

# ISAs

INDIVIDUAL SAVINGS ACCOUNTS, better known as ISAs, are a tax free way to save. In the current tax year, you can save or invest up to £20,000. The tax year runs from 6 April to 5 April the following year and this leaflet describes the range of ISAs available from the Cumberland.

All the Cash ISAs in this leaflet are similar in day-to-day operation to traditional building society accounts, except that interest is tax free, provided you operate your account within the rules laid down by HM Revenue and Customs. If you have a Cash ISA or a Stocks and Shares ISA with another provider, you can transfer this to a Cash ISA with the Cumberland.

# ISAs

with the Cumberland

Choosing an ISA	2
Instant Cash ISA	3
Fixed Interest Fixed Term Cash ISA	4
Cash Junior ISA	10
Help to Buy: ISA	14
How to open an account	21

## Choosing an ISA

An ISA is a tax-efficient way to save or invest. UK residents aged 16 and over can choose to save in a cash ISA or if they are 18 or over, a stocks and shares ISA or a combination of both. Parents or guardians could also open a Junior ISA for children under 18.

The interest on a cash ISA isn't taxed so all the interest you earn you keep. With a stocks and shares ISA, all gains are free from capital gains tax, you don't even need to declare your ISA investments to the tax man.

Each tax year you have an ISA allowance. For the current tax year your allowance is £20,000. This amount can be held in either cash, stocks and shares, or any combination of the two.

Take a look at the table below to see some examples of how you could split your ISA allowance between a cash ISA and a stocks and shares ISA.

	Total ISA allowance	Cash ISA allowance used	Stocks & Shares ISA allowance remaining
Example 1	£20,000	£20,000	£0
Example 2	£20,000	£7,120	£12,880
Example 3	£20,000	£0	£20,000

### Additional Permitted Subscriptions

We allow Additional Permitted Subscriptions, which is a one-off ISA allowance equal to the value of the deceased's ISA Savings. This lets ISA allowances to be passed to an existing customer when their spouse/civil partner has passed away.

### Helping you choose

This leaflet details our Cash ISA products. If you'd like to find out more about the different types of ISA available, including the annual investment limits and the suitability of a particular product for you, please make an appointment at your local Cumberland branch (you can book this on our website), or contact your local tax office.

## Instant Cash ISA

This ISA is for you if you'd like the flexibility of being able to make lump sum or regular payments.

- Minimum opening balance £1
- Pay into your account at any time, as long as this is the only Cash ISA you are paying into during the tax year, subject to total maximum deposits of £20,000 in the tax year
- Withdrawals, without penalty, up to £500 in cash each day, or up to the total balance in your account by crossed cheque
- You may transfer funds from an Instant Cash ISA to another type of Cash ISA e.g. Fixed Interest Fixed Term Cash ISA, provided only one Cash ISA is paid into during a tax year

Variable interest paid yearly on 31st March.

For current interest rates please refer to the following:

- Savings Accounts and Interest Rates leaflet available from your local branch
- Customer services helpline: 01228 403141
- Website: [cumberland.co.uk](http://cumberland.co.uk)

# Fixed Interest Fixed Term Cash ISA

This ISA is for you if you can commit some of your savings for a fixed period of time and earn an interest rate guaranteed to remain fixed for the term of the investment.

- The minimum subscription is £1,000.
- Additional subscriptions can be made (up to the maximum limit of £20,000) during the tax year or until such time as a specific ISA issue is closed to subscriptions. At any point and without notice we may close a specific ISA issue to new subscriptions, after which no further subscriptions would be allowed.
- Shortly before the end of the fixed investment term we'll contact you with details of the options you can take on maturity, one of which may be to extend your investment for a further fixed term. You'll be able to withdraw your investment or transfer to an alternative account without penalty on the maturity date, provided you tell us on or before this date. If we don't receive any instructions on or before the maturity date, and a further fixed interest, fixed term Cash ISA is available, your investment will be automatically rolled over into such an account on the terms and conditions applying to that account, a copy of which will be sent before your existing account matures.
- You may transfer funds from another Cash ISA e.g. an Instant Cash ISA to a Fixed Interest Fixed Term Cash ISA, provided only one Cash ISA is paid into/opened during the tax year.
- You may already have a Fixed Interest Fixed Term Cash ISA opened in a previous tax year which has been withdrawn from issue. You can if you wish open another Fixed Interest Fixed Term Cash ISA as long as this is the only Cash ISA you are paying into during the tax year which ends 5 April.

