



# Cash ISA Investment ISA

## Key Information Pack

Key Features and Terms and Conditions  
for the Post Office® Cash ISA and the  
Post Office® Investment ISA

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## Key features of the Post Office<sup>®</sup> Cash ISA

The Financial Services Authority is the independent financial services regulator. It requires us, Family Investments, to give you this important information to help you decide whether the Post Office<sup>®</sup> Cash ISA is right for you.

You should read this section carefully so that you understand what you are buying, and then keep this document safe for future reference. You should read these Key Features with the Terms and Conditions, which contain more detailed information about how this ISA will work.

The Post Office<sup>®</sup> Cash ISA is provided by Family Investments and your money will be deposited with Bank of Ireland UK. Any reference to “we”, “us” or “our” in these Key Features means Family Investments.

### Summary Box – Key Product Information for the Post Office<sup>®</sup> Cash ISA

<b>Account Name</b>	Post Office <sup>®</sup> Cash ISA
<b>Interest rate (AER)</b>	The interest rate is variable. A bonus rate is also payable on all deposits made in the first tax year, for 12 months from the date the Account opens. Interest is paid annually in March.
<b>i</b>	Current Interest rates can be found in-branch, online, or you can contact us by phone. For more information on interest, please see page 15 of the Terms and Conditions.
<b>Tax status</b>	Tax-free
<b>Conditions for bonus payment</b>	None
<b>Withdrawal arrangements</b>	<b>Notice period</b> – none <b>Withdrawal penalties</b> – none The minimum amount you can withdraw is £10 or the value of your ISA, whichever is less.
<b>Access</b>	<b>Account details:</b> You can obtain the current value and any other details about your Account by calling us or writing to us. <b>Paying money in:</b> Deposits can be made – at any Post Office <sup>®</sup> branch – by post <b>Withdrawing money:</b> You can make a withdrawal by calling us or writing to us. We will either send you a cheque or pay your money into an account you have previously nominated <b>You cannot withdraw money over the counter at a Post Office<sup>®</sup> branch.</b>

**i** For more information on paying money in see “How can I pay money in?” opposite.  
For more information on Nominated Accounts and withdrawals, please see pages 18 & 19 of the Terms and Conditions.

## Any questions?

### Your key questions answered

<b>Is the Post Office<sup>®</sup> Cash ISA right for me?</b>	The Post Office <sup>®</sup> Cash ISA could be right for you if you are a UK taxpayer aged 16 or over who would like to save money in a tax-free savings account where your money will earn interest. Please remember the tax advantages depend on your individual circumstances and the tax treatment of cash ISAs may change in the future. Neither we, nor the Post Office <sup>®</sup> , are able to give you advice on whether or not this product is suitable for you. If you need advice, you should contact a financial adviser.
<b>Who can invest in the Post Office<sup>®</sup> Cash ISA?</b>	Provided you are 16 or over and a UK resident for tax purposes then you can invest. You cannot pay in to more than one cash ISA in the same tax year. ISAs cannot be applied for in joint names.

**i** Please see page 13 of the Terms and Conditions for more information on eligibility.

<b>Is the Post Office<sup>®</sup> Cash ISA a stakeholder ISA?</b>	No, the Post Office <sup>®</sup> ISA is not a stakeholder ISA.
<b>When will my Account open?</b>	We will open your Account when we accept your application and either: <ul style="list-style-type: none"> <li>• we receive and accept your deposit; or,</li> <li>• we request the transfer value for your existing ISA.</li> </ul> There may be delays in opening your ISA because we need to ask you for more information or proof of your identity. If this happens, we will let you know. No interest will be paid until your ISA is open. If we are unable to open an Account within 30 days of receiving your application, any deposits you have made will be returned without growth or interest.

**i** Please see page 13 of the Terms and Conditions for more information on accepting your application and opening your Account.

## Your key questions answered

**How can I pay money in?** Money can be paid in by cash, cheque or debit card at any Post Office® branch. You can also send cheques directly to us, set up a Direct Debit or arrange to transfer money directly from your Post Office® Instant Saver account. To open your ISA, you must pay in at least £100. Once your ISA is open deposits of £1 or more can be made. Direct Debit payments must be for at least £10. The maximum you can save in a cash ISA this tax year is £5,100, but this limit may be reduced if you are also investing in a stocks and shares ISA. If you are paying your first deposit in cash at a Post Office® branch there is a maximum limit of £1,000.

**i** Further details about how you can top-up your ISA will be sent to you in your Welcome Pack. You can also find more information on page 13 of the Terms and Conditions.

**How will I know how much my savings are worth?** Every year we will send you a statement showing the balance of your ISA as at 31st December. You can also obtain the current value by telephoning our Customer Services Team.

**Are there any charges?** We do not charge to set up our cash ISA or to process standard transactions. We may, however, charge a small administration fee for cancelling and reissuing cheques, or issuing duplicate or additional statements. You will be told whether we will make a charge and how much it will be when you make a request. Charges may change in the future. If we introduce a new charge, we will tell you about it personally at least 30 days before the change comes into force.

**Can I change my mind?** If you change your mind, you will have 14 days from the day the Account opens to let us know in writing that you would like to cancel. You will receive a full refund of the deposits you have paid plus tax-free interest. If you do not cancel your ISA within the 14-day cancellation period, you will only be able to open another cash ISA with another provider if they accept transfers.

**i** See page 14 of the Terms and Conditions for more information about cancellation, including information on what happens if you cancel and you have requested a transfer.

**Can ISAs be transferred?** Yes. ISA rules allow you to transfer your savings in any existing cash ISAs you hold to your Post Office® Cash ISA. We accept both full and partial transfers. You can also transfer your Post Office® Cash ISA in full to either another cash ISA or another stocks and shares ISA. We do not charge for this.

**i** See page 16 of the Terms and Conditions for more information about transfers.

## Other information


### Complaints


If you need to make a complaint, please contact us and we will do everything we can to resolve your complaint as soon as possible, but please allow up to 5 working days for a reply.

When we first write to you, a summary of the procedures used when resolving your complaint will be sent to you. A copy of these procedures is also available on request.

If you are not satisfied with the response you have received, the Financial Ombudsman Service (FOS) may be able to help. They are independent and can help resolve disputes between firms and their customers. You can contact them by writing to:

**The Financial Ombudsman Service (FOS),  
South Quay Plaza, 183 Marsh Wall,  
London, E14 9SR.**

 0845 080 1800

 email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

 web: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

Making a complaint won't affect your legal rights.

**i** For more information about how to make a complaint about a financial product or service, including information on your legal rights, please see the FSA's leaflet "Just the facts about making a complaint", which is available on their website or by calling the FSA consumer helpline on **0845 606 1234** or visiting their website at **[www.moneymadeclear.fsa.gov.uk](http://www.moneymadeclear.fsa.gov.uk)**

### Compensation

Money paid into Post Office cash ISAs is deposited with Bank of Ireland UK and those deposits are protected by the Financial Services Compensation Scheme (FSCS). The FSCS can pay compensation to depositors if a bank is unable to meet its financial obligations. Most depositors – including most individuals and small businesses – are covered by the scheme.

An eligible depositor is entitled to claim up to £50,000. For joint accounts, each account holder is treated as having a claim in respect of their share so, for a joint account held by two eligible depositors, the maximum amount that could be claimed would be £50,000 each (making a total of £100,000). The £50,000 limit relates to the combined amount in all the eligible depositor's accounts with the bank including their share of any joint account, and not to each separate account.

