

Important notice

Charitable assignment

The Society has announced that it is to remove the requirement for new members (after 1 June 2006) to sign a charitable assignment waiver.

Refer to explanatory notice.

If you apply for an investment account with a form dated before 1 June 2006 you will still be subject to the charitable assignment waiver.

If you are not an existing member and apply on or after 1 June (the application must be dated on or after 1 June 2006) you will not be required to sign a charitable assignment waiver.

If you have any questions please contact your nearest branch or agency or telephone Kent Reliance on:

New members **08451 22 00 22**

Existing members **08451 22 11 22**

Main switchboard **01634 848 944**

E-mail **mail@krbs.com**

Charitable assignment – explanatory notice



At Kent Reliance Building Society we aim to give the highest level of service to all our members. As a mutual organisation, in 1999/2000 we had some disruption to our normal business caused by speculators. This was caused by people opening a savings account in the hope of receiving future windfall conversion benefits. That was despite the assurances we have given for many years that we are committed to remaining a mutual organisation and have no plans to change.

To avoid disruption to our business in June 2000 we introduced a new requirement for new investment customers. This required all new savers opening share accounts to sign a declaration agreeing to assign any future windfall rights on demutualisation to the Charities Aid Foundation for five years from the date of opening the account. The agreement did not apply to anyone who held and continued to hold a share account with the Society since before 1 June 2000 nor to anyone who had a mortgage with the Society at the time their investment was opened.

There are some other types of customer who were not affected by the requirement to assign and a list of those is available from the Society's Secretary at head office.

The Society has now decided that it is no longer necessary to require new savers opening share accounts with effect from close of business on 31 May 2006 to agree to assign windfall conversion benefits to charity. However, anyone applying to open an account with an application form dated on or before 31 May 2006 will still be required to assign those benefits to charity. In the circumstances new investors may wish to delay opening an account and dating their application forms until on or after 1 June 2006.

The Society believes the business is unlikely to be disrupted by speculators/carpetbaggers opening share accounts, as it is now more able to cope with varying levels of activity. In addition the Society believes that its commitment to remain a mutual building society is recognised and so the probability of such attention from speculators is likely to be much reduced. The removal of the condition will result in simpler account opening procedures and documentation.

Under the terms of the Society's charitable assignment scheme savers who have agreed to assign demutualisation windfalls to charity from 1 June 2000 will remain bound by their agreement until the expiry of their five year period and this will also apply to anyone holding an account after submitting an application form dated before 1 June 2006. In the event of any demutualisation during the next 5 years those windfall benefits will still be made to charity. Closing an existing account or accounts and opening a new one on or after 1 June will not alter this.
