

Tax Efficient Accounts

Junior ISA

- A tax free savings account for under-18's.

Summary Box Key Product Information for our Savings Accounts	
Account Name	Junior ISA
Interest Rates (AERs)	<ul style="list-style-type: none"> • For a full list of our current interest rates, either go to www.theloughborough.co.uk, call 01509 631960 to request an interest rates booklet or visit your nearest branch. • Interest is variable and is paid on the 5th April each year. • Annual interest must be credited to the account.
Tax Status	<ul style="list-style-type: none"> • Tax free subject to current legislation which may change in the future.
Conditions for bonus payment	<ul style="list-style-type: none"> • N/A
Withdrawal arrangements	<ul style="list-style-type: none"> • No withdrawals are allowed until the child reaches 18.
Access	<ul style="list-style-type: none"> • Branch / Post

- **Minimum Opening Balance:** £1
- **Maximum:** £3,600 per tax year
- Available to young people who:
 - Will be under the age of 17 at 5th April 2012
 - Do not have a Child Trust Fund account
 - UK Resident
- All accounts must be administered by a registered contact, see overleaf.
- Upon maturity at the child's 18th birthday, the Society will write to investors with details of the options available to them. If no instructions are received at that time, the JISA will be transferred to a holding account, which is also tax free under current legislation, but may not be the same interest rate.
- Available only to investors residing in the LE, DE and NG postcodes and existing members.

Tax Efficient Accounts

What is a Junior ISA?

A Junior ISA, or JISA, is a type of Individual Savings Account designed for the benefit of children and younger savers, up to the age of 18 years. ISAs are tax efficient savings accounts under current legislation.

There are 2 types of JISA:

- **Cash JISA** - this is a straightforward deposit type account typically offered by building societies and banks.
- **Stocks and Shares JISA** - this is invested in the stock market.

The Loughborough only offers Cash JISAs.

Who can open a JISA?

All JISA accounts must be opened by a person aged 16 or over. For children under the age of 16, the JISA must be opened by a Registered Contact who must have parental responsibility for the saver.

Parental responsibility is defined as:

- The child's natural parent
- A person who has legally adopted the child
- A person who has been granted parental responsibility by the Courts
- A Local Authority that has parental responsibility

Where the Registered Contact is not the child's natural parent, documentary evidence may be required.

A child cannot have a Child Trust Fund and a JISA and only individuals who have not opened a Cash JISA with another organisation can open a Cash JISA with The Loughborough.

JISAs cannot be held in joint names.

Up to the child's 16th birthday, the Registered Contact can only be changed under specific circumstances and with the agreement of the existing Registered Contact. Further details are available upon request. At age 16, the child can elect to take over the account and remove the Registered Contact.

Subscription Limits

The annual subscription limit for the current tax year is £3,600 which can be split between a Cash JISA and Stocks & Shares JISA. Only one JISA of each type can be held at any time.

Any person can make payments to a JISA however, once a deposit is made to a JISA, it becomes a gift to the child and cannot be repaid to the subscriber at a later date.

Withdrawals

No withdrawals can be made from a JISA prior to the child's 18th birthday. All amounts invested together with all interest accrued must remain in the JISA.

When making any withdrawals at maturity or alterations during the term of the account, the Society may require copies of documents to verify the child's identity.

Can I transfer my JISA?

The Loughborough DOES accept the transfer of an existing JISA from another provider.

An investor will be allowed to request the transfer of funds in a Loughborough JISA to another ISA manager at any time. Where the Society receives a transfer request, we will send the information and funds to the new ISA provider within 5 working days.

A child can only hold one Cash JISA and so any transfer of a Cash JISA must be a full transfer, partial transfers are not allowed.

Where a JISA is transferred to the Society from another provider, interest will be backdated to the date of the cheque received from that provider. Where the transfer takes longer than 15 days to complete, we will backdate interest to “Day 16” once the cheque is received.

The Loughborough DOES NOT charge for making a transfer, and DOES accept transfers from other ISA managers.

JISA Terms and Conditions

The Loughborough Cash ISA.

- **Minimum opening balance of £1.**
- **Minimum subscription of £1.**
- **Interest is variable, calculated daily and is added to the account on 5 April.**
- **No withdrawals allowed prior to the child's 18th birthday.**

Important Information

Please see also information relating to “Changing Your Mind”, “Financial Services Compensation Scheme” and “Customer Service” on the Savings leaflet.

JISA investments will be, and must remain in, the beneficial ownership of the child and must not be used as security for a loan.

We will notify you if for any reason of any failure to satisfy the provisions of JISA regulations your JISA has, or will, become void.

Interest

The favourable tax treatment of the interest earned on a Cash JISA is the responsibility of the government and may not be maintained in the future.