For further information about the scheme (including the amounts covered and eligibility to claim), please either contact us or contact the FSCS at:

**Financial Services Compensation Scheme (FSCS), 7th floor Lloyds Chambers,  
1 Portsoken Street, London, E1 8BN**

0207 892 7300

web: [www.fscs.org.uk](http://www.fscs.org.uk)



**i** For more details on how your money is protected, please see the Client Money section of the Terms and Conditions on page 22.

## Key features of the Post Office® Investment ISA

The Financial Services Authority is the independent financial services regulator. It requires us, Family Investments, to give you this important information to help you decide whether the Post Office® Investment ISA is right for you.

You should read this section carefully so that you understand what you are buying, and then keep this document safe for future reference. You should read these Key Features with the Terms and Conditions, which contain more detailed information about how this ISA will work.

The Post Office® Investment ISA is provided by Family Investments. Any reference to “we”, “us” or “our” in these Key Features means Family Investments.

### Its Aims

- To provide a low cost way for you to invest tax-efficiently over the medium to long term.
- To give you easy access to your investment.
- To achieve growth by investing in a range of funds which invest mainly in stocks and shares, and fixed interest investments.

### Your Investment

- You can open a Post Office® Investment ISA with as little as £100.
- You can invest your money for as long or as short a time as you like; however, as the investment is linked to the stock-market, you should be prepared to invest for at least 5 years.

### Risk Factors

- The value of your ISA is not guaranteed. It depends upon the value of the fund which can go down as well as up. You may get back less than you have invested.
- If the value of your ISA falls unexpectedly shortly before you want or need to withdraw your money, it could mean that you do not have enough money to meet your needs.
- The purchasing power of your savings may be reduced by increases in the cost of living.
- If you decide to cancel and the share price has fallen, the amount returned to you may be less than the amount invested.
- The tax advantages of ISAs depend on your individual circumstances and their tax treatment may change in the future. If the tax treatment of ISAs changes, the potential growth on your investment will be reduced.

### Your key questions answered

<p><b>Is the Post Office® Investment ISA right for me?</b></p>	<p>The Post Office® Investment ISA is a stocks and shares ISA which aims to provide good potential for growth on your investment by enabling you to gain some exposure to the stock market. As with all stock market-based investments, there is a risk that you may lose money. It could be right for you if you are happy to take some risk in order to increase the potential return on your investment.</p> <p>Please note that neither we, nor the Post Office®, are able to give you advice on whether or not this product is suitable for you. If you need advice, you should contact a financial adviser.</p>
<p><b>Who can invest in the Post Office® Investment ISA?</b></p>	<p>Provided you are 18 or over and a UK resident for tax purposes, you can invest. ISAs cannot be applied for in joint names and you cannot pay into more than one stocks and shares ISA in the same tax year.</p>
<p><b>i</b> Please see page 13 of the Terms and Conditions for more information on eligibility.</p>	
<p><b>When will my Account open?</b></p>	<p>We will open your Account when we accept your application and either:</p> <ul style="list-style-type: none"> <li>• we receive and accept your deposit; or,</li> <li>• we request the transfer value for your existing ISA.</li> </ul> <p>There may be delays in opening your ISA because we need to ask you for more information or proof of your identity. If this happens, we will let you know. If we are unable to open an account within 30 days of receiving your application, any subscriptions you have given us will be returned without growth or interest.</p>
<p><b>i</b> Please see page 13 of the Terms and Conditions for more information on accepting your application and opening your account.</p>	
<p><b>How can I pay money in?</b></p>	<p>Money can be paid in by cash, cheque or debit card at any Post Office® branch. You can also send cheques directly to us, set up a Direct Debit, or arrange to transfer money directly from your Post Office® Instant Saver account.</p> <p>To open your ISA, you must pay in at least £100. Once your ISA is open deposits of £10 or more can be made. The maximum you can invest in this tax year is £10,200, but this limit will be reduced by any amount you have already paid into a cash ISA. If you are making your first payment in cash at a Post Office® branch there is a maximum limit of £1,000.</p>
<p><b>i</b> Further details about how you can top-up your ISA will be sent to you in your Welcome Pack. You can also find more information on page 13 of the Terms and Conditions.</p>	




## Your key questions answered

<p><b>Where is my money invested?</b></p>	<p>Your money is invested in the FI Post Office® Cautious Managed Investment Fund, which is a sub-fund (the fund) of an ICVC.</p> <p>ICVC stands for Investment Company with Variable Capital. An ICVC is a type of company or fund specially created to invest in other companies and other investments.</p> <p>ICVCs usually have one or more sub-funds in which investors can buy shares to create a pool of money, which is then managed by an experienced Investment Adviser on their behalf. These experts use this money to buy investments such as stocks and shares.</p> <p>By doing this, an individual's money can be invested across a wide range of assets, helping to spread the risks associated with investing in stock market-linked investments.</p>
<p><b>What is the aim of the fund and where does it invest?</b></p>	<p>The fund aims to provide medium to long-term growth, mainly by investing in other funds that, in turn, invest in stocks and shares, and fixed interest securities (bonds). Most of the investment will be in the UK with some overseas.</p> <p>Initially, the fund will invest in a range of Aviva funds so that a maximum of 60% will be invested in shares and at least 30% in bonds and cash. There may also be some investment in property funds.</p> <p>Details about where the fund is currently invested are available by contacting us.</p>
<p><b>i</b> For more details about the fund, please write to us and ask for a copy of the Scheme Prospectus.</p>	
<p><b>How will I know how much my investment is worth?</b></p>	<p>Every 6 months we will send you a statement showing the value of your ISA as at 30th June and 31st December.</p> <p>Daily share prices for the FI Post Office® Cautious Managed Investment Fund are available on the Post Office® website – <a href="http://postoffice.co.uk/savings">postoffice.co.uk/savings</a>. The share prices and an up-to-date valuation are also available by contacting us.</p>

## Your key questions answered

<p><b>What are the charges and expenses?</b></p>	<p>There is an initial charge of 2.5% of each subscription. We also apply an annual management charge of 1.25% of the value of the fund. Thinking about it in terms of your ISA, this would mean that if your ISA was valued at £1,000 throughout the year, £12.50 would have been deducted.</p> <p>In addition, there are certain expenses that are deducted directly from the fund. These change but are currently estimated to be no greater than 0.2% of the value of the fund each year.</p> <p>We may also charge a small administration fee for cancelling and reissuing cheques or issuing duplicate or additional statements. You will be told if we will make a charge and how much it will be when you make a request.</p>																							
<p><b>i</b> More details about the charges and expenses are available in on page 15 of the Terms and Conditions or in the Scheme Prospectus. If you would like a copy of the Scheme Prospectus, please write to us.</p>																								
<p><b>How will the charges and expenses affect the growth of my ISA?</b></p>	<p>The effect of the charges and expenses on the growth of your ISA, assuming you invested a £3,000 lump sum that grew by 6.25% a year for 10 years, is set out in the table below:</p> <table border="1" data-bbox="1355 774 2163 981"> <thead> <tr> <th></th> <th>At end of year</th> <th>Investment to date</th> <th>Effect of deductions to date</th> <th>What you might get back</th> </tr> </thead> <tbody> <tr> <td><b>1</b></td> <td></td> <td>£3,000</td> <td>£125</td> <td>£3,060</td> </tr> <tr> <td><b>5</b></td> <td></td> <td>£3,000</td> <td>£379</td> <td>£3,680</td> </tr> <tr> <td><b>10</b></td> <td></td> <td>£3,000</td> <td>£862</td> <td>£4,630</td> </tr> </tbody> </table> <p>The table shows that over 10 years, the charges and expenses could reduce the growth on your ISA by £862.</p> <p>Putting it another way, this would have the same effect as reducing growth from 6.25% a year to 4.45% a year.</p> <p>What you get back is not guaranteed. You could get back less than you invest.</p>					At end of year	Investment to date	Effect of deductions to date	What you might get back	<b>1</b>		£3,000	£125	£3,060	<b>5</b>		£3,000	£379	£3,680	<b>10</b>		£3,000	£862	£4,630
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<b>10</b>		£3,000	£862	£4,630																				
<p><b>What tax is payable?</b></p>	<p>The proceeds from your ISA will be free from Income Tax and Capital Gains Tax. Please note that the ISA is not tax-free as the fund is subject to corporation tax and Stamp Duty Reserve Tax (SDRT).</p> <p>You do not need to declare your ISA on your tax return.</p>																							
<p><b>i</b> If you would like more details about the taxation on the fund, please write to us and ask for a copy of the Scheme Prospectus.</p>																								

