

SCOTTISH WIDOWS BANK

PERSONAL SAVINGS ACCOUNT

CONDITIONS

Effective from 6th April 2018

SCOTTISH WIDOWS

The logo for Scottish Widows, featuring the text "SCOTTISH WIDOWS" in a bold, sans-serif font. A stylized, wavy line graphic is positioned above the text, starting under "SCOTTISH" and ending under "WIDOWS".

WELCOME TO SCOTTISH WIDOWS BANK

This booklet explains how your Scottish Widows Bank savings account works, and includes its main conditions.

This booklet contains:

- information about how to contact us and how we will contact you;
- an explanation of what makes up our agreement with you for your savings account and related services;
- our conditions, divided into sections setting out what you and we agree to do under this agreement. To help you find what you need, we list the main points of each section under 'What is in this booklet?'

Please:

- read this booklet carefully and keep it for future reference;
- ask us if you have any questions, using the contact details we provide at http://www.scottishwidows.co.uk/bank/global/contact_us.html
- note that the examples (shown by ) in this document help to explain our terms but do not form part of the conditions.

For information about your statutory rights, please contact your local Trading Standards Department or Citizens Advice Bureau.

You may not always be able to open all accounts through each of our service channels. We have designed some accounts to be opened and operated only in a particular way, for example, by using Internet Banking.

To check whether a particular account is available, go online to www.scottishwidowsbank.co.uk or call **0345 845 0829** between 8am and 6pm on weekdays (but starting from 10am on Wednesdays).

Our Interest Rates and Charges sheet shows the interest rate we will pay on your savings, and explains any charges for your account. You can also check our rates online at http://www.scottishwidows.co.uk/bank/interest_rates.html

HOW TO CONTACT US

<p>To tell us</p> <ul style="list-style-type: none"> • about a change of contact details • you did not authorise a payment made from your account • you think we have not made a payment correctly • you think someone knows your security details • about anything else... 	<p>☎ 0345 845 0829</p> <p>☎ If calling from outside the UK +44 131 535 0460</p> <p>✉ Write to us at PO Box 12757, 67 Morrison Street, Edinburgh EH3 8YJ</p>
<p>To make a complaint...</p>	<p>See Section L 'Other important terms'</p>

We strongly recommend you do not use email to give us confidential information or instructions.

You can contact us by calling or writing. For telephone services call **0345 845 0829** between 8am and 6pm on weekdays (but starting from 10am on Wednesdays). Occasionally, repairs and maintenance may mean a service is not available for a short time.

Any instructions you give us are not effective until we actually receive them.

HOW WE CAN CONTACT YOU

We may contact you by post, telephone and electronically using the contact details you give us, including any address you have agreed we should use for electronic communications. We will use these same contact details and appropriate secure procedures to make contact if we suspect fraud or a security threat. We never ask for details about your account, devices, security details or any confidential information by email. So please do not reply to an email asking for this information.

Meaning of words we have used

electronic or electronically

Any form of message made by any type of telecommunication, digital or IT device – including the internet and email.

You must tell us if your name or contact details change. If you do not tell us, we will not be responsible if we cannot contact you or we send confidential information to an old address.

Recording calls

We may listen in to or record telephone calls to:

- check we have carried out your instructions correctly and are meeting our regulatory requirements;
- help detect or prevent fraud or other crimes; and
- improve our service.

WHAT IS IN THIS BOOKLET?

Here is a list of the sections in this document, to help you find what is important to you more easily.

Topic	Read more about this
Our agreement with you	Section A
Additional conditions	Section B
Checks, account security and keeping you informed	Section C
Making and receiving payments	Section D
How long will your payment take?	Section E
How we calculate interest and account charges	Section F
How and when we can make changes to this agreement	Section G
How we manage joint accounts	Section H
Can someone else operate your account?	Section I
Who is responsible for any loss?	Section J
Ending this agreement or an account or service or suspending a service	Section K
Other important terms	Section L
Additional important information	Section M

SECTION A – OUR AGREEMENT WITH YOU

Our agreement with you is made up of:

- The ‘general conditions’ in this booklet. They are the main terms for your savings account and for our overall personal savings relationship with you; and
- The ‘additional conditions’, which are the interest rates, charges and other terms that apply to a specific account or service. We give these to you when speaking to you or in documents such as this booklet, our application forms, letters or leaflets (such as our welcome letter), our Interest Rates and Charges Sheet and on our website.



Additional conditions include things like when we will pay interest and how to qualify for a particular account or interest rate.

If an additional condition conflicts with a general condition, the additional condition applies.

The accounts these conditions apply to, are for personal customers resident in the UK.

You must not open or use one for the purpose of a business, club, charity or other organisation. We have different agreements for customers who are not personal customers.

Most of the accounts in this booklet must not be used to hold money for someone else (including as a trustee, executor or personal representative for someone else).