Partial withdrawals are not permitted during the fixed investment term. Closures and transfers to another ISA provider during the fixed investment term are subject to the relevant interest penalty, detailed in the Fixed Interest Fixed Term Accounts Interest Rates leaflet.

Penalty free withdrawal on maturity date.

Fixed interest, paid yearly

For current interest rates please refer to the following:

- Fixed Interest Fixed Term Accounts Interest Rates leaflet available from your local branch
- Customer services helpline: 01228 403141
- Website: [cumberland.co.uk](http://cumberland.co.uk)

**Please note that Fixed Interest Fixed Term Cash ISAs will not always be available. For up-to-date information please refer to the contact details above.**

These conditions apply from 6 April 2018.

**The Financial Conduct Authority is a financial services regulator. It requires us, Cumberland Building Society, to give you this important information to help you to decide whether our Cash ISA is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.**

#### ACCOUNT CONDITIONS

Cash ISAs are subject to the information and guidance given in this leaflet, the account application form and the separate Savings & Current Account Terms & Conditions booklet (which can be obtained on request from any branch), which together make up the conditions relating to the operation of the account.

Individual Savings Accounts (ISAs) qualify for special tax treatment provided they operate within The Individual Savings Account Regulations 1998 (Statutory Instrument 1998 Number 1870).

Investing in a Cumberland Cash ISA restricts your ISA investment options for the remainder of the current tax year.

#### ACCOUNT HOLDING

You must be 16 years of age or over to open a Cash ISA, which must be held in your sole name on your own behalf. HM Revenue & Customs rules do not allow joint ISA accounts.

#### ACCOUNT OPENING

Before opening an account we believe it is important to establish your requirements, so that we can be sure we are able to offer the services you require and open the most appropriate account for you. To discuss your requirements, simply call at any Cumberland branch where we will be pleased to help you.

#### AUTOMATIC TRANSFERS FROM ANOTHER ACCOUNT WITH THE SOCIETY

We can arrange to transfer funds automatically from another account in your name with the Society to your Cash ISA. You must make sure that the paying account remains open and contains sufficient cleared funds on the day before the date you have asked us to make the transfer.

If you do not have sufficient cleared funds available to allow an automated transfer on the due date and you still wish to add to your Cash ISA, you can do this through your branch or by post.

#### CHANGING YOUR MIND

If after opening an account you find that you are not happy about your choice of ISA you may cancel it by notifying us in writing at our Head Office within 14 days of the latest of:

1. the day the account is opened or your first deposit made; or
2. the day you receive your Cumberland Savings & Current Account Terms & Conditions leaflet.

We will then help you switch to another of our accounts or we will give you all of your money back with any interest you have earned. The interest we pay to you in these circumstances may be calculated at the rate advertised at that time for our Instant Savings account.

If you do not exercise your right to cancel during this period, you will be bound by these terms and conditions.

#### WITHDRAWALS FROM YOUR ACCOUNT

We will transfer or pay to you all or part of the investments held in the ISA, and proceeds arising from those investments, upon request or within 2 days if you provide written instructions to do so. Any withdrawals from your ISA are ignored for the purpose of calculating the maximum amount which can be deposited each tax year.

#### CLOSURE OF YOUR ACCOUNT

You may close your ISA at any time subject to the withdrawal terms relating to the account. Once closed your account may not be re-opened, nor may you open a new Cash ISA in the same tax year.

#### FAILURE TO SATISFY ISA RULES

We will advise you if, by reason of any failure to satisfy the provisions of the ISA regulations, your ISA has, or will become void. If your Cash ISA becomes void this will be transferred to an existing account or new Instant Savings Account in your sole name. We will notify you of this in writing. Any interest paid will be paid gross (without deduction of tax).

#### BREAKS IN DEPOSITS TO YOUR ISA ACCOUNT

You do not have to pay into the same Cash ISA in every tax year. You can open a Cash ISA with a different financial institution each year, as long as you only pay into one Cash ISA in the current tax year. If for whatever reason you do not make a deposit into your Cash ISA in a particular tax year, no further deposits will be allowed into that account. We will, however, allow you to recommence paying money into that account by obtaining a new application form from you (provided you have not opened another Cash ISA or invested the maximum amount in a Stocks and Shares ISA elsewhere in the same tax year). It is a HM Revenue & Customs requirement that you complete a new application form.

#### HM REVENUE & CUSTOMS RETURN

We must supply to HM Revenue & Customs each year a return containing details of your Cash ISA. We will also give HM Revenue & Customs any other information they are entitled to receive concerning your Cash ISA. HM Revenue & Customs will use the information we provide to identify investors who have broken the ISA regulations by contributing to a disallowed combination of ISAs in a tax year.