## Your key questions answered

<b>Can I change my mind?</b>	<p>Yes. If you change your mind about this ISA, you will have 14 days from the day the Account opens to let us know in writing that you would like to cancel. If the share price falls between the date your payment was invested and the date we receive your instruction to cancel, you may not receive a full refund of the amount you have invested.</p> <p>If you do not cancel your ISA within the 14-day cancellation period, you will only be able to open another stocks and shares ISA with another provider if they accept transfers.</p>
<p> Please see page 14 of the Terms and Conditions for more information about cancellation, including information on what happens if you cancel and you have requested a transfer.</p>	
<b>What if I need some money from my Account?</b>	<p>You should view your Post Office® Investment ISA as a medium to long-term investment. However, there is no set term, so you can cash in part or all of your investment whenever you need to.</p> <p>To make a withdrawal, you simply need to call us or write to us letting us know how much you would like to withdraw. We will either send you a cheque or pay your money into an account that you have previously nominated.</p> <p><b>You cannot withdraw money over the counter at a Post Office® branch.</b></p> <p>The minimum amount you can withdraw is £10 or the value of your ISA, whichever is less.</p>
<p> Please see pages 18 and 19 of the Terms and Conditions for more information on Nominated Accounts and withdrawals.</p>	
<b>Can ISAs be transferred?</b>	<p>Yes. You can transfer your existing ISA or ISAs to a Post Office® Investment ISA. This includes existing cash ISAs. We accept both full and partial transfers.</p> <p>You can also transfer your Post Office® Investment ISA in full to another stocks and shares ISA with a different ISA manager. We do not charge for this.</p>
<p> See page 16 of the Terms and Conditions for more information about transfers.</p>	
<b>Where can I find out more?</b>	<p>For more details on how the Post Office® Investment ISA works, please see the Terms and Conditions included in this pack.</p> <p>For more information about the fund, you can write and ask us for a copy of the Scheme Prospectus. This document provides detailed technical information and is aimed at experienced investors.</p>

## Other information


### Complaints

If you need to make a complaint, please contact us and we will do everything we can to resolve your complaint as soon as possible, but please allow up to 5 working days for a reply.

When we first write to you, a summary of the procedures used when resolving your complaint will be sent to you. A copy of these procedures is also available on request.

If you are not satisfied with the response you have received, the Financial Ombudsman Service (FOS) may be able to help. They are independent and can help resolve disputes between firms and their customers. You can contact them by writing to:


**The Financial Ombudsman Service (FOS),  
South Quay Plaza, 183 Marsh Wall,  
London, E14 9SR.**

 0845 080 1800

 email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

 web: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

Making a complaint won't affect your legal rights.

 For more information about how to make a complaint about a financial product or service, including information on your legal rights, please see the FSA's leaflet "Just the facts about making a complaint", which is available on their website or by calling the FSA consumer helpline on **0845 606 1234** or visiting their website at **[www.moneymadeclear.fsa.gov.uk](http://www.moneymadeclear.fsa.gov.uk)**

### Commission



Post Office® Financial Services will receive remuneration from us to the value of £4.27 plus 2.5% of each subscription. For example, if you subscribed £1,000, they would receive an initial amount of £29.27. They will also receive 0.35% of the fund value. Thinking about it in terms of your ISA, this would mean that if your ISA was worth £1,000 throughout the year, we would pay £3.50 and if it was worth £2,000 throughout the year, we would pay £7.00. The fund commission paid in future years may be higher than 0.35% per year, as the percentage paid may increase if the total value of the fund reaches a certain level. Please note, commission is paid out of the charges detailed in the "What are the charges and expenses?" section. No additional amounts will be deducted from your ISA.


### Compensation

You may qualify for compensation from the Financial Services Compensation Scheme (FSCS) if we cannot meet our obligations due to financial difficulties. Circumstances vary, but most types of investment business are protected up to the value of £50,000.

Further information is available from FSCS. You can contact them by writing to:

**Financial Services  
Compensation Scheme (FSCS)  
7th floor Lloyds Chambers  
1 Portsoken Street, London, E1 8BN**

 0207 892 7300  [www.fscs.org.uk](http://www.fscs.org.uk)

 For more details on how your money is protected, please see the Client Money section of the Terms and Conditions on page 24.

# Terms and Conditions

These are the Terms and Conditions of the Post Office® Cash ISA and Post Office® Investment ISA provided by Family Investments.

Please make sure you read this document as it contains information you need to know then keep it safely so you can refer to it in the future.

A Scheme Prospectus, which is aimed at experienced investors and provides detailed technical information about the fund in which the Post Office® Investment ISA invests, is also available on request by writing to us.

## Definitions

**'Account'** The Post Office® Cash ISA or Post Office® Investment ISA provided by Family Investments.

**'Branch'** A branch of the Post Office®.

**'Fund Manager'** Family Investment Management Limited – the Authorised Corporate Director (ACD) or “manager” of the ICVC.

**'HMRC'** HM Revenue and Customs.

**'ICVC'** Investment Company with Variable Capital – The Family Investment Funds ICVC.

**'ICVC Authorised Corporate Director (ACD)'** Family Investment Management Limited – The Fund Manager.

**'Internal Transfers'** A transfer from one ISA to another ISA, where both ISAs are provided by Family Investments.

**'ISA'** Individual Savings Account.

**'ISA manager'** A firm authorised by HMRC to provide and manage ISA investments.

**'Nominated Account'** A specified bank or building society account into which interest and withdrawal payments can be made.

**'Received/Receipt'** Unless otherwise stated, “Received” or “Receipt” means received by Family Investments.

**'Regulations'** The Individual Savings Account Regulations 1998 (as replaced or amended from time to time).

**'Rules'** The Financial Services Authority (FSA) rules (as replaced or amended from time to time).

**'Share'** A share in a sub-fund of the ICVC.

**'Sub-fund'** The Family Investment Funds ICVC acts as an “umbrella” fund under which there will be one or more sub-funds. The Post Office® Investment ISA can be invested in any one of the available sub-funds at any one time.

**'Tax Year'** A year beginning on 6th April in any year and ending on 5th April in the following year.

**'Unit'** A unit in a unit trust.

**'We/us/our'** Family Investments.

**'Working Day'** Any day of the week not including Saturdays, Sundays and English public (bank) holidays.

**'You/your'** ISA holder.

## Details of the firms involved

**ISA Manager:** Family Equity Plan Limited (part of the Family Investments group of companies), 16-17 West Street, Brighton, BN1 2RL. The main business of Family Equity Plan Limited is arranging investment business.

**Fund Manager (Authorised Corporate Director of the ICVC):** Family Investment Management Limited (part of the Family Investments group of companies), 16-17 West Street, Brighton, BN1 2RL.

