

Marks & Spencer Fixed Rate Savings Issue 13 (cash ISA)

TERMS AND CONDITIONS

The following Terms and Conditions cover deposits made into the Marks & Spencer Fixed Rate Savings Issue 13 via the Account. These Terms and Conditions are in addition to the Marks & Spencer Cash Individual Savings Account Terms and Conditions. You should also read the Key Features document for the Account.

1. Definitions

"Fixed Rate Bond(s)" means deposit(s) paying a fixed rate of interest for a specified period of time.

"Start Date" means for each deposit you make into a Fixed Rate Bond the day that we receive your application and payment.

"Maturity Date" means for each deposit you make into a Fixed Rate Bond, depending on the period you have selected, the same day one year, two years or three years from the Start Date, unless that day is a non working day, in which case it will be the next working day.

Unless the context requires otherwise, terms defined in the Marks & Spencer Cash Individual Savings Account Terms and Conditions have the same meaning in these Terms and Conditions.

2. Fixed Rate Savings Options

- (i) You can deposit money in Fixed Rate Bonds over the following periods:
 - (a) one year
 - (b) two years, or
 - (c) three years

A different rate of interest will apply in respect of Bonds of each period, see paragraph 7 below.

- (ii) The Fixed Rate Bonds outlined in (i) above are subject to availability and we reserve the right to:
 - (a) withdraw them at any time and decline any applications, and
 - (b) launch subsequent issues at different rates of interest

3. Deposits

- (i) You can make a lump sum deposit by cheque or debit card (Visa Debit, Maestro, or Debit Mastercard cards are accepted).
- (ii) Monthly savings by Direct Debit are not available.
- (iii) You can deposit money in one or more of the Fixed Rate Bonds the periods for which are outlined in 2(i) above, and make further deposits, subject to the Cash ISA subscription limit given in 5(i) below. You cannot make further deposits after the Start Date into your Fixed Rate Bond. However, you can make a further deposit into a new Fixed Rate Bond which will have a different Start and Maturity date to your original Fixed Rate Bond.

4. Minimum Deposit

- (i) The minimum deposit is £500 into any one Bond of one of the periods outlined in paragraph 2(i) above.

5. Maximum Deposit

- (i) The maximum that can be subscribed to a Cash ISA in each tax year is prescribed in the ISA Regulations. The current subscription limit is detailed in our Cash ISA Key Features Document.

6. Certificate of Deposit

- (i) You will receive a certificate for each deposit made giving the following information:
 - (a) the amount deposited,
 - (b) the Start Date,
 - (c) the Maturity Date, and
 - (d) the fixed rate of interest that will apply

7. Interest

- (i) The following rates of interest will apply:

	1 year bond	2 year bond	3 year bond
AER/Tax Free*	3.25%	3.50%	3.75%

*AER is the Annual Equivalent Rate. This is the interest rate you would receive if interest was paid and added to your savings on an annual basis. Tax-free means free of UK Income Tax.

- (ii) The rate of interest will be fixed from the Start Date until the Maturity Date and will not change.
- (iii) Interest will be calculated daily on the balance of each Fixed Rate Bond you hold. Annual interest as at the anniversary of the Start Date, or the next working day if the anniversary of the Start Date is a non-working day, will be credited to each Bond within 30 days following the annual anniversary. Alternatively you can instruct us on application to have interest paid out to your nominated bank or building society account.
- (iv) The calculation of interest will commence on the next day following the Start Date. Interest will be calculated up to and including the date of withdrawal or the Maturity Date.
- (v) Interest will be paid without the deduction of tax.

- (vi) If you die the money in your Account will continue to attract interest. The tax benefits of an ISA cease on death and tax at a rate of 20% will be deducted on any interest paid after this date.

