder shall be in a minimum sum of £50.

17 Variation

These Conditions may be varied by the ISA Manager giving at least 14 days written notice to that effect to the ISA Holder, provided that no change will be made which results in the ISA ceasing to qualify under Regulations.

18 Limitation of liability

The ISA Manager shall not be liable to the ISA Holder for any loss, expenses or other liabilities arising as a result of the non-performance by the ISA Manager of its obligations hereunder, where such non-performance arises as a result of events or causes beyond the ISA Manager's control. The ISA Manager gives no warranty as to the performance and profitability of the ISA.

19 Void ISAs

The ISA Manager will notify the ISA Holder if by reason of any failure to satisfy the provisions of the Regulations an ISA has or will become void. These Conditions shall continue to be enforceable between the ISA Manager and the ISA Holder unless and until the Board treat the ISA as void under the Regulations at which time the ISA will terminate automatically.

20 Termination

An ISA may be terminated at any time by the ISA Holder or the ISA Manager if contributions to the ISA fall below the minimum subscription requirements or otherwise at his discretion by serving reasonable written notice on the other to that effect, provided that the ISA Holder is given a reasonable opportunity to transfer the ISA before the ISA Manager's notice takes effect. On termination, however arising, the ISA Investments will be realised and the net proceeds paid to the ISA Holder within 15 days thereafter. ISAs are automatically terminated on the death of the ISA Holder and cease to be exempted from tax. Notwithstanding that an ISA has been terminated or that a request has been given to transfer the ISA to another ISA manager, these Conditions will apply (as appropriate) until all outstanding transactions and liabilities have been performed and discharged.

21 Withdrawal

The ISA Holder may make a withdrawal by written request to the ISA Manager, and the ISA Manager shall transfer the sums requested within four days of receipt of the request. If any request is made to make a cash withdrawal from the Stocks and Shares ISA the ISA Manager shall select and realise shares in the Investment Funds. If the request is for the withdrawal of shares from the ISA the ISA Manager shall transfer the shares to the ISA Holder together with a statement of their value. All sales of stocks and shares will be treated as a withdrawal and shall be transferred within four days of receipt of the request as above.

22 Information for ISA manager

The ISA Holder will supply the ISA Manager with all information required for the purposes of the ISA.

23 Conflicts and material interest

The ISA Manager will follow the Conflicts of Interest Policy of the Ecclesiastical Insurance Group at all times. Copies of the Conflicts of Interest Policy are available upon request from the ISA Manager. Adherence to this policy shall not affect the ISA Manager's duty of best execution to the ISA holder

24 Assignment and use of agents

The ISA Holder shall not transfer the ISA to another person and shall immediately inform the ISA Manager in writing of any changes in the information provided on the application form. Subject to HM Revenue & Customs approval the ISA Manager may appoint another member of the Ecclesiastical Insurance Group to act as the manager of the ISA and shall transfer all benefits, duties and obligations under these Conditions to such person. The ISA Manager is entitled to appoint such agents and to enter into such agreements as it considers necessary for or desirable in order for it to carry out its duties and obligations under these Conditions.

25 Complaints and compensation

The ISA Manager has written complaints procedures in accordance with the FSA's Rules. The ISA Holder should send to the ISA Manager in writing any complaint in relation to the ISA and its operation.

The ISA Holder has a right to complain directly to:

Financial Ombudsman Service
South Quay Plaza,
183 Marsh Wall,
London E14 9SR.

Making a complaint will not prejudice the right to take legal proceedings. Details of the ISA Holder's rights in the event of the ISA Manager being unable to meet any of its liabilities to the ISA Holder maybe obtained from the ISA Manager's compliance officer. Alternatively, you can write to:

Financial Services Compensation Scheme
7th Floor Lloyds Chambers,
Portsoken Street,
London E1 8BN.

www.fscs.org.uk

Full details of our complaints policy can be found on page 10.

26 Investment funds

The following details apply to the Amity UK Fund, Amity European Fund, Amity International Fund, Amity Sterling Bond Fund, Higher Income Fund, and UK Equity Growth Fund.

Income

Where income is not paid out to the ISA Holder, the income will be reinvested by the ISA Manager purchasing further shares in the Investment Funds.

Investment objectives and policies

Amity UK Fund

This fund aims to provide long term capital appreciation and a reasonable level of income. It invests in companies which make a positive contribution to society and the environment through sustainable and socially responsible practices. The funds of the Amity UK Fund will be invested principally in UK companies.

Amity European Fund

This fund aims to achieve long-term capital growth with a reasonable level of income, primarily through a portfolio of European companies which make a positive contribution to society and the environment through sustainable and socially responsible practices.