#### INCOME TAX

No income tax will be payable on the interest paid in each of the tax years that you have a Cash ISA provided all the ISA regulations have been followed.

As the favourable tax treatment of ISAs is the Government's responsibility, we cannot guarantee that this will be maintained. Please note that tax treatment depends upon your individual circumstances and may be subject to change in the future.

#### INTEREST

Interest on your variable Cash ISA will be paid annually on 31 March. Interest on your Fixed Interest Fixed Term Cash ISA will be paid annually as shown in our Fixed Interest Fixed Term Account Interest Rates leaflet – please note this will vary according to which issue of product you have.

#### LIMITATIONS ON INVESTMENTS

The ISA regulations specify that you may not invest in more than one Cash ISA and stocks and shares ISA in the same tax year (the period from 6 April to 5 April the following year).

**MINIMUM AND MAXIMUM INVESTMENTS**

The minimum amount required to open a Cash ISA with the Society is shown in this leaflet. The maximum total capital, excluding interest, that can be invested in a Cash ISA in the current tax year is £20,000. This limit ignores any withdrawals you make during the tax year.

**RESIDENCY**

To open a Cash ISA you must be resident in the United Kingdom for tax purposes or, if not so resident, either perform duties which, by virtue of Section 28 of Income Tax (Earnings and Pensions) Act 2003 (Crown employees serving overseas) are treated as being performed in the United Kingdom, or be married to, or in a civil partnership with, a person who performs such duties. You must inform Cumberland Building Society if you cease to be so resident or to perform such duties or be married to, or in a civil partnership with, a person who performs such duties.

**SECURITY FOR LOANS**

A Cash ISA will be, and must remain in the sole name of the investor and must not be used as security for a loan.

**START DATE**

The start date of an ISA with the Society is the date of the first investment.

**TRANSFERS FROM ANOTHER ISA PROVIDER'S CASH ISA OR STOCKS AND SHARES ISA TO THE CUMBERLAND**

We will normally accept the transfer of a Cash ISA or Stocks and Shares ISA from another ISA provider, as long as you live within our branch operating area, subject to ISA regulations. We will accept the total subscriptions for this tax year, and all or part of the total subscriptions for previous years. Arrange to transfer your ISA by calling at any Cumberland branch and we will help you ask your existing provider to transfer your ISA to the Cumberland. Before requesting your existing ISA provider to transfer your investment to us, please check with them that they do not make a charge or apply a penalty for carrying out the transfer.

Please note that we can only accept transfers into a Cash ISA.

**TRANSFERS FROM A CUMBERLAND CASH ISA TO ANOTHER ISA PROVIDER**

Your Cash ISA or part of it, with all rights and obligations of the parties to it, may be transferred to another ISA provider. If you wish to do this please do not close your account but ask your new provider to arrange the transfer for you. Within 5 business days of receiving your request, we will transfer the total subscriptions for this tax year, and/or all or part of the total subscriptions for previous years. No administration charge is made by the Cumberland for transfers.

Please note you may only transfer:

- all of the current tax year's investment in a Cash ISA to either a Cash ISA or a Stocks and Shares ISA elsewhere
- all or part of previous tax year's investment in a Cash ISA to either a Cash ISA or a Stocks and Shares ISA elsewhere

Transfers of Fixed Interest Fixed Term Cash ISAs prior to the end of the fixed term will be subject to the withdrawal conditions shown in the Fixed Interest Fixed Term Account leaflet.

**TRANSFERS FROM ONE INVESTOR TO ANOTHER**

Your Cash ISA may not be transferred into the name of someone else. The ISA investment will be, and must remain in, your sole name.

**STAKEHOLDER DEPOSIT ISAS**

Stakeholder cash deposit ISAs were introduced on 6 April 2005. A 'stakeholder' cash deposit ISA must pay a minimum interest rate of Bank of England base rate minus 1% . They must also allow payments into an account to be made by a variety of methods, including direct debit. The Cumberland cannot accept payments into an ISA by direct debit and is therefore unable to offer a 'stakeholder' cash deposit ISA. Cumberland customers however should not be disadvantaged by not being able to open a 'stakeholder' deposit ISA, as we consistently pay interest rates in excess of the 'stakeholder' deposit ISA minimum interest rate.

**THE FINANCIAL OMBUDSMAN SERVICE**

We are covered by the Financial Ombudsman Service. If you have complained to us and we have been unable to resolve your complaint, you may then be entitled to refer it to this independent body at:

The Financial Ombudsman Service,  
Exchange Tower, London, E14 9SR.

Telephone 0800 023 4567 or 0300 123 9123.