8. Switching

- (i) You may switch money held in your Account from the Variable Rate Savings Option into any of the Fixed Rate Bonds, subject to the minimum deposit requirement set out in paragraph 2(i).
- (ii) You may switch money held in your Account from any of the Fixed Rate Bonds into the Variable Rate Savings Option at any time. Except for where the switch is made on or after the Maturity Date, this will be subject to the withdrawal charges set out in paragraph 9(ii) below.
- (iii) Instructions to switch from the Fixed Rate Savings Option to the Variable Rate Savings Option under 8(ii) above, will be completed on the day we receive your instructions. Interest calculated up to the day we receive your instructions will be added to the amount to be switched from the Fixed Rate Savings Option. Any withdrawal charges set out in paragraph 9(ii) below will be deducted from the amount to be switched. The amount switched will be deposited into the Variable Rate Savings Option on the same day, and the calculation of interest at the variable rate will commence on the next day.

9. Withdrawals

- (i) Subject to (iv) below, on your instructions you can make a full withdrawal of any Fixed Rate Bond held to occur within a timescale you stipulate. Partial withdrawals from a Fixed Rate Bond are not permitted.
- (ii) Withdrawals, except those made on or after the Maturity Date, will be subject to the following charges:

	1 year bond	2 year bond	3 year bond
Charges	£50	£75	£100

- (iii) Interest calculated up to and including the date we receive your instructions to withdraw will be credited to your Bond.
- (iv) The charges outlined in (ii) above will be deducted from the final interest credited to the Fixed Rate Bond on withdrawal and if this is not sufficient, from the amount deposited.
- (v) A full withdrawal may be made against a deposit in a Fixed Rate Bond after the following period has lapsed following receipt of the deposit:
 - (a) three working days for a payment by debit card, and
 - (b) six working days for a payment by cheque. These periods are indicative only and a withdrawal is subject to cleared funds being available. Please note that the central clearing system normally takes six working days.
- (vi) You can telephone us on 0800 028 28 24 between 8am and 8pm Monday to Friday and 9am and 5pm on Saturdays, or write to us, to make a withdrawal.
- (vii) We may ask you to confirm telephone instructions in writing.
- (viii) The timescale stipulated by you in (i) above may not be less than five working days from the day we are in receipt of your instructions. If we require written confirmation of the telephone instruction the timescale stipulated by you cannot be less than five working days from the day we receive your written confirmation.
- (ix) We will process your instruction as soon as possible and in any event within five working days of receipt of your instruction. If we require you to confirm a telephone instruction in writing the processing of your instruction will be completed within the five working days commencing on the day we receive your written instruction.
- (x) Payment will be made by cheque made payable to you or direct to your bank or building society account. Withdrawals cannot be made by standing order or Direct Debit.
- (xi) Once you have subscribed the maximum permitted under paragraph 5 above for a current tax year, if during that tax year you then withdraw an amount you cannot then pay it or a portion of it back into your Account during that tax year.

10. Maturity

- (i) We will send you notice of maturity at least 14 days prior to the Maturity Date of each Fixed Rate Bond held.
- (ii) The notice in (i) above will outline the options open to you in respect of the Fixed Rate Bond approaching maturity. This may include the option to transfer to any new Fixed Rate Bond we make available at that time, or the Variable Rate Savings Option of the Account.
- (iii) The notice in (i) will include the option to withdraw on maturity and have your deposit and interest earned returned to you. Payment will be made by cheque made payable to you or direct to your nominated bank or building society account.
- (iv) If you do not respond by selecting one of the options outlined in our notice on or before the Maturity Date, we reserve the right to transfer the matured Fixed Rate Bond to any new Fixed Rate Bond we make available at that time, or the Variable Rate Savings Option of the Account. Our decision as to which of these options will apply will be outlined in our notice to you. We will ensure that unless you give us an instruction under (iii) above and subject to paragraph 15 of the Marks & Spencer Cash Individual Savings Account Terms and Conditions, your deposit remains within your tax advantaged Account at all times.