You explicitly consent to us accessing, processing and retaining any information you provide to us for the purposes of providing payment services to you. This does not affect any rights and obligations you or we have under data protection legislation. You may withdraw this consent by closing your account.

Meaning of words we have used

account

Any account you hold with us that is covered by this agreement.

Lloyds Banking Group

This includes us and a number of other companies using the Bank of Scotland, Halifax and Lloyds Bank brands and their associated companies. You can find more information on Lloyds Banking Group at www.lloydsbankinggroup.com

we, us, our

Scottish Widows Bank

We explain the meaning of some other words at the start of each section of this booklet.

SECTION B – ADDITIONAL CONDITIONS

You will see from Section G that we treat payment accounts and restricted savings accounts differently when we make any changes to your conditions or interest rate. The tables below show the accounts in our current range that we treat as payment and restricted savings accounts.

Payment accounts

- Internet Saver Account
- Instant Saver 2 Account
- Instant Saver Plus Account
- Direct Transfer 2 Account
- Maturity Base Rate Tracker
- E-Cash ISA 3

Restricted savings accounts

- 1 Year Fixed Term Deposit Account
- 3 Year Fixed Term Deposit Account

The additional conditions for your account will tell you the features of the account and details of how it can be used. For example, they say whether or not you are allowed to make withdrawals or if you should only operate your account online.

Internet Saver Account

An easy-access account with variable interest.

Opening an Internet Saver Account

When opening an Internet Saver Account you:

- Must be aged 16 or over.
- Can open online.
- Must be registered for and use Internet Banking.
- Can operate online or call us.

- Can have a joint account.
- Must pay in at least £1 and not more than £5,000,000.

Having an Internet Saver Account

Our interest on Internet Saver Account:

- Is variable – it can change while you have your account.
- Can be paid monthly, quarterly or annually. You can choose the period. If you choose annual interest, it will be paid each year on the first working day of the month in which you opened the account. For example, if you have opened an account on 16th May 2016, your annual interest will be paid on 1st May in each future year. If you choose any other interest period, it will be paid on the first working day of your chosen period. If you do not choose an interest period, your interest will be paid annually.
- Can only be paid monthly if you have a balance of at least £10,000.
- Will be paid into your account or you can ask us to pay it into a different account with us. If your balance is above £2,500, you can ask us to transfer the interest to your nominated account.

Operating your account:

- You can operate your account online or call us.
- You cannot have a balance of more than £5,000,000. If you wish to discuss special arrangements to deposit larger amounts, you may call us.
- Any payments into your account after it is open must be at least £10.
- The minimum withdrawal which you can make is £10. You can withdraw up to a maximum of £25,000 online from your account, each day. The daily limit may change from time to time. Larger withdrawals can be arranged by calling us.
- You will get regular statements to help you keep track. You can ask for monthly, quarterly, or annual statements.

Instant Saver 2 Account

An easy-access account with variable interest.

Opening an Instant Saver 2 Account

When opening an Instant Saver 2 Account you:

- Must be aged 16 or over.
- Open by post. You can call us for an application form.
- Can have a joint account.
- Must pay in at least £100 and not more than £1,000,000.

Having an Instant Saver 2 Account

Our interest on Instant Saver 2 Account:

- Is variable – it can change while you have your account.
- Can be paid monthly, quarterly or annually. You can choose the period. If you choose annual interest, it will be paid each year on the first working day of the month in which you opened the account. For example, if you have opened an account on 16th May 2016, your annual interest will be paid on 1st May in each future year. If you choose any other interest period, it will be paid on the first working day of your chosen period. If you do not choose an interest period, your interest will be paid annually.
- Can only be paid monthly if your balance is at least £10,000.
- Will be paid into your account or you can ask us to pay it into a different account with us. If your balance is above £2,500, you can ask us to transfer the interest to your nominated account.

Operating your account:

- You can operate your account online, by calling us or by post.
- To operate:
 - online, you must register for Internet Banking.
 - by calling us, you must confirm your security details.

- by post, you must sign all instructions. You can send a letter or a postal instruction form, which is available on our website or by calling us. We will act on your instruction when we receive it.

- You cannot have a balance of more than £1,000,000. If you wish to discuss special arrangements to deposit larger amounts, you may call us.
- Any payments into your account after it is open must be at least £10 and can be made regularly.
- The minimum withdrawal you can make is £100.
- Your balance must be at least £100 for as long as the account is open.
- You will get regular statements to help you keep track. You can ask for monthly, quarterly, or annual statements.

Instant Saver Plus Account

An easy-access account with variable interest. Customers with a maturing Scottish Widows policy can apply.

Opening an Instant Saver Plus Account

When opening an Instant Saver Plus Account you:

- Must be aged 16 or over.
- Can open by post.
- Can have a joint account.
- Must apply for an Instant Saver Plus Account before your Scottish Widows policy matures.
- Must pay in at least £100 and not more than £5,000,000 from your policy proceeds.
- Must pay in your opening deposit within one month of your policy maturing.

