



Early Bird ISAs

Why wait until the current tax year draws to a close on 5 April 2012 to utilise your ISA allowance. With rising taxes in some form what better time than now to protect your excess income and savings from the taxman by contributing to a **2011/12 ISA which is free from income tax and capital gains tax!**

ISA contribution rules have changed and in summary these are noted below:

- ISA allowance has increased to £10,680 for everyone in the current tax year.
- Up to £5,340 of the allowance can be saved in cash with the balance being saved in a stocks and shares ISA.

If you do have some spare cash it is important to use your ISA allowance. Even if you are nervous about equity markets it is possible to invest in cash funds until you are comfortable to move into equity funds or a blend of asset types. Full details about ISAs can be found on our website at http://www.ebsfs.co.uk/downloads/Guide_to_ISAs.pdf

Next Steps

Fund Choice

Choosing the right investment is key to how your ISA will perform. Which fund is most suitable for you is dependent on your attitude to risk. Your attitude to risk is a measure of the level of risk that you are comfortable with and it is therefore critical that this is correctly established before any decision is made. It is important to understand the relationship between risk and reward, typically the greater the risk, the greater the potential losses or returns may be and vice versa.

Definitions of our risk categories can be found in the enclosed document. Please be aware that you are making the assessment of your attitude to risk and fund selection. If you have any doubts as to what level of investment risk you are prepared to take, or require advice, EBS will be happy to discuss this with you.

To help you select an appropriate fund we have noted below funds which we are happy for you to invest at the level of your attitude to risk.

<i>Cautious</i>	<i>Invesco Perpetual Corporate Bond</i>
<i>Cautious to Balanced</i>	<i>Investec Cautious Managed</i>
<i>Balanced</i>	<i>Newton Balanced</i>
<i>Balanced to Adventurous</i>	<i>Jupiter Merlin Growth Portfolio</i>
<i>Adventurous</i>	<i>M&G Global Basics</i>

Factsheets for each fund are available from this site.

A few things you should know before applying

- Past performance is no guarantee of future returns.
- The value of your investment and any income derived can fall as well as rise.
- The value of your investment is not guaranteed and on encashment you may not get back the full amount invested.
- The favourable tax treatment of ISA's may not be maintained in the future.
- The sterling value of overseas assets in these funds may also rise and fall as a result of exchange rate fluctuations.

Charges

For recommending and arranging the above investments EBS will receive an initial commission payment from FundsNetwork of £320.40 for each £10,680. In addition to this, EBS will receive an annual renewal commission of 0.5% of the value of the investment. For example if the investment is worth £10,000 Employee Benefit Solutions Ltd will receive £50 per annum.

Full details of all charges can be found in the Key Features Document (available upon request) and Fund Factsheet (available from this site)

How to Invest

To invest, simply write the fund you would like to invest in and your subscription amount on the enclosed application form, sign it, and return it to EBS together with your cheque(s).

This summary guide should be read in conjunction with the Fund Factsheets and our Guide to ISAs which are available from this site or by contacting EBS.

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