**Deposit-taker (The bank providing the deposit account for the Post Office® Cash ISA):** Bank of Ireland (UK) plc (Bank of Ireland UK), Bow Bells House, 1 Bread Street, EC4M 9BE.

**Distributor:** Post Office® Limited, as an appointed representative of Bank of Ireland (UK) plc, is the promoter and distributor of the Post Office® Cash and Investment ISAs. Their principal place of business is 148 Old Street, London EC1V 9HQ.

**Investment Adviser for the ICVC:** Aviva Investors Global Services Limited, 1 Poultry, London, EC2R 8EJ.

**Depository for the ICVC:** State Street Trustees Limited, One Canada Square, Canary Wharf, London, E14 5AF.

**Auditors for the ICVC:** Mazars LLP, 24 Bevis Marks, London, EC3A 7NR.

**Regulator:** Family Equity Plan Limited and Family Investment Management Limited are authorised and regulated by the Financial Services Authority, 25 The North Colonnade, Canary Wharf, London, E14 5HS.

Family Equity Plan Limited is entered on the FSA Register under registration number 122351 and Family Investment Management Limited is entered on the FSA Register under registration number 122394.

Bank of Ireland UK is authorised and regulated by the Financial Services Authority.


Bank of Ireland UK is entered on the FSA register under registration number 512956. The FSA register can be viewed at [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register).

## Eligibility

You must be resident and ordinarily resident in the UK for tax purposes or, if not so ordinarily resident, be performing duties as a Crown employee serving overseas and paid out of the public revenue of the UK, or be married to, or in a civil partnership with, such a person. If you stop being eligible under the above criteria, you must let us know.

For the Post Office® Cash ISA, you must be aged 16 or over. For the Post Office® Investment ISA (a stocks and shares ISA), you must be aged 18 or over.

You may only pay in to a single cash ISA with one ISA manager in each tax year.

 Please see the “Transfers Out” section on page 17 for an exception to this.

You may only pay in to a single stocks and shares ISA with one ISA manager in each tax year.

Each ISA type can be with the same or different ISA managers.

We will let you know if the Account has, or will, become void because of any failure to meet the regulations that we are aware of.

If you believe that you have broken the ISA regulations (for example, by paying in to two cash ISAs), you must phone the HMRC ISA helpline on 0845 604 1701.

## Proof of Identity

Before you can open an Account, we will require proof of your identity to satisfy anti-money laundering legislation.

Where you are 18 or over, this will normally involve an electronic check through a credit reference agency. A record of the search will be retained on your credit history. By signing the application form, you are agreeing for such checks to take place.

If we are unable to verify you by these means, or you are under 18 at the time of application, we will require another form of proof. If we do not receive this within 30 calendar days of receiving your application, we will not be able to process your application and any payments you have made will be returned without growth or interest.

We may request further proof at any time after the Account has been opened including when you make a withdrawal, sell shares or close your Account. We will withhold the proceeds of any sale, withdrawal or transfer in the event that adequate proof is not provided. If you provide false or inaccurate information at any time

and fraud is identified, details can be passed to fraud prevention agencies. We and other organisations may also access and use this information to prevent fraud and money laundering.

Any cheques sent to you will always be made out in your name and sent to your verified address.

## Accepting your application and opening your Account

We will accept your application on the working day we receive it, unless:

- your application is incomplete, and/or it is necessary to clarify information on the application.
- we need to ask you for proof of identity.

Your account will be opened when your application has been accepted and:

- For applications made with a deposit: the date we accept and receive your deposit; or,
- For applications made with a transfer: the date we request the transfer value from your existing ISA manager.

If we are unable to open the Account within 30 days of receiving your application, any payments made will be returned without growth or interest within 4 working days of the end of the 30 day period.

There may be circumstances when we will be unable to accept your application. If this happens, we will let you know.

## Payments

To open your ISA, you must pay in at least £100. Once your ISA is open deposits of £1 or more can be made (Direct Debit payments must for at least £10).

Currently, you can pay in up to £10,200 in total into ISAs this tax year. Subject to this overall limit, you can pay in up to £5,100 into a cash ISA.

One-off payments can be made by sending a cheque directly to us. Post-dated cheques cannot be accepted.

You can make regular payments of £10 or more by Direct Debit. The maximum Direct Debit is £850 per month for the Post Office® Investment ISA and £425 per month for the Post Office® Cash ISA. If your bank regularly declines Direct Debit payments, we may write to you to let you know that we will no longer accept this method of payment.

Payments can also be made at a Post Office® branch by debit card, cheque or cash. Cash payments made with your application are limited to a maximum of £1,000.

Payments must be made with your own money. Direct Debits must be set up on personal bank or building society accounts only on which you are solely or jointly named.

If you do not make a payment into your Account during a tax year you will need to complete a new application form before you can make payments in subsequent tax years.

## Accepting payments

The following tables show when your payments will be accepted:

Payments made at a Post Office® branch	Day accepted
Cheque	On the 3rd working day* after you have made your payment at a Post Office® branch.
Debit Card	
Cash	

Payments sent to us by post	Day accepted
Cheque	The day we receive and date stamp the cheque.
Payment from your Post Office® Instant Saver Account	On the 4th working day* after we receive your instruction.
Direct Debit	The day the Direct Debit payment is received.

\* These timescales include the day the payment is made or the Instant Saver payment instruction is received (e.g. if you make your payment at a Post Office® branch on a Monday then it will be accepted on the following Wednesday).

We do not accept payments (or any post, including instructions to sell shares) on non-working days.

We only accept payments into accounts that are open. If your Account opens later than the dates in the tables above then the date we accept the payment will be the date the Account opens.

We are only able to accept payments into accounts that are correctly referenced and so enable us to identify the Account to which the payment should be applied.

## Investing

### (Post Office® Investment ISA only)

Payments into a Post Office® Investment ISA will purchase shares in a sub-fund of the Family Investment Funds ICVC.

The price used for to purchase shares depends on how you make your payment. For Direct Debit payments, the share price used will be the price on the day the Direct Debit is accepted. For all other payments, the share price used will be the price on the working day after the payment is accepted.

**i** For more details about the share price, the sub-funds available, please see the Scheme Prospectus. A copy of the Scheme Prospectus can be obtained by writing to us. Details about the sub-funds available can also be found in the Key Features.

## End of tax year

If your application is received towards the end of a tax year and we are unable to open, or there are delays in opening, your Account, your ability to open an ISA within that tax year may be affected.

At the end of the tax year, we may decide to accept post (including applications) and/or payments on non-working days. We may also decide to set one or more deadlines by which time payments or applications must be received by us (or handed in or paid at a branch of the Post Office®) so that they can be accepted before the end of the tax year. If you would like to make an application or payment at the end of the tax year and would like information about the annual deadlines, please contact us.

If you send in an application for the next tax year towards the end of the previous tax year, we may keep your application and open your ISA in the new tax year. If we do this, your ISA will open on 6th April (as long as we have everything we need to accept your application and open your Account) and your deposit or transfer value will not earn interest until this date.

## Cancellation

If you change your mind, you can cancel your Account by writing to us within 14 calendar days of the date the Account opens.

**Post Office® Investment ISA only** – If the share price falls between the date of investment and the date your instruction to cancel is received, a full refund of the amount invested may not be provided. Instead, you will receive the amount invested less the fall in value. The initial charge will be refunded.

**Post Office® Cash ISA only** – If you decide to cancel, we will return your money in full, together with any gross interest earned.

