

Key features of our

Cash ISA

The Financial Conduct Authority is the independent financial services regulator. It requires us, The Co-operative Bank, to give you this important information to help you decide whether our Cash ISA is right for you. You should read this document carefully so that you understand what you're buying and then keep it safe for future reference.

Key features of our

Cash ISA

This document describes the important features of our Cash ISA. You should keep this document with the other account documents that you receive.

What is an ISA?

Individual Savings Accounts (ISAs) were introduced by the government to encourage more people to save for the future. To help with this, ISAs are tax efficient, making them a very effective way to make your money grow. This favourable tax treatment depends on the individual's circumstances and may be subject to change in the future.

There are different types of ISA - cash ISAs, stocks and shares ISAs, innovative finance ISAs and a lifetime ISA.

Cash ISA

This allows you to save money in a deposit-based savings account.

Stocks and shares ISA

This allows you to put money into a stock market-based investment, such as unit trusts, for the potential of greater returns. However, the value of investments in stocks and shares ISAs and the income from them may fall as well as rise and is not guaranteed; you may lose part or all of your investment.

Innovative Finance ISA

Lenders can benefit from tax-free interest courtesy of the innovative finance ISA (IFISA), which will cover loans arranged through peer-to-peer (P2P) platforms.

Lifetime ISA

From 6 April 2017, the lifetime ISA is available to people under the age of 40. Contributions of up to £4,000 can be made in each tax year and the government will then provide a 25% bonus on these contributions at the end of the tax year. The funds can be withdrawn from the age of 60, or before that for the purpose of purchasing a first home.

Please note, we do not offer stocks and shares ISAs, innovative finance ISAs or lifetime ISAs.

To save in a cash ISA you must be aged 16 or over and aged 18 or over for a stocks and shares ISA, innovative finance ISA or lifetime ISA.

How much can I save in an ISA?

The government limits the amount you can save and invest in ISAs each tax year** (6 April to 5 April the following year).

The 2017/2018 ISA allowance is £20,000 and you can save any part of, or your whole ISA allowance in a cash ISA, a stocks and shares ISA, innovative finance ISA or a lifetime ISA or a combination of the four.

The following chart illustrates this:

In the 2017/2018 tax year**	Cash ISA	Stocks and Shares ISA	Innovative Finance ISA	Lifetime ISA	Maximum total allowance
From 6 April 2017 to 5 April 2018.	Up to £20,000 less whatever you deposit in a stocks and shares ISA, an innovative finance ISA and a lifetime ISA	Up to £20,000 less whatever you deposit in a cash ISA, an innovative finance ISA and a lifetime ISA.	Up to £20,000 less whatever you deposit in a cash ISA, stocks and shares ISA and a lifetime ISA	Up to £4,000. Contributions to a lifetime ISA count toward the overall £20,000 ISA contribution limit	Up to £20,000.

If you pay into a cash ISA, you will be subscribing to a cash ISA for the current tax year** and you will be limiting the amount of tax efficient savings you can make in a stocks and shares ISA, innovative finance ISA and lifetime ISA. Where you do not use your full ISA allowance within a tax year**, it cannot be carried forward into the next tax year**.

The tax information provided is based on our current understanding of current law and HM Revenue & Customs practice which can change. Tax treatment depends on an individual's personal circumstances.

Questions and answers

What is a Co-operative Bank Cash ISA?

- It's a deposit account, paying a variable rate of interest.
- An Individual Savings Account (ISA) is not an investment in its own right, it's a tax-free* wrapper in which you can hold your money to protect it from income and capital gains tax.
- Because of the tax benefits of ISAs, the government has set limits on the amount you can invest in an ISA in each tax year** – see the previous page for details of the ISA investment limits.
- Anyone who is aged 16 or over can invest in a Cash ISA. In addition, you must be resident in the UK for tax purposes. Accounts must be opened in a single name only and cannot be opened as a joint account.

How do I pay into an account?

- Standing order.
- Direct transfer from another Co-operative Bank account or another bank account.
- At any Co-operative Bank branch.
- By sending a cheque through the post.
- By cheque at any Post Office® branch.

How do I take money out?

