

If you would like further information and/or an application form please contact the Society.

Cooling-Off

If you are unhappy about your choice of account within **15 days** of opening it, you must tell us in writing, when we will help you switch accounts or give you your money back with interest. The 15-day period commences on the day the account is opened. We will ignore any notice period or any additional charges.

Tax Treatment

Whilst the ISA is currently tax free, there is no guarantee that this favourable tax treatment will be maintained and may be subject to change by Government.

*Full members of the **Financial Services Compensation Scheme**.*

*Member of the **Building Societies Association**
Authorised and regulated by the **Financial Services Authority** –
our Firm Reference Number is 206037.*

May 11



Individual Savings Accounts (ISAs) Explanatory Notes

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INDIVIDUAL SAVINGS ACCOUNTS (ISAs)

Explanatory Notes

Please note that most of the information in this leaflet is about ISAs in general, but where the information is specific to the **Holmesdale Building Society**, the text is in red.

How much can I save into an ISA?

The annual ISA investment allowance for individuals over the age of 16 is currently a maximum of £10,680. Up to £5,340 of this can be saved in a Cash ISA with one provider (ISA manager), such as a building society. The balance of the £10,680 can be invested in a Stocks & Shares ISA with either the same or a different provider (but these are not offered by the Holmesdale). If you wish, you can invest the full £10,680 per year in a single Stocks & Shares ISA.

For more information on the ISA regulations, please visit the HM Revenue & Customs website at www.hmrc.gov.uk/isa/.

The **minimum** deposit in a Holmesdale Building Society Cash ISA is **£500**.

What about tax?

Everything you earn in a Cash ISA is completely free of UK Income Tax and Capital Gains Tax.

Can I have a joint account?

No, only accounts in your sole name are allowed for ISAs.

Do you have to buy from the same provider each year?

No, you do not have to.

Do you have to keep your ISA for a set period of time?

No, they are not term investments and there is no minimum or maximum qualifying period.

Can I invest in my Cash ISA throughout the year?

Because of the Society's special arrangement with HM Revenue & Customs regarding our year-end on 31st March, **we are unable to accept ISA investments between 1st and 5th April each year.**

Can I get my money out easily if I need to?

Yes, you may take money from an ISA at any time without losing any tax relief. However, our ISA does need **30 days' written notice of withdrawal, or 30 days' loss of interest on the amount withdrawn.**

If I take money out, can I put it back in again?

Not in the same tax year, because the allowance applies to the sum total of your deposits. For example, you invest £5,000 into a Cash ISA when your allowance is £5,340; you then take out £500. You could not put back that £500, but you would be able to put in a further £340 to bring the total deposited in one tax year up to £5,340.

If the account falls below £500 it will be closed.

How long can you go on saving in ISAs?

In November 2006 the Government guaranteed that ISAs would be made a "permanent feature of the savings landscape." The coalition Government has yet to mention ISAs.

Who can subscribe to an ISA?

Anyone who is 16 years or over. You must not have subscribed to another ISA of the same component type (i.e. Cash or Stocks & Shares) in the same tax year, but transfers are allowed (see *Withdrawals* below). Anyone who is resident or ordinarily resident in the UK.

ISA investments will be, and must remain, in the beneficial ownership of the investor and **MUST NOT** be used as security for a loan.

Withdrawals

Withdrawals at 30 days' written notice with full interest, or on demand with 30 days' loss of interest on the amount withdrawn.

On the instructions of the investor and within the time stipulated by the investor, an ISA with all rights and obligations shall be transferred to another ISA manager within the industry standard timescales, providing the necessary paperwork is completed correctly and the passbook is received by the Society.

With effect from Tuesday, 16th June 2009, **WE NO LONGER ACCEPT TRANSFERS IN FROM OTHER CASH ISA PROVIDERS.**

With effect from Monday, 16th May 2011, **this account is closed to new applicants.**

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