If you do not cancel your Account, you will not be able to open an ISA of the same type in the same tax year with another provider, you will only be able to transfer your Account to another provider if they accept transfers in.

**i** Please see the "Transfers Out" section on page 17 for an exception to this.

If you decide to cancel and any transfer you have requested on your application form has already taken place, you will have the following options:

- We can send you the proceeds – if this includes deposits you have made in the current tax year, this means you should not pay in to another cash ISA in this tax year
- You can transfer it back to the original ISA manager, if they choose to accept it
- You can transfer the proceeds to another cash ISA we offer or to any other ISA manager in the normal way (see page 17).

Any transfer money held while we are waiting for you to tell us what you would like us to do will not earn interest.

## Charges and taxes

**Post Office® Investment ISA only** – There is an initial charge of 2.5% of the value of each payment.

**Post Office® Investment ISA only** – There is also an annual management charge of 1.25% of the value of the fund deducted on a daily basis.

**Post Office® Investment ISA only** – In addition, there are certain expenses which are deducted directly from the fund. These change but are currently estimated to be no greater than 0.2% of the value of the fund each year.

We may also charge a small administration fee for cancelling and reissuing cheques or issuing duplicate or additional statements.

**Post Office® Investment ISA only** – The proceeds from a Post Office® Investment ISA are free from Income Tax and Capital Gains Tax. The fund is subject to corporation tax and Stamp Duty Reserve Tax (SDRT).

**Post Office® Cash ISA only** – Interest is free of UK income tax and capital gains tax, except where an ISA or a payment is voided when any interest will be subject to income tax.

Other taxes or costs may exist that are not paid or imposed by us.

**i** More details about tax and the charges and expenses for the Post Office® Investment ISA are available in the Scheme Prospectus. A copy of the Scheme Prospectus can be obtained by writing to us.

## Interest

### (Post Office® Cash ISA only)

Interest is calculated daily at 1/365 of the annual interest rate.

Payments will start to earn interest from the day they are accepted.

A variable interest rate will be paid. We may change the variable interest rate paid at any time. However, the Deposit-taker will ensure that if the Bank of England base rate (the base rate) changes so that the variable interest rate on your Account is more than 1% below the base rate, within 30 days the variable interest rate on your Account will be increased so that it is no more than 1% below the base rate.

A bonus rate will also be paid on all payments received within the first tax year for 12 months from the date the Account opens.

Current interest rates can be found in-branch, online or you can contact us by phone.

Interest will be added to your Account on 20th March each year.

You can ask to have your interest paid to you. To have interest payments paid to you, you must set up a Nominated Account.

Interest payments will be sent to your Nominated Account within two working days of the day that interest is added to your ISA. The payment should normally appear in your Nominated Account within 3 working days of the day we send it. Interest will only be paid into your Nominated Account when the interest payment is £10 or more.

If an interest payment sent to your Nominated Account is declined by your bank or building society, we will send that year's payment to you by cheque. In this event, any further interest payments will be added to your ISA until you provide us with details of a new Nominated Account.

If an interest payment is sent to you by cheque and the cheque remains uncashed after 6 years, we may decide to pay any such money to a charity of our choice. You will still be able to claim this money from us at a later date if you decide to do so.

## Changes to the interest rate

Within 3 working days of any change in the interest rate, the changes will be published in at least two national newspapers and the new rate will also be made available in Post Office® branches. Details of current rates will also be available on the Post Office® website at [postoffice.co.uk/savings](http://postoffice.co.uk/savings) or by contacting us.

We will notify you personally if the variable interest rate and/or the base rate changes and:

- The variable rate has fallen by more than 0.25% when compared to the base rate\* and you have more than £500 in your Account.
- The variable rate has fallen by more than 0.5% when compared to the base rate\* looking back over previous 12 months, or to the last time we notified you under this condition (whichever is the shorter time), and you have more than £250 in your Account.

\* this includes when the variable rate:

- is reduced by more than the reduction in the base rate.
- is increased by less than an increase in the base rate.
- has been decreased but there has been no reduction in the base rate.
- has not increased following an increase in the base rate.

If we make an error when telling you about interest rate changes or fail to tell you about a change, the change will still apply.

## Communication

**Post Office® Cash ISA only** – We will send you a statement each year detailing the year's transactions and the balance as at 31st December. Interest will only show on your statement once it has been added to the Account.

**Post Office® Investment ISA only** – We will send you a statement every 6 months detailing the period's transactions and total value as at 30th June and 31st December.

You can obtain an up to date value (including interest which has been calculated but not yet added to your Account) and details of recent transactions by telephone or post.

We will send you confirmation of any one-off payments made into your Post Office® Investment ISA. Payments made into a Post Office® Cash ISA will not be confirmed in writing.

Post Office® Investment ISA holders may request a copy of the latest annual and half-yearly long reports for the ICVC and short reports for the relevant sub-fund, and any other information which is available to direct shareholders.

It is possible for Post Office® Investment ISA holders to attend investor meetings of the ICVC and vote at such meetings. If you would like to do this, you must tell us. We may make a charge for this.

## Transfers

Transfers may be made from a cash ISA to either another cash ISA or to a stocks and shares ISA. Transfers may be made from a stocks and shares ISA to another stocks and shares ISA only.

If you transfer payments made in the current tax year from a cash ISA to a stocks and shares ISA, those payments will be treated as if they had been made to the stocks and shares ISA. This means that you will be regarded as never having paid into to your cash ISA. You could, therefore, pay in up to the full £5,100 cash ISA allowance later in that same tax year with the same or a different ISA manager, as long as you do not pay in more than £10,200 to ISAs in total.

It is possible that potential growth could be lost on a stocks and shares ISA, should markets rise while a transfer is taking place. Equally, it is possible that no interest will be earned on a cash ISA while a transfer is taking place.

We do not accept or offer in specie transfers (i.e. transferring assets without converting them to cash).

### Transfers In

An Account can be opened by transferring all or part of another ISA you hold. Transfers can also be made at any time once your Account is open.

Transfers of payments made in the current tax year and the growth or interest earned on those payments must be transferred in full.

Applications to open an Account with a transfer must be made on a Transfer Application Form. To request a transfer after your Account is open, you must complete a Transfer Instruction Form. Both forms are available by contacting us.

If you apply to open your ISA with a transfer, we will only accept your application if you are also applying to pay into the new ISA in the current tax year.

We will request the transfer value from your existing ISA manager on the working day after we accept your application or Transfer Instruction Form.

**Post Office® Cash ISA only** – The transfer value will earn interest from the date that the transfer value and valid Transfer History Form is received from your old provider.

**Post Office® Investment ISA only** – The transfer value will be invested at the pricing point on the working day after the transfer value and valid Transfer History Form is received from your old provider.

### Transfers Out

You can transfer your ISA to another ISA manager at any time. To arrange for the transfer, you will need to contact the new provider.

We are only able to process Transfers Out of the full value of your ISA in cash. Transferring your ISA will close it. If you wish to pay in again to a Post Office® ISA, you will need to complete a new application form.

We will begin the transfer process when we receive a valid instruction from the new ISA manager.

**Post Office® Cash ISA only** – The money in your Post Office® Cash ISA will be withdrawn and your ISA closed within 10 working days of the date a valid instruction from your new ISA manager is received. We will send the transfer amount to the new ISA manager on the working day after your ISA is closed.

**Post Office® Investment ISA only** – Your Post Office® Investment ISA shares will be sold and your ISA closed on the working day after we have received a valid instruction from your new ISA manager. We will send the transfer amount once all relevant payments have cleared.

You can ask us to sell the investments, or withdraw the cash, held within your ISA on a date later than that specified in the two paragraphs above. Any such date should be clearly stated in the instruction from your new ISA manager.