Or log onto their website at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

**ONLINE DISPUTE RESOLUTION**

The European Union has an Online Dispute Resolution (ODR) platform which may assist in resolving disputes about online services. The ODR platform can be accessed at the Online Dispute Resolution section of the European Commission official website.

This leaflet should be read in conjunction with the following leaflets

- Savings Accounts and Interest Rates
- Fixed Interest Fixed Term Accounts and Interest Rates
- Savings and Current Account Terms and Conditions

# Cash Junior ISA

The Cash Junior ISA is a tax-free savings account designed to help children, and their families, save for their future.

The account offers a variable interest rate and you, along with family and friends, can make contributions towards your child's tax-free savings, subject to the annual subscription limit.

The account can only be opened for children who do not hold a Child Trust Fund.

The maximum which can be saved in a Junior ISA in each tax year (6 April - 5 April) is currently £4,368.

Although you can pay into the account at any time, withdrawals are not permitted. All subscriptions to the Cash Junior ISA are a gift to the child, and cannot be repaid if you change your mind. On the account holder's 18th birthday, the account will be transferred to a Cash ISA with instant access and the holder will be able to make withdrawals.

When the child turns 18, the account will automatically be transferred to an instant access ISA.

Variable interest paid yearly on 31st March.

For current interest rates please refer to the following:

- Savings Accounts and Interest Rates leaflet available from your local branch
- Customer services helpline: 01228 403141
- Website: [cumberland.co.uk](http://cumberland.co.uk)

You can only have one Cash Junior ISA and one Stocks and Shares Junior ISA open at any time. Investments can be paid into a Cash Junior ISA or a Stocks and Shares Junior ISA, or split between the two, providing the annual limit is not exceeded.

These conditions apply from 6 April 2019.

The Financial Conduct Authority is a financial services regulator. It requires us, Cumberland Building Society, to give you this important information to help you to decide whether our Cash Junior ISA (JISA) is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.

## ACCOUNT CONDITIONS

Cash Junior ISAs are subject to the information and guidance given in this leaflet, the account application form and the separate Savings & Current Account Terms & Conditions leaflet (which can be obtained on request from any branch), which together make up the conditions relating to the operation of the account.

## ACCOUNT OPENING

Before opening an account we believe it is important to establish your requirements, so that we can be sure we are able to offer the services you require and open the most appropriate account for you. To discuss your requirements, simply call at any Cumberland branch where staff will be pleased to help you.

## ACCOUNT HOLDING

A Cash Junior ISA may only be opened for a child under 18 years of age who does not already hold a Child Trust Fund (CTF). If the child is under 16 years of age, the Cash Junior ISA must be opened by a Registered Contact. The Registered Contact must have parental responsibility for the child. The Registered Contact will be the contact for the account, and the child will always be the beneficial owner of the funds in the account.

If the child is 16 years old or over, the child may open the account in their sole name.

Once the child reaches 16 years of age, they can apply to become the Registered Contact for the account, and we will change the Registered Contact without notification to the existing Registered Contact.

A Cash Junior ISA cannot be operated under a Power of Attorney held for a Registered Contact.

## PAYMENTS INTO THE ACCOUNT

Payments into the Cash Junior ISA can be made at any time, by any person (subject to the Junior ISA limits), however once subscriptions have been made they are deemed to be a gift to the child, and as such cannot be repaid to the subscriber if at a later date the subscriber changes their mind.

## AUTOMATIC TRANSFERS FROM ANOTHER ACCOUNT WITH THE SOCIETY

We can arrange to transfer funds automatically from another account in your name with the Society to a Cash Junior ISA. The paying account must remain open and contain sufficient cleared funds on the day before the date the transfer is due.

If sufficient cleared funds are not available to allow an automated transfer on the due date, deposits can be made by visiting a branch or by post.

## CHANGING YOUR MIND

If after opening a Cash Junior ISA you find that you are not happy with your choice of account you may cancel it by notifying us in writing at our Head Office within 14 days of the latest of:

1. the day the account is opened or the first deposit is made: or
2. the day you receive your Cumberland Savings & Current Account Terms & Conditions leaflet.

We will then help you switch to another of our accounts or we will give the money back to the person who opened the account with any interest earned. The interest we pay to you in these circumstances may be calculated at the rate advertised at that time for our Instant Savings account.

If you do not exercise your right to cancel during this period, you will be bound by these terms and conditions.