You can have access to your money at any time by the following methods:

- online transfer
- electronic transfer by Telephone Banking
- cheque by Telephone Banking
- over the counter.
- Please note: This is not a flexible ISA so any withdrawals of capital cannot be replaced.

How much can I pay in?

- The minimum amount needed to open a Cash ISA is £1 and you can make further deposits at any time.

- You can pay up to £20,000 into a cash ISA in the 2017/2018 tax year** less any amount you have already contributed to a stocks and shares ISA, innovative finance ISA or lifetime ISA. You can withdraw as much of the balance of your ISA as you like without any interest charges. Please note, once you have paid in your full allowance for the tax year**, you can't make any further payments until the next tax year**, regardless of any withdrawals.
- You cannot subscribe to a Cash ISA with us if you have already contributed to another cash ISA using this tax year's** ISA allowance, or if you have already invested the full ISA allowance in this tax year**.
- If you do not place any money in your account during a tax year**, you will need to contact us to make a new declaration should you wish to make a deposit in the following tax year**.

What interest will I earn on my money?

- Interest is calculated daily on your cleared balance and credited to your account annually on 5 April.
- Interest rates will change from time to time to reflect changes in short-term interest rates generally and, in particular, the Bank of England base rate. We will always notify you of any changes. Please see the terms and conditions for notification time frames.
- The Co-operative Bank website displays the interest rates – go to [co-operativebank.co.uk/isa](https://www.co-operativebank.co.uk/isa). If it's more convenient call us; see 'How to contact us' or visit your nearest branch for our latest rates.

What if my contributions exceed the ISA limits in any tax year?

If you put too much into your Cash ISA we'll return the money to you. How long that takes will depend on how you put it in:

- from another Co-operative Bank account, you'll have the money back the next day
- via electronic transfer from another bank, you'll have the money back about four days later
- by cheque, we'll have to wait for a cheque to clear before we send you the cheque back.

What happens to my savings if I die?

- The amount payable on death is the balance of your Cash ISA plus any interest up to the date of death.
- The tax-free* status of a cash ISA ceases on death, we will pay any additional interest earned after that date gross, but this may be taxable.
- A change in ISA rules means that if an ISA saver in a marriage or civil partnership dies, their spouse or civil partner will inherit their ISA tax advantages. Please contact us or read more about our Additional Allowance ISA at www.co-operativebank.co.uk/isas

Can I transfer my ISA?

You may transfer a cash ISA into a stocks and shares ISA or an innovative finance ISA.

Some ISA providers may also offer the facility to transfer in any money you have in a stocks and shares ISA or an innovative finance ISA to a cash ISA; we do not currently offer these type of transfers.

- **Transferring in** – You can transfer an existing cash ISA you have elsewhere into a Cash ISA with us by contacting us in branch or on the phone:
 - Your cash ISA with your existing provider may have restrictions relating to ISA transfers out and you may wish to check this before requesting a transfer to us.
 - You will not lose the tax benefits provided you first open a Cash ISA with us. **You must not withdraw the funds yourself to transfer to us as they will lose their tax-free* status.**

As you're only able to invest in one cash ISA in a tax year**, if you wish to transfer the current tax year's** subscriptions, you must transfer all of the subscription you have already made for the current tax year**.

You can, however, open a new Cash ISA with us by transferring previous tax years*** subscriptions of any

amount so long as it doesn't contain the current tax year's** subscription.

- **Transferring out** – You can transfer part or all of your Cash ISA to another provider at any time. You will not lose the tax benefits provided you first open a cash ISA with another provider. Your new provider should then be asked to contact us to arrange the transfer. **You must not withdraw the funds yourself to transfer as they will lose their tax-free* status.**

What about tax?

- Any interest on money saved in a cash ISA is paid tax-free*, which means completely free of UK income tax **provided you continue to meet HM Revenue & Customs regulations governing this product.**

Can I change my mind?