Any payments received on or after the day that we receive the instruction from your new ISA manager will not be accepted, instead they will be refunded to you once they have cleared.

A statement will be sent to you providing relevant details as at the date of transfer.

### Internal Transfers

Applications to open an Account with an internal transfer must be made on a Transfer Application Form. To request an internal transfer after your Account is open, you must complete a Transfer Instruction Form. Both forms are available by contacting us.

An Internal Transfer will close your existing ISA and any existing Direct Debits will be cancelled.

If you apply to open your ISA with an internal transfer, we will only accept your application if you are also applying to pay into to the new ISA in the current tax year.

**If you are transferring from a cash ISA to another cash ISA:**

The money in your ISA will be withdrawn and your ISA closed on:

- the working day after your application or Transfer Instruction Form is accepted;
- the working day all relevant payments have cleared; whichever is later.

If an application has been made for a new cash ISA, the new ISA will open on the following working day.

On the day after your original ISA closed, the value transferred will start to earn interest in the ISA it has been transferred to.

**If you are transferring from a cash ISA to a stocks and shares ISA:**

The money in your ISA will be withdrawn and your ISA closed on:

- the working day after your application or Transfer Instruction Form is accepted;
- the working day all relevant payments have cleared; whichever is later.

If an application has been made for a new stocks and shares ISA, the new ISA will open on the following working day.

On the 2nd working day after your cash ISA closed, shares/units will be purchased with the value transferred.

If you wish to pay in again to your cash ISA (where this is permitted by the terms and conditions and the Regulations), you will need to complete a new application form.

**If you are transferring from a stocks and shares ISA to another stocks and shares ISA:**

All units/shares held in your existing ISA will be sold (except for those bought with payments which have not yet cleared\*), and your ISA closed, on the 2nd working day after we have accepted your application or Transfer Instruction Form (e.g. if your application or Transfer Instruction Form was accepted on a Monday, your units will be sold and your ISA closed on the Wednesday).

If an application has been made for a new ISA, the new ISA will open on the following working day.

On the 2nd working day after your ISA closed, units/shares will be purchased with the value transferred.

Units/shares bought with payments which have not cleared when we process your application or Transfer Instruction Form, will be sold on the working day that they clear\*. This money will then be used to purchase shares 2 working days later.

Your existing ISA will be closed once all payments have been transferred.

\* Clearance times for transfers from a stocks and shares ISA may differ depending on the payment type – please contact Customer Services for details.

You can ask us to sell the investments, or withdraw the cash, held within your ISA on a date later than that specified in this section ("Internal Transfers"). If you would like a later date, you should state this when you apply.

## Withdrawals and closing your Account

You may request any number of withdrawals by calling us or writing to us. You may request any number of withdrawals. The minimum withdrawal amount is £10, or the value of the ISA, if it is lower. A regular withdrawal facility is not available and you cannot make withdrawals at a Post Office® branch.

If you do not have a Nominated Account, all payments made when you make a withdrawal or close your Account will be made by cheque.

If you have a Nominated Account, all payments when you make a withdrawal or close your Account will usually be sent to your Nominated Account unless you tell us to send you a cheque in your withdrawal instruction. Any such payments should normally appear in your Nominated Account within 3 working days of the day we send it.

If a withdrawal payment sent to your Nominated Account is declined by your bank or building society, we will send all future withdrawal payments to you by cheque until you provide us with the details of a new Nominated Account.

Once we have received your instruction to withdraw money or close your account it cannot be cancelled or amended.

You can be certain that payments you have made have cleared and available for withdrawal (or transfer, if you close your Account, or on death) 6 working days after they have been accepted (e.g. proceeds from a payment accepted on a Monday are available on the following Tuesday). This timescale applies to all references to the clearing of payments in the terms and conditions except where specifically stated.

**Post Office® Cash ISA only** – If you make a withdrawal or close your Account your money will be withdrawn from your Post Office® Cash ISA as soon as:

- a valid verbal or written instruction is received; and,
- all relevant payments have cleared.

**Post Office® Cash ISA only** – Interest on the withdrawal amount will be calculated up to and including the date of withdrawal or closure.

**Post Office® Investment ISA only** – The relevant Post Office® Investment ISA shares will be sold on the working day after we have received your instruction.

You can ask us to close your Account, sell the investments, or withdraw the cash held within your ISA on a date later than that specified above. Any such date should be clearly stated in your instruction.

Any payments we send to you when you make a withdrawal or close your Account will be sent within 4 working days of the day your shares are sold, or your cash withdrawn, provided that:

- all relevant payments on a Post Office® Investment ISA have cleared; and
- we have received the necessary authorisation and/or identification.

**Post Office® Cash ISA only** – Withdrawals will be made on the basis of “last in, first out”. This means that we will regard the payments most recently received (not including payments which have not yet cleared) as those being withdrawn for the purposes of calculating your interest.

If you have already paid the full annual allowance into an ISA or ISAs, you will not be able to make further payments in that tax year even if you make a withdrawal.

If your ISA balance is reduced to zero, it will remain open until the end of the tax year to allow you to make further payments.

**Post Office® Investment ISA only** – If you ask to withdraw a cash amount from your ISA, and this amount is 95% or more of the total value of your ISA at the time we process the withdrawal, we may have to sell all the shares you hold in your ISA and send you the total value. We do this because we do not know the share price in advance and if the price of your shares falls (between processing your withdrawal and actually selling your shares) your ISA may have insufficient value to meet the withdrawal request. Therefore, the amount you receive could be more or less than the sum you requested.

We will close your ISA if:

- you ask us to
- you request a transfer to another provider or another ISA provided by us. We will close your existing Account on completion of the transfer process
- we have to void your Account.

We may also decide to close your ISA if:

- a) exceptional circumstances, such as fraud, occur.
- b) no payments have been made for a full tax year and your Post Office® Investment ISA has a value of less than £10 or your Post Office® Cash ISA has a value of less than £1.
- c) there are commercial or practical reasons which mean we have to close your ISA.

If we decide to close your ISA for the reasons detailed in “b” or “c” above, we will give you at least 30 days notice.

## Nominated Accounts

You can choose to set up a Nominated Account into which payments are made when you make a withdrawal or close your account.

**Post Office® Cash ISA only** – If you have opted to have your interest payments sent to you each year, you must set up a Nominated Account in order for us to pay these to you.

You can set up a Nominated Account when you apply for your Account or by writing to us with your bank or building society account details. Some bank or building society accounts may not accept this type of payment (known as direct credit). If you are unsure, please check with your bank or building society.

If you set up a Direct Debit to make payments into your ISA, those bank or building society account details will also be used to set up a Nominated Account. If you change the account from which we collect Direct Debits, your Nominated Account will change accordingly.

You may only set up one Nominated Account per ISA (i.e. you may have one Nominated Account for your Post Office® Cash ISA and one for your Post Office® Investment ISA).

We reserve the right to authenticate any Nominated Account, which should be a bank or building society account in your name (sole or joint). If we are unable to authenticate the Nominated Account, we may withhold any payment until it can be authenticated.

## Death

On your death, the Account’s tax exemption stops and the value of your ISA will form part of your estate.

Claims in the event of the death of the ISA holder will be paid on receipt of all documentation.

For Post Office® Cash ISAs, from the date of your death until the day your ISA is closed, any interest will be net of income tax (i.e. with income tax deducted).

The full value of a Post Office® Investment ISA will be subject to market movements until the date on which your shares are sold. Claims will be paid using the share price on the working day after the last requested document has been received.