#### **WITHDRAWALS / CLOSURES**

Withdrawals / closures are not permitted until the child's 18th birthday. Only the child can withdraw from or close the account, on or after they reach 18 years of age. The only exceptions are where the child is suffering from a terminal illness, and the Society receives formal notification by way of a letter from HM Revenue & Customs, or in the event of the death of the child. Only the Registered Contact can withdraw funds from the account in these exceptional circumstances.

#### **FAILURE TO SATISFY ISA RULES**

We will notify the Registered Contact if, by reason of any failure to satisfy the provisions of the Junior ISA regulations, your Cash Junior ISA has, or will become void. If a Cash Junior ISA becomes void it will be transferred to an existing account or new Instant Savings Account in the child's sole name. We will notify you of this in writing.

#### **HM REVENUE & CUSTOMS RETURN**

We must supply to HM Revenue & Customs each year a return containing details of your Cash Junior ISA. We will also give HM Revenue & Customs any other information they are entitled to receive concerning your Cash Junior ISA. HM Revenue & Customs will use the information we provide to identify investors who have broken the Junior ISA regulations by contributing to a disallowed combination of Junior ISAs in a tax year.

#### **INCOME TAX**

No income tax will be payable on the interest paid in each of the tax years that you have a Cash Junior ISA provided all the Junior ISA regulations have been followed.

As the favourable tax treatment of Junior ISAs is the Government's responsibility, we cannot guarantee that this will be maintained. Please note that tax treatment depends upon your individual circumstances and may be subject to change in the future.

#### **INTEREST**

Interest on your variable Cash Junior ISA will be paid annually on 31 March.

#### **LIMITATIONS ON INVESTMENTS**

The Registered Contact must not subscribe to more than one Cash Junior ISA for the child. The child cannot hold more than one Cash Junior ISA, but the child may also hold an adult Cash ISA if they are aged 16 or over.

#### **MINIMUM AND MAXIMUM INVESTMENTS**

The minimum amount required to open a Cash Junior ISA with the Society is £50. The maximum total capital, excluding interest, that can be invested in a Cash Junior ISA in the current tax year is £4,368.

#### **RESIDENCY**

When the account is opened the child must be resident in the United Kingdom for tax purposes.

#### **SECURITY FOR LOANS**

A Cash Junior ISA must not be used as security for a loan.

#### **START DATE**

The start date of a Cash Junior ISA with the Society will be the date of the first investment.

#### **TRANSFERS FROM ANOTHER PROVIDER'S JUNIOR ISA TO THE CUMBERLAND**

We will normally accept the transfer in from another Junior ISA provider into a Cumberland Cash Junior ISA, as long as you live within our branch operating area, subject to Junior ISA regulations.

To arrange to transfer your Junior ISA call in at any Cumberland branch and we will help you ask your existing provider to transfer your Junior ISA to the Cumberland. Before requesting your existing Junior ISA provider to transfer your investment to us, please check with them that they do not make a charge or apply a penalty for carrying out the transfer.

#### **TRANSFERS FROM A CUMBERLAND CASH JUNIOR ISA TO ANOTHER JUNIOR ISA PROVIDER**

A Cash Junior ISA or part of it, with all rights and obligations may be transferred to another Junior ISA provider, in accordance with the Junior ISA regulations relating to transfers. Upon receipt of your transfer instruction from your new Junior ISA provider, we will send the funds to them within 5 business days of the date of receipt. No administration charge is made by the Cumberland for transfers. A Cash Junior ISA to Cash Junior ISA transfer must occur in full while a Cash Junior ISA to a Stocks & Shares Junior ISA may occur in full or in part.

#### **TRANSFERS FROM ONE INVESTOR TO ANOTHER**

A Cash Junior ISA may not be transferred into the name of someone else. The Cash Junior ISA investment will be, and must remain in, the child's name.

#### **THE CHILD'S 18TH BIRTHDAY**

When the child reaches the age of 18, the Cash Junior ISA will automatically become an instant access Cash ISA. We will write to the Registered Contact shortly before the child's 18th birthday to remind them that the funds will be available for the child to withdraw from their 18th birthday. We will also write to the child informing them of the account and the need to visit a branch with identification and their National Insurance Number.

#### **THE FINANCIAL OMBUDSMAN SERVICE**

We are covered by the Financial Ombudsman Service. If you have complained to us and we have been unable to resolve your complaint, you may then be entitled to refer it to this independent body at: The Financial Ombudsman Service, Exchange Tower, London, E14 9SR. Telephone 0800 023 4567 or 0300 123 9123. Or log onto their website at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

#### **ONLINE DISPUTE RESOLUTION**

The European Union has an Online Dispute Resolution (ODR) platform which may assist in resolving disputes about online services. The ODR platform can be accessed at the Online Dispute Resolution section of the European Commission official website.