- You have a right to cancel your account 14 calendar days from the date the account is opened or upon receipt of your welcome letter, whichever is later. You can cancel by writing to us at Customer Services, The Co-operative Bank p.l.c., P.O. Box 200, Skelmersdale WN8 6NY, by calling **03457 212 212** (lines open 6am - 10pm, 7 days a week) or by visiting a Co-operative Bank branch.
- It's important that you notify us if you change your mind, and don't simply close your account. If you close your account without notifying us that you have changed your mind, you will lose the tax status of previous tax years*** subscriptions and if you have paid any of the current tax year's** subscription into the ISA, you will be unable to open a cash ISA with us or any other provider in the same tax year**.

*Tax-free is the contractual rate of interest payable where interest is exempt from income tax.

**A tax year runs from 6 April to 5 April the following year.

Other Information

How will I know how my Cash ISA is doing?

- We will send you a statement at the end of each tax year**.
- However, you can of course request an up-to-date balance at any time if you wish – see 'How to contact us' below.

How to contact us

If you would like to make additional contributions, make a withdrawal or if you have any other questions, you can call our telephone banking service on **03457 212 212**, (lines open 6am - 10pm, 7 days a week).

Or write to:

Customer Services
The Co-operative Bank p.l.c.
P.O. Box 200
Skelmersdale
WN8 6NY

If you need to complain

The Co-operative Bank has well-established complaints handling procedures to ensure that all causes of concern are dealt with fairly and promptly. Please contact us if you would like us to send you details of these procedures.

If you want to register a complaint, simply telephone **03457 212 212** (lines open 6am - 10pm, 7 days a week) visit any branch or write to:

The Co-operative Bank
Customer Response
Ground Floor
Miller Street
Manchester
M60 0AL

Ultimately, if no resolution can be reached, our Team Managers/Relationship Managers will be happy to advise you on the Bank's complaints procedure. The Co-operative Bank is covered by the Financial Ombudsman Service, which resolves individual complaints against banks in the UK.

- If your complaint is not dealt with to your satisfaction, you can then complain to:
Financial Ombudsman Service
Exchange Tower
London E14 9SR
Tel: 0800 023 4567
- Making a complaint will not affect your legal rights.

Terms and conditions

- This document gives a summary of our Cash ISA. It does not include all the terms and conditions.
- We have the right to change some of these terms and conditions. We will always notify you of the change; for notification time frames, please see the terms and conditions.
- If you would like a copy of the terms and conditions, please ask an adviser, call us, see 'How to contact us' opposite, or visit **co-operativebank.co.uk/isa**

Law

- English Law will apply.

Compensation

- The Co-operative Bank p.l.c. is covered by the Financial Services Compensation Scheme (FSCS), which would pay compensation of up to £85,000 to eligible depositors in the event of the Bank becoming insolvent. **smile** and Britannia are trading names of The Co-operative Bank and, as such, protection provided to depositors by the FSCS is limited to £85,000 for the total amount of combined deposits held with The Co-operative Bank, **smile** and Britannia. Certain customers are not covered by the FSCS. For further information please visit www.FSCS.org.uk

Current accounts

Accounts for children

Student accounts

Mortgages

Loans

Credit cards

Savings

Business & community banking

Ethics as standard

The **co-operative** bank

Please call 03457 212 212* (lines open 6am - 10pm, 7 days a week) if you would like to receive this information in an alternative format such as large print, audio or Braille.

The Co-operative Bank p.l.c. is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (No.121885). The Co-operative Bank, Platform, smile and Britannia are trading names of The Co-operative Bank p.l.c., P.O. Box 101, 1 Balloon Street, Manchester M60 4EP. Registered in England and Wales No.990937. Credit facilities are provided by The Co-operative Bank p.l.c. and are subject to status and our lending policy. The Bank reserves the right to decline any application for an account or credit facility. The Co-operative Bank p.l.c. subscribes to the Standards of Lending Practice which are monitored by the Lending Standards Board.

*Calls to 0800 and 0808 numbers are free from landlines and mobiles. Calls to 03 numbers cost the same as calls to numbers starting with 01 and 02. Calls to 0845 and 0870 numbers cost 3p per minute, plus your phone company's access charge. Calls to 0844 and 0843 numbers cost 7p per minute, plus your phone company's access charge. Calls may be monitored or recorded for security and training purposes. Information correct as at 04/2017.