**Post Office® Investment ISA only** – Any growth on the investment after the date of death will be subject to income tax. It will be the responsibility of your Personal Representatives to report any such growth to HMRC.

Payment of the proceeds may be delayed until all relevant payments have cleared.

## Data Protection

The information you provide will be held and processed by both us and Post Office® Limited (Post Office®) at all times in accordance with the Data Protection Act 1998 (the Act) and as detailed below. We and Post Office® are both “data controllers” for the purposes of the Act.

### How do we obtain information about you?

We are the ISA Manager of the Post Office® Cash and Investment ISAs. We will receive information about you from a number of sources. The main sources are from your application or correspondence you send us. It may also come from third parties.

### How do we use your information?

To provide you with a high quality service, we will use your information to:

- Administer and maintain records of your investment and membership;
- Respond to any query you have; and,
- Update our systems to ensure you get the best possible service.

We may also:

- Record or monitor telephone conversations for your, or our, protection and training purposes; and,
- Monitor our customer service and provide staff training (we may also disclose information to third party agencies who may carry out this monitoring and training on our behalf).

### Security of information we hold about you:

- We will not seek to obtain or hold information about you that is excessive for our purposes.
- We will endeavour to keep any information about you secure, up to date and accurate.
- After we have finished providing services to you, we will keep records of your Account securely to enable us to respond to any subsequent queries that you or any third party may raise.

### Who will we share your information with?

- We will share your information with Post Office®.
- We may share information about you or your Account with third parties if you have made a reasonable request or authorised us to pass them information.
- We may also share information about you or your investment with any third party if we reasonably believe that they are acting with your consent. If you have specific concerns about this, you should tell us.
- We may share information about you with third party credit reference agencies to help us complete money laundering checks..
- We may share information about you with reputable third party organisations who will process your data on our behalf.
- We may share information about you with legal, tax or regulatory authorities who ask us to provide it.

## Will we send you marketing information?

We will not use your information for the purposes of marketing our products or services.

## How do Post Office® obtain information about you?

Post Office® is the distributor of the Post Office® Cash and Investment ISAs. They receive information about you from a number of sources. The main sources are from your application or correspondence you send us. It may also come from third parties.

## How do Post Office® use your information?

Post Office® will use your information for:

- general business purposes and statistical research and analysis; and
- providing you with information about other products and services that may be of interest to you.

Post Office® may also:

- monitor telephone conversations for your, or their, protection and training purposes.

## Security of information Post Office® hold about you:

- Post Office® will not seek to obtain or hold information about you that is excessive for their purposes.
- Post Office® will endeavour to keep any information about you secure, up to date and accurate (to achieve this, please inform them if your details change). For contact details, please see 'Will Post Office® send you marketing information?' in the next column.
- After they have finished providing services to you, Post Office® will keep records of your Account for a limited time to enable them to respond to any subsequent queries that you or any third party may raise with them.

## Who will Post Office® share your information with?

Post Office® may, from time to time, share your information with other members of the Royal Mail Group and selected companies within the Bank of Ireland Group (including Midasgrange Limited, a company owned by Bank of Ireland UK and Post Office®), subject to obligations of secrecy and security.

Post Office® may also use selected third parties to process your information and provide services on their behalf. In some cases, these third parties are based in countries outside the European Economic Area. Where they do this, they will ensure that adequate procedures and safeguards are put in place to protect your data at all times in accordance with the Act.

## Will Post Office® send you marketing information?

Unless you have indicated otherwise, Post Office®, Royal Mail Group Limited and Bank of Ireland UK may use your information to inform you about products and services that may be of interest to you. At any time, you may request that they stop sending you such marketing material or change the contact method/s you have chosen, by writing to Post Office® Financial Services, PO Box 27, One Temple Quay, Bristol, BS99 7AX.

Please note that the customer contact methods you choose for the Post Office® Cash and Investment ISAs will apply to all the accounts you hold that are distributed by Post Office® and that restricting the ways in which you can be contacted will limit the information Post Office® send you and the services they can offer you.

## Your Rights

You have certain rights in relation to the information that we and Post Office® hold about you. The most important of these rights are set out as follows:

- You may request (in writing) details of the personal information that is held on you and the purposes for which it is held. Your request will be dealt with within 40 days and details will be provided to you by way of a photocopy or computer printout. We, or Post Office®, may make a charge for providing you with this information where we are allowed to do so by law.
- If you believe that our use or our potential use of information that we hold about you may cause you (or any other person) substantial damage or distress, you may contact us (in writing) and request that we stop using the information for a particular purpose.
- We may use automated software to process information about you and (where applicable) make decisions affecting our relationship with you. You have the right to ask us in writing to make sure that any decision, which significantly affects you, is not based solely on automated means (i.e. that such a decision involves an element of human intervention). You also have the right to be informed when automated decisions take place.

## General Terms

### Security

You must make sure that the personal details we hold about you are kept up to date, and that arrangements for receiving mail at your verified address are secure.

Before we are able to provide telephone servicing on the Account (including phone withdrawals), security questions must be set up on the Account. This can be done by completing and returning the Security Form included in your Welcome Pack.

All instructions you send us in writing must be signed.

You must tell us immediately if you know, believe or suspect that the security information we have recorded for you has been compromised.

You must check any statement sent to you carefully and tell us immediately if you think it contains any errors. You must tell us immediately if you think we have made any other mistake in operating your Account.

If you act fraudulently, or without reasonable care, you may be responsible for any losses incurred as a direct result.

### Ownership

The Account will be in your name only and this 'beneficial ownership' cannot be changed. You cannot 'assign' the Account to a third party and you cannot use the Account as security for a loan.

Payments into the Post Office® Investment ISA will be invested in shares in a sub-fund of the ICVC for which certificates of title are not issued. All shares in the sub-fund will be held in a nominee account in the name of the ISA Manager. Individual entitlements will not therefore be identifiable on the ICVC register.

### Pricing errors, Dealing errors and Compensation

Compensation may be paid to the fund (Post Office® Investment ISA only), ISA or to individual ISA holders in response to an error we have made which has resulted in a financial loss whether or not the affected ISA holder has complained.

We will only pay compensation where the financial loss incurred by any one person is calculated to be more than £1.00 at the time of the error.

**Post Office® Investment ISA only** – Where a pricing or dealing error has occurred which affects the share price by less than 0.1%, compensation would not normally be paid. Where a pricing or dealing error occurs which affects the share price between 0.1% and 0.5%, compensation may be considered. Where a pricing or dealing error occurs which affects the share price by more than 0.5%, compensation will be paid.

Where compensation is by means of a cash payment (e.g. paid to you by cheque), no compensation would normally be paid unless the amount due is greater than £10.00.

Wherever possible we attempt to calculate any compensation payments consistently in line with guidance provided by the Financial Ombudsman Service.

## Conflicts of Interest

We aim to run our business so that conflicts of interest do not arise; however, we have in place a Conflicts of Interest policy to help us identify and record any actual or potential conflicts that may arise between you, us, our employees, our associated companies and/or any companies to whom we delegate any of our functions.

A summary of this policy is detailed below:

- We will consider the interests of all our customers and treat them fairly.
- We have in place procedures to ensure that employees identify and report any new conflicts.
- We will keep a written record of any conflicts or potential conflicts.
- If appropriate, we will disclose any relevant conflict to a customer before undertaking business with that customer.
- We will carry out regular reviews to identify any new conflicts.

In the unlikely event that a conflict of interest occurs, we will manage it to ensure that all customers are treated consistently and fairly and to minimise any possible negative effect this could have on you or other customers.

Our full Conflicts of Interest policy is available on request.