Amity International Fund

This fund aims to achieve long-term capital growth with a reasonable level of income through a diversified portfolio of international companies which make a positive contribution to society and the environment through sustainable and socially responsible practices.

Amity Sterling Bond Fund

This fund aims to provide an attractive level of income by investing in a portfolio of Government and fixed interest securities issued by companies which make a positive contribution to society and the environment through sustainable and socially responsible practices.

Higher Income Fund

This fund aims to provide an above average and growing level of income together with long-term capital growth. It invests in a mix of equities, fixed interest securities and such other investments that the Manager considers suitable.

UK Equity Growth Fund

This fund aims to achieve long-term capital growth with a reasonable level of income through diversified investment within the UK equity market.

Depositary

The Depositary of all the funds is Bank of New York Trust & Depositary Co Limited. (Authorised and regulated by the FSA).

Prospectus & accounts

Copies may be obtained by writing to Ecclesiastical Investment Management Limited, Beaufort House, Brunswick Road, Gloucester GL1 1JZ.

Investment warning

The ISA Holder should be reminded that past performance should not be seen as an indication of future performance. The value of ISA investments including any income from them can go down as well as up. You may not get back the amount invested.

Taxation

Any taxation information contained in this document is based upon the ISA Manager's understanding of current taxation law (April 2008) and HM Revenue & Customs practice which is subject to change. The value of any tax relief will depend on the individual circumstances of the ISA Holder.

Other information

How to complain

If you ever need to complain, please contact us first at:

Ecclesiastical Investment Management Limited
Beaufort House, Brunswick Road,
Gloucester GL1 1JZ.

Tel 0845 777 3322

Fax 01452 423557

Email complaints@eigmail.com

Complaints policy

We will acknowledge all complaints within five working days. Your complaint will be investigated at a senior level within Ecclesiastical and we will aim to respond in writing within four weeks. If, after four weeks, we have not completed our investigation, we will write and tell you what progress we have made. We will then write to you again within another four weeks with our response or with an update on our progress. If you are unhappy with our response you can complain to:

Financial Ombudsman Service
South Quay Plaza,
183 Marsh Wall,
London E14 9SR.

Tel 0845 080 1800

Email

enquiries@financial-ombudsman.org.uk

Website www.financial-ombudsman.org.uk

Complaining to the Ombudsman will not affect your legal rights. If you are a business with an annual turnover of less than £1million, you can refer your case to the Financial Ombudsman Service. We will direct larger businesses to an appropriate dispute resolution body.

Terms and conditions

This document gives you the Terms and Conditions of your ISA. You can ask your adviser for further details.

The Law applicable

The law and courts of England and Wales will apply in legal disputes.

Compensation

The Financial Services Compensation Scheme covers your investment. It will cover you up to £48,000 if Ecclesiastical Investment Management Limited (EIM) becomes insolvent and cannot meet its obligations under this policy or plan.

Ecclesiastical Investment Management Limited (EIM) is the manager of the ISA and is registered in England, number 2170173. It is part of the Ecclesiastical Insurance Group, and a Member of the Financial Ombudsman Service and the Investment Management Association. Ecclesiastical Investment Management Limited (EIM) is authorised and regulated by the Financial Services Authority (FSA).

Savings & Investments
Life Assurance
Protection products
Retirement planning
Mortgages
Home insurance
Car insurance
Travel insurance
Wedding insurance
Church insurance
Church Hall insurance
Charity insurance

For further information on any
of our products, call us on

0845 777 3322

Monday to Friday 8am to 6pm. We may
monitor or record calls to improve our service

You can email us at

information@eigmail.com

Or visit us at

www.ecclesiastical.com

If you would like this booklet in large print,
braille, on audio tape or computer disc
please call us on 0845 777 3322. You
can also tell us if you would like to always
receive literature in another format.



Beaufort House, Brunswick Road,
Gloucester GL1 1JZ

Ecclesiastical Insurance Office plc. (EIO) Reg. No. 24869. Ecclesiastical Insurance Group plc. (EIG) Reg. No. 1718196. Ecclesiastical Life Ltd. (ELL) Reg. No. 243111. Ecclesiastical Investment Management Ltd (EIM) Reg. No. 2170173. Allchurches Mortgage Company Ltd. (AMC) Reg. No. 1974218. Ecclesiastical Financial Advisory Services Ltd. (EFAS) Reg. No. 2046087. Ecclesiastical Risk Services Ltd. (ERS) Reg. No. 6290300. All companies are registered in England at Beaufort House, Brunswick Road, Gloucester, GL1 1JZ, UK. Tel: 01452 528533. EIO, ELL, EIM & EFAS are authorised and regulated by the Financial Services Authority and are members of the Financial Ombudsman Service. EIO & ELL are members of the Association of British Insurers and EIM is a member of the Investment Management Association.