This leaflet should be read in conjunction with the following leaflets:

- Savings Accounts and Interest Rates
- Savings and Current Account Terms and Conditions

## Help to Buy: ISA

If you're saving for your first home, our Help to Buy: ISA could make a big difference. In addition to an extremely competitive interest rate, the government will pay a 25% bonus on your final balance when you buy your first home.

You can open a Help to Buy: ISA, subject to eligibility, with an initial deposit of up to £1,200. You can then save up to £200 per calendar month subject to the account's maximum balance of £12,000. As a Help to Buy: ISA is a Cash ISA, you cannot pay into another cash ISA in the same tax year. You can only have one Help to Buy: ISA.

Withdrawals allowed at any time (subject to maintaining a minimum balance of £1) but you will not be able to claim the government Help to Buy ISA: bonus on any funds you withdraw

Variable interest paid yearly on 31st March

For current interest rates please refer to the following:

- Savings Accounts and Interest Rates leaflet available from your local branch
- Customer services helpline: 01228 403141
- Website: [cumberland.co.uk](http://cumberland.co.uk)

### The Help to Buy: ISA Bonus

When you are in a position to buy your first property, you will need to close your account in a single transaction and provide your Help to Buy: ISA closing documents to your conveyancer, who will claim the bonus on your behalf from the government. The bonus will be the equivalent of 25% of the account balance when it is closed. Therefore, for every £200 you have saved, the Government will add £50. The minimum bonus you can claim is £400, which means you must have a minimum balance of £1,600 to claim, and the maximum is £3,000, based on the account's maximum balance of £12,000.



Backed by  
HM Government

You must be 16 or over, an Eligible Customer and not a Residential Property Owner, both as set out in the Help to Buy: ISA Scheme Rules. The Scheme applies to properties in the UK with a purchase price of up to £250,000 outside London and £450,000 within certain London Boroughs as specified in the Help to Buy: ISA Scheme Rules.

For full details of the Scheme Rules, please visit [www.help2obuy.gov.uk/isa](http://www.help2obuy.gov.uk/isa), or ask for a copy in your local branch.

### FIRST TIME BUYER MORTGAGE DEALS

For details of our great first time buyer mortgage deals, call into your local branch or visit [cumberland.co.uk/mortgages](http://cumberland.co.uk/mortgages)



Your mortgage is secured on your home. Think carefully before securing other debts against your home. Your home may be repossessed if you do not keep up repayments on your mortgage.

These conditions apply from 6 April 2018.

The Financial Conduct Authority is a financial services regulator. It requires us, Cumberland Building Society, to give you this important information to help you to decide whether our Help to Buy: ISA is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.

#### ACCOUNT CONDITIONS

Help to Buy: ISAs are subject to the information and guidance given in this leaflet, the account application form and the separate Savings & Current Account Terms & Conditions booklet (which can be obtained on request from any branch), which together make up the conditions relating to the operation of the account.

Individual Savings Accounts (ISAs) qualify for special tax treatment provided they operate within The Individual Savings Account Regulations 1998 (Statutory Instrument 1998 Number 1870). Investing in a Cumberland Help to Buy: ISA restricts your ISA investment options for the remainder of the current tax year.

#### ACCOUNT HOLDING

You must be 16 years of age or over to open a Help to Buy: ISA, which must be held in your sole name on your own behalf. HM Revenue & Customs rules do not allow joint ISA accounts. You must have a valid National Insurance number and be a resident in the United Kingdom.

#### RESIDENCY

To open a Help to Buy: ISA you must be resident in the United Kingdom for tax purposes or, if not so resident, either perform duties which, by virtue of Section 28 of Income Tax (Earnings and Pensions) Act 2003 (Crown employees serving overseas) are treated as being performed in the United Kingdom, or be married to, or in a civil partnership with, a person who performs such duties. You must inform Cumberland Building Society if you cease to be so resident or to perform such duties or be married to, or in a civil partnership with, a person who performs such duties.

#### ACCOUNT ELIGIBILITY

To be an eligible customer for a Help to Buy: ISA, you:

- Must not have exceeded the overall subscription limit in the current tax year
- Must not subscribe, or will subscribe, to another cash ISA other than the Help to Buy: ISA within the current tax year
- Must not have previously received a payment of the Help to Buy: ISA bonus, unless the full amount of such bonus has subsequently been repaid
- Are not, and never have been a residential property owner.

You must sign a declaration as part of the application process to declare you are an eligible customer.