Having an Instant Saver Plus Account

Our interest on Instant Saver Plus Account:

- Is variable – it can change while you have your account.

- Can be paid monthly, quarterly or annually. You can choose the period. If you choose annual interest, it will be paid each year on the first working day of the month in which you opened the account. For example, if you have opened an account on 16th May 2016, your annual interest will be paid on 1st May in each future year. If you choose any other interest period, it will be paid on the first working day of your chosen period. If you do not choose an interest period, your interest will be paid annually.
- Can only be paid monthly if your balance is at least £10,000.
- Will be paid into your account or you can ask us to pay it into a different account with us. If your account balance is above £2,500, you can ask us to transfer the interest to your nominated account.

Operating your account:

- You can operate your account online, by calling us or by post.
- To operate:
 - online, you must register for Internet Banking.
 - by calling us, you must confirm your security details before transacting.
 - by post, you must sign all instructions. You can send a letter or postal instruction form, which is available on our website or by calling us. We will act on your instruction when we receive it.
- You cannot have a balance of more than £5,000,000. If you wish to discuss special arrangements to deposit larger amounts, you may call us.
- Any payments into your account, after it is open, must be at least £10 and can be made regularly.
- The minimum withdrawal you can make is £100.

- Your balance must be at least £100 for as long as the account is open.
- You will get regular statements to help you keep track. You can ask for monthly, quarterly, or annual statements.

Direct Transfer 2 Account

An easy-access account with variable interest which is available through intermediaries.

Opening a Direct Transfer 2 Account

When opening a Direct Transfer 2 Account you:

- Must be aged 16 or over.
- Can open by post.
- Can have a joint account.
- Must pay in at least £1000 and not more than £5,000,000.

Having a Direct Transfer 2 Account

Our interest on Direct Transfer 2 Account:

- Is variable – it can change while you have your account.
- Can be paid monthly, quarterly or annually. You can choose the period. If you choose annual interest, it will be paid each year on the first working day of the month in which you opened the account. For example, if you have opened an account on 16th May 2016, your annual interest will be paid on 1st May in each future year. If you choose any other interest period, it will be paid on the first working day of your chosen period. If you do not choose an interest period, your interest will be paid annually.
- Can only be paid monthly if your balance is at least £10,000.
- Will be paid into your account or you can ask us to pay it into a different account with us. If your balance is above £2,500, you can ask us to transfer it to your nominated account.

Operating your account:

- You can operate your account online, by calling us or by post.

- To operate:
 - online, you must register for Internet Banking.
 - by calling us, you must confirm your security details before transacting.
 - by post, you must sign all instructions. You can send a letter or postal instruction form which is available on our website or by calling us. We will act on your instruction when we receive it.
- You cannot have a balance of more than £5,000,000. If you wish to discuss special arrangements to deposit larger amounts you may call us.
- Any payments into your account after it is open must be at least £10 and can be made regularly.
- The minimum withdrawal you can make is £100.
- Your account balance must be at least £100 for as long as the account is open.
- You will get regular statements to help you keep track. You can ask for monthly, quarterly or annual statements.
- Can have a joint account.
- Must pay in a minimum balance of at least £10,000 and cannot have a balance greater than £1,000,000.
- Can only pay into your account by:
 - transferring money from another Scottish Widows Bank account in your name(s);
 - by electronic transfer from your nominated account; or
 - by cheque
 - for direct online applications, by direct debit from your nominated account.
- Must make payments into your account in sterling.
- Have up to 30 days from account opening to pay in. You can make several payments in during this time. Your account term commences on the start date of the fixed term period. The start date of the fixed term deposit account can be later than your account opening date.
- Can call us for information and to give us instructions – please see details in ‘How to contact us’.

Fixed Term Deposit Accounts

Fixed term accounts that pay fixed interest for the specified terms. We currently offer two terms of one year and three years.

1 Year Fixed Term Deposit Account

A fixed term deposit account which is available to all customers.

Opening a 1 Year Fixed Term Deposit Account

When opening a 1 Fixed Term Deposit Account you:

- Must be aged 16 or over.
- Can open and operate your account online, or by calling us. To open and operate online, you must register for Internet Banking.

Having a 1 Year Fixed Term Deposit Account

Our interest on 1 Year Fixed Term Deposit Account:

- Is fixed – it will not change during the 1 year term.
- Will be paid to your account on its maturity date. If your account is opened before the start date of the fixed term period, the interest earned during that period will be paid to your nominated account.

Operating your account:

- To obtain your transaction history call us using the details in the ‘How to contact us’ section of this booklet.
- We will send you a statement when your account matures and a certificate of interest.

- You cannot withdraw part of your deposit. If you need to