## The ISA Manager

We, as the ISA Manager, reserve the right to appoint any third party to advise on, or perform, any of the functions or responsibilities under these Terms and Conditions. We may provide details of your Account to any such third party when necessary so that they can carry out the delegated function or responsibility.

We will remain responsible for the operation of the ISA at all times and will make sure that any third party we delegate our functions or responsibilities to is fully competent to carry them out.

We may resign or retire as ISA Manager. If we do this, we will transfer our functions and responsibilities as ISA Manager to another ISA manager who has been approved under the relevant Rules and Regulations. If this happens, we will provide you with at least 30 calendar days notice. Any new manager replacing us will be responsible to you for carrying out all of our duties and obligations and you agree that we will be released from all of those duties and obligations.

## The Fund Manager

We may resign or retire as the Fund Manager and Authorised Corporate Director of the Family Investments Funds ICVC. If we do this, we will transfer our functions and responsibilities as Fund Manager to a third party who has been approved under the relevant Rules. If this happens, we will provide you with at least 30 calendar days notice. Any new fund manager replacing us will be responsible to you for carrying out all of our duties and obligations and you agree that we will be released from all of those duties and obligations.

## Your FSA categorisation and what this means

Our regulator, the Financial Services Authority (FSA) requires us to categorise all our customers. We have categorised you as a "retail client". This means you will get the highest level of protection available within the Rules and guidance set by the FSA.

Your eligibility to refer complaints to the Financial Ombudsman (FOS) or to claim compensation from any relevant compensation scheme is not determined by our categorisation.

## Corporate Governance

Family Investments is the trading name for a group of companies which include the friendly society (a type of mutual insurer), Family Assurance Friendly Society Limited (Family Assurance). As a holder of a Post Office® ISA, which is provided by Family Investments, you will become a member of Family Assurance.

We are committed to complying with the Combined Code on Corporate Governance as relevant to mutual insurers. The Code sets out good practice standards in terms of how a company is managed as well as the rights of its customers.

We believe that it is important for our directors to listen to the views of our customers and understand how they affect the running of Family Assurance. We encourage you to talk to us and take an active interest in the governance of your Society.

For more information, please go to the Members Information section of [www.family.co.uk](http://www.family.co.uk). You can also email us with feedback at [members@family.co.uk](mailto:members@family.co.uk), or write to us at Member Relations Team, Family Investments, 16-17 West Street, Brighton, East Sussex, BN1 2RL. These contact details should not be used for enquiries about your ISA.

## Client money

Any cash held on your behalf will be held in a specifically designated client money bank account separate from our money in accordance with the FSA's client money rules. The purpose of this is to protect your money in the event of a failure of Family Investments but this is not guaranteed.

Once your money has been received by us, it will be initially be paid into a client money account held with NatWest before being transferred to a client money account held with Bank of Ireland UK. If you make a withdrawal from your ISA, the relevant amount will be transferred to a client money account held with NatWest while the amount is being transferred to your Nominated Account or we are waiting for you to cash your cheque.

While your money is held in a client money account, it will be protected by the Financial Services Compensation Scheme (FSCS). Please note that money paid in at a Post Office® branch is not held in a client money account and is not protected by the FSCS until it is received by us.

We will not be liable for any losses arising from any acts or omissions of either bank resulting from their negligence, willful deceit or fraud.

**Post Office® Investment ISA only** – You will not receive any interest on money held on your behalf in a client money account.

**Post Office® Cash ISA only** – You will only receive interest while money is within the ISA (e.g. you will not receive interest while you are waiting for your ISA to open).

If we send you a cheque and you do not cash it, and there is also no "movement" on your Account, for a period of at least 6 years, the money we are holding in relation to the uncashed cheque will no longer be protected under the client money rules. "Movement" does not include the payment or receipt of charges, interest or other similar items.

## Best Execution

### (Post Office® Investment ISA only)

We are required to take all reasonable steps to obtain the best possible result for you when executing your instructions to buy or sell shares, taking into account price, costs, speed, likelihood of execution and settlement, size, nature or any other relevant consideration. This obligation is known as the duty of "best execution".

We operate a best execution policy, which aims to ensure that we carry out your investment instruction(s) as effectively and beneficially as possible. This means that when you ask us to buy and sell your shares, your instructions are always passed directly to the Fund Manager who will carry them out while adhering to the terms and conditions outlined in this document.

We do not use third party "trading platforms" to execute your instructions, all trading is done directly with the Fund Manager which, in regulatory terms, means that the trades are executed outside of a regulated market or multilateral trading facility.

We monitor the effectiveness of our best execution policy regularly and implement any necessary changes when required. If there are any relevant material changes, we will notify you.

## Liability

If we cannot provide services because of something beyond our reasonable control (including strikes, industrial action, or the failure of equipment or power supplies), we will not be liable to you for any loss that you may suffer as a direct result.

We have no liability for any action we have taken, or not taken, in good faith unless there has been negligence by us. This does not restrict or exclude any liability that we may have by law or under the Rules or Regulations.

## Important Information

These Terms and Conditions, together with the terms outlined in the Key Features, and the application form, form the Agreement between you and us. By completing an application form, you agree to be bound by this Agreement.

We will operate your Account in accordance with the Agreement and the Rules, Regulations and HMRC guidance as applicable to ISAs. In the event that any of the terms or conditions outlined in the Agreement conflict with the Rules and/or Regulations, the Rules and/or Regulations will prevail.

The information in the Key Features and Terms and Conditions is based on our understanding of current law, (including tax law), the Rules, the Regulations and HMRC guidance. These could change in the future and could affect the benefits enjoyed by this Account.

The law of England and Wales will apply to this Agreement, which will be written in English. All communications with you will be in English except for certain marketing communications available in Post Office® branches based in Wales, which will also be available in Welsh. All financial transactions will be in Pounds Sterling.

## Changes to the Agreement

If we make a change which is to your disadvantage, we will notify you personally at least 30 days before we make the change. You will then be able to transfer or close your Account without incurring any financial penalty relating to the change for up to 60 days from the date of the notice.

We may, however, have to make changes to the Agreement to reflect changes to the law, or the Rules and Regulations, or FSA or HMRC guidance. These may be made without prior notice.

We may make any other type of change immediately and tell you about it within 30 days. We will do this using a method appropriate to the change, usually by including a notice with your regular statement.

If we have made a major change or a lot of minor changes in any one year, we will give you a copy of the new Terms and Conditions, or a summary of the changes.

We will not make any changes which might break the Rules and/or Regulations for ISAs.

# Contact Us

If you have any questions about the Post Office® Investment ISA or Cash ISA, you can:

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 **Call 0800 169 7500**

Our Customer Call Centre is UK based and open from **9am - 7pm weekdays** and **9am - 1pm on Saturdays**.

 **Write to us at:**

**Post Office® Savings,  
PO Box 5179,  
Brighton,  
BN50 9UY**

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This document is available in large print, Braille or on audio tape on request by calling **0800 169 7500** (open 9am -7pm weekdays and 9am -1pm Saturdays).

**Post Office® ISAs are provided by Family Investments. Money in a Post Office® Cash ISA will be deposited with Bank of Ireland UK.**

Family Investments is the trading name of Family Investment Management Limited (Co. No. 1915516) and Family Equity Plan Limited (Co. No. 2208249), which are authorised and regulated by the Financial Services Authority (25 The North Colonnade, Canary Wharf, London, E14 5HS). Registered in England and Wales at 16-17 West Street, Brighton, East Sussex, BN1 2RL.

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All information contained within this brochure is correct as of going to print, June 2010.