Please note that saving in a Help to Buy: ISA does not guarantee that you will be able to obtain a mortgage with the Society or participate in any other Help to Buy scheme offered by the Government.

#### ACCOUNT OPENING

Before opening an account we believe it is important to establish your requirements, so that we can be sure we are able to offer the services you require and open the most appropriate account for you. To discuss your requirements, simply call at any Cumberland branch where we will be pleased to help you.

#### MINIMUM AND MAXIMUM INVESTMENTS

The Help to Buy: ISA has a maximum subscription limit of £12,000. Once your Help to Buy: ISA reaches its full subscription, no more funds can be paid into the account. The maximum initial deposit into a Help to Buy: ISA is £1,200. Subsequent monthly subscriptions must not exceed £200. There is no minimum monthly deposit, either in the first month or in subsequent months. If your subscription exceeds the maximum amount, the excess funds will be returned to you.

#### AUTOMATIC TRANSFERS FROM ANOTHER ACCOUNT WITH THE SOCIETY

We can arrange to transfer funds automatically from another account in your name with the Society to your Help to Buy: ISA. You must make sure that the paying account remains open and contains sufficient cleared funds on the day before the date you have asked us to make the transfer. If you do not have sufficient cleared funds available to allow an automated transfer on the due date and you still wish to add to your Help to Buy: ISA, you can do this through your branch or by post.

#### TRANSFERRING YOUR Help to Buy: ISA TO/FROM THE SOCIETY

The Society will not place any restrictions on the ability of an individual to initiate a Help to Buy: ISA transfer (other than a restriction permitted by the ISA regulations). If an ISA transfer occurs, the maximum monthly limit may be paid into either the new or the existing ISA.

#### CHANGING YOUR MIND

If after opening an account you find that you are not happy about your choice of Help to Buy: ISA you may cancel it by notifying us in writing at our Head Office within 14 days of the latest of:

1. the day the account is opened or your first deposit made: or
2. the day you receive your Cumberland Savings & Current Account Terms & Conditions leaflet.

We will then help you switch to another of our accounts or we will give you all of your money back with any interest you have earned. The interest we pay to you in these circumstances may be calculated at the rate advertised at that time for our Instant Savings account. If you do not exercise your right to cancel during this period, you will be bound by these terms and conditions.

**WITHDRAWALS FROM YOUR ACCOUNT**

We will transfer or pay to you all or part of the investments held in the ISA, and proceeds arising from those investments, upon request or within 2 days if you provide written instructions to do so. Any withdrawals from your ISA are ignored for the purpose of calculating the maximum amount which can be deposited each tax year. Please note if you withdraw all or part of your funds from your Help to Buy: ISA you shall not be entitled to claim a Bonus in respect of such funds in which you have withdrawn.

Funds from a Help to Buy: ISA can be transferred to another ISA; however if the other ISA is not a Help to Buy: ISA, your funds will not be eligible for the Government Bonus.

**CLOSURE OF YOUR ACCOUNT**

You may close your Help to Buy: ISA at any time subject to the withdrawal terms relating to the account. Once closed your account may not be re-opened, nor may you open a new Help to Buy: ISA or a new Help to Buy: ISA in the same tax year.

If you notify the Society that you wish to close your Help to Buy: ISA, the Society will close the Help to Buy: ISA and issue you with a Closing Document. The Closing Document will be made available within seven business days of the Help to Buy: ISA being closed. The Closing Document will be required to provide to your chosen Conveyancer to claim the Government Bonus. Your Closing Document is valid for 12 months from closure.

**ISA REINSTATEMENT**

If your house purchase does not go ahead, after claiming the Government Bonus, and you wish to place your funds from your closed Help to Buy: ISA back in the account, you will require a Purchase Failure Notice from your Eligible Conveyancer. Upon receipt of the Purchase Failure Notice, and within 12 months of closing your original Help to Buy: ISA, the Society may open a Help to Buy: ISA for you. This will be known as a Help to Buy: ISA Reinstatement. This account will have a different account number to your previous Help to Buy: ISA account number.

**FAILURE TO SATISFY ISA RULES**

We will advise you if, by reason of any failure to satisfy the provisions of the Help to Buy: ISA regulations, your Help to Buy: ISA has, or will become void. If your Help to Buy: ISA becomes void, you will not be entitled to claim a Bonus and the funds will be transferred to an existing account. We will notify you of this in writing.

