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This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

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This product is a **Lifetime Individual Savings Account** provided by Unity Mutual.

You can find detailed information about us on our website at [www.unitymutual.co.uk](http://www.unitymutual.co.uk)

We are supervised by the Financial Conduct Authority (FCA) in respect of the production and delivery of this Key Information Document (KID).

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## What is this product?

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**Objectives:** The Lifetime ISA is a government savings initiative to encourage those between the ages of 18 and 39 to save for a first home or for retirement. For every £4 you pay in, the government will give you an extra £1 bonus.

You can withdraw your savings to help pay for your first home 12 months after your first payment into your Lifetime ISA, provided the price is under £450,000 and the withdrawal is less than the purchase price of the property. Note, the same limits apply if you are using more than one Lifetime ISA to purchase a property.

Alternatively, you can withdraw your savings tax-free from age 60.

The Unity Mutual Lifetime ISA (Lifetime ISA) is an insurance based ISA. It allows investments to be made, subject to qualifying conditions laid down by H.M. Revenue and Customs (HMRC) regulations, to enable you to qualify for the government bonus.

The proceeds of the investment will be free from Income and Capital Gains taxes under current HMRC ISA regulations.

The Unity Mutual Lifetime ISA:

- provide a tax efficient method of investing your money for your first house and/or retirement which enables you to benefit from the government bonus; and
- protect your capital and provide a guaranteed return which is set for each tax year.

**Where is the money invested:** The money is invested with Unity Mutual and we provide capital protection and a guaranteed return which is set for each tax year (1.25% 2018/19).

**How can the performance be tracked:** A statement will be issued annually which will show the value of your Lifetime ISA plan, or you can also contact us at any time to ask for a valuation by calling us on 0161 214 4650.

**Intended retail investor:** The Lifetime ISA is available to anyone aged between 18 and 39, and is resident in the UK, or a Crown employee (or their spouse/civil partner) working overseas.

You cannot hold a Lifetime ISA with, or on behalf, of someone else.

**How much can you invest:** You can make contributions into this Lifetime ISA up to the HMRC Lifetime ISA contribution limit in each tax year. The current limit can be found at

<https://www.unitymutual.co.uk/customer-centre/contribution-limits/>. Note, the contributions also count to the overall ISA contribution limit. It is anticipated that this limit will increase each year in line with Inflation.

The minimum contribution is £25 per month or an initial lump sum of £250, and contributions can be stopped or changed at any time without penalty.

**Insurance benefits:** Guaranteed life cover of £5,000 is provided if you commit to contribute at least £1,000 per annum over the next 5 tax years. If you should die the greater of 101% of the value of the fund held within the Lifetime ISA and the guaranteed life cover will be paid to your estate.

**Term:** There is no specified term for this product, capital is protected and growth is guaranteed over the next tax year. You should bear in mind that over the mid to long term (5-10 years and over), inflation is likely to erode the purchasing power of your investment.

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## What are the risks and what could I get in return?

### Risk indicator



The summary risk indicator (SRI) assumes you keep the plan for 10 years. The actual risk can vary significantly if you cash in at the early stage and you may get back less.

- We have classified this account as 3 out of 7, which is "medium-low" risk class. This rates potential losses from future performance at a medium-low level.
- The risk category is not guaranteed and may shift over time.
- On closing your Lifetime ISA you would receive the current value of the policy if the withdrawal is authorised but, if the withdrawal is unauthorised, you will incur a 25% penalty which is charged by HMRC. On death, you would receive the greater of the value of the Lifetime ISA and the guaranteed life cover.
- The risk indicator is based on the current guaranteed return. This is set each tax year.

### Performance scenarios

Investment £1,000 annual premium *		1 year	3 years	5 years (recommended holding period)
<b>Scenarios:</b>				
<b>Stress</b>	What you might get back after costs	1,250.00	3,750.00	6,250.00
	Average return each year	0.00%	0.00%	0.00%
<b>Unfavourable</b>	What you might get back after costs	1,250.00	3,750.00	6,250.00
	Average return each year	0.00%	0.00%	0.00%
<b>Moderate **</b>	What you might get back after costs	1,262.29	3,824.86	6,438.95
	Average return each year	1.00%	1.00%	1.00%
<b>Favourable **</b>	What you might get back after costs	1,262.29	3,824.86	6,438.95
	Average return each year	1.00%	1.00%	1.00%
<b>Accumulated investment amount</b>		1,000	3,000	5,000

\* Performance scenarios show investment before Government bonus, and, assume money is taken for authorised purposes which are not subject to the 25% penalty charge.