**BREAKS IN DEPOSITS TO YOUR Help to Buy: ISA ACCOUNT**

You do not have to pay into the same Help to Buy: ISA in every tax year. You can open a Cash ISA with a different financial institution each year, as long as you only pay into one Cash ISA in the current tax year. If for whatever reason you do not make a deposit into your Help to Buy: ISA in a particular tax year, no further deposits will be allowed into that account. We will, however, allow you to recommence paying money into that account by obtaining a new application form from you (provided you have not opened another Help to Buy: ISA or invested the maximum amount in a Stocks and Shares ISA elsewhere in the same tax year). It is a HM Revenue & Customs requirement that you complete a new application form.

**HM REVENUE & CUSTOMS RETURN**

We must supply to HM Revenue & Customs each year a return containing details of your Help to Buy: ISA. We will also give HM Revenue & Customs any other information they are entitled to receive concerning your Help to Buy: ISA. HM Revenue & Customs will use the information we provide to identify investors who have broken the ISA regulations by contributing to a disallowed combination of ISAs in a tax year.

**INTEREST**

Interest on your variable Help to Buy: ISA will be paid annually on 31 March.

**LIMITATIONS ON INVESTMENTS**

The ISA regulations specify that you may not invest in more than one Help to Buy: ISA and Stocks and Shares ISA in the same tax year (the period from 6 April to 5 April the following year).

**SECURITY FOR LOANS**

A Help to Buy: ISA will be, and must remain in the sole name of the investor and must not be used as security for a loan.

**START DATE**

The start date of an ISA with the Society is the date of the first investment.

**KEEPING YOU INFORMED**

The Society will contact you annually following the anniversary of opening your Help to Buy: ISA to remind you of the criteria of holding a Help to Buy: ISA, allowing you to participate in the Help to Buy scheme and apply for the Government bonus.

**SCHEME ADMINISTRATION**

The Government's Help to Buy: ISA scheme is administrated by UKAR Corporate Services Limited (UKARcs). UKARcs is the scheme's administrator and by applying to open a Help to Buy: ISA, you are agreeing we can disclose relevant information to UKAR and HM Treasury in order to process the Government bonus you wish to claim.

## Tips to help you save...

Saving even a little every month really can make a difference, but if you are in need of motivation, here are some tips to help you kick start your 'savings habit':



### 1. Take Stock

Think about what may happen in the future, and how you'd cope with either planned or unforeseen future expenditure.

### 2. Make Easy Lifestyle Changes

Do you regularly buy an expensive sandwich for lunch or a coffee on the way to work? Saving the equivalent of £2 per working day, for 1 whole year, could save you over £520!

### 3. Set a Goal

Whether it's a new car, dream holiday or life event like a wedding or even retirement, having a goal will help motivate your saving by allowing you to imagine the security a lump sum could provide.



### 4. Ask Questions

If you'd like details on any of our variable and fixed rate savings products, including tax free cash ISAs, visit our website [www.cumberland.co.uk](http://www.cumberland.co.uk), pop into any of our branches or call us on 01228 403141, or visit our website to arrange an appointment.

## How to open an account

You must be 16 years of age or over to open a Cash ISA.

To open an ISA:

- Call into any Cumberland branch. You can book an appointment via our website.
- You will need your National Insurance Number - this can usually be obtained from a payslip or, if you receive a pension, from the front of your pension book. Alternatively this can be found on your Notice of Coding, Tax Return, P60 or correspondence from HM Revenue and Customs or the Department of Work and Pensions.
- You will also need to provide personal identification such as a passport or full UK photocard driving licence plus proof of where you live such as a recently paid gas or electricity bill.

To open a Cash Junior ISA:

- You will need to provide the birth certificate of the child as well as your personal identification and proof of where you live.

If you are unable to call into a branch to open an account personally, please call 01228 403141. Alternative and additional forms of identification and address verification are required from new customers who are unable to visit a branch.

If you would like to transfer an ISA to the Cumberland from another bank or building society speak to a member of staff at your local branch or call 01228 403141.

### IMPORTANT NOTE

New Investors. We require new investors to agree to assign any possible future windfall rights, in the unlikely event of conversion to a bank or a takeover, to a charitable foundation. Full details are set out in our ISA application form.

### FSCS

Your eligible deposits with Cumberland Building Society are protected up to a total of £85,000 by the Financial Services Compensation Scheme, the UK's deposit protection scheme. Any deposits you hold above the limit are unlikely to be covered. Further information is available from any Cumberland branch or by visiting [www.fscs.org.uk](http://www.fscs.org.uk)

Cumberland Building Society  
Cumberland House, Cooper Way,  
Parkhouse, Carlisle, CA3 0JF

Phone: 01228 403141

[customerservice@cumberland.co.uk](mailto:customerservice@cumberland.co.uk)

[cumberland.co.uk](http://cumberland.co.uk)