\*\* The scenarios assume a 1% pa return, but the rate will be declared in advance for each tax year.

## What happens if Unity Mutual is unable to pay out?

We are covered by the Financial Services Compensation Scheme. If we cannot meet our obligations you may be entitled to compensation under the scheme.

This is an investment product, which means you are entitled to 100% of the first £50,000 invested.

Further information on the scheme can be obtained from the Financial Services Compensation Scheme. Tel: 0800 678 1100 [www.fscs.org.uk](http://www.fscs.org.uk).

## What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown below are the cumulative costs of the product itself, for three different holding periods. The figures assume you invest a £1,000 annual premium before the Government bonus. The figures are estimates and may change in the future.

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## Costs over Time

Investment £1,000 annual premium	1 year	3 years	5 years
<b>Total Costs</b>	0.00	0.00	0.00
<b>Impact on return (RIY) per year</b>	0.00%	0.00%	0.00%

## Composition of Costs

No charges are made by Unity Mutual for administration of the Lifetime ISA.

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## How long should I hold it and can I take money out early?

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The money in your Lifetime ISA can be withdrawn at any time, however, if your investment is for less than five years it may not return any real growth as inflation is likely to erode the purchasing power of your investment.

If the withdrawal is not considered to be an authorised withdrawal under HMRC rules you will incur a 25% penalty on the total value of your policy charged by HMRC, which means you could get back less than you paid in. For example, if you have invested £4,000 in your Lifetime ISA and have received a £1,000 government bonus giving a total of £5,000, and you then make an unauthorised withdrawal of the £5,000, HMRC will apply a charge of £1,250 meaning you will only get £3,750 back.

### Can I change my mind?

Following receipt of your application you will be given 30 days in which to change your mind, at which point a full refund of any contributions paid will be refunded. Please refer to section 7 of the Lifetime ISA Terms & Conditions for more information.

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## How can I complain?

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If you wish to complain about any aspect of the service you have received, please contact the Compliance & Risk Officer, Unity Mutual, Oddfellows House, 184-186 Deansgate, Manchester, M3 3WB. (Tel: 0161 214 4650)

If your complaint is not dealt with to your satisfaction, you can then complain to the Financial Ombudsman Service, Exchange Tower, London E14 9SR. Tel: **0800 023 4 567/0300 123 9 123** (opening hours are: Monday to Friday - 8am to 8pm, Saturday - 9am to 1pm),

Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk) Web: [www.financial-ombudsman.org.uk/](http://www.financial-ombudsman.org.uk/).

Making a complaint will not prejudice your right to take legal proceedings.

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## Other relevant information

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You can find other information relevant to our Lifetime ISA in the following documents:

- Important Information about our Stocks & Shares Lifetime ISA (Property Saver)
- Terms & Conditions of the Stocks and Shares Lifetime ISA
- Services and Costs Disclosure Document

These documents and information about Unity Mutual can be found on our website [www.unitymutual.co.uk](http://www.unitymutual.co.uk)

Under the EU Solvency II Directive we are required to make our Solvency and Financial Condition Report available to the public each year. You can find this at <https://www.unitymutual.co.uk/money/customer-centre/annual-reports/>

Unity Mutual is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, registration No. 109995

Unity Mutual is authorised by the UK Regulators to market and/or administrate Tax Exempt Savings Plans, Qualifying policies, Personal Pensions, Investment Bonds, Life Assurance, Stocks and Shares ISAs, Junior ISAs and Child Trust Funds.

You can check this on the Financial Services Register by visiting the FCA's website:

[www.fca.org.uk/firms/systems-reporting/register](http://www.fca.org.uk/firms/systems-reporting/register) or by contacting the FCA on 0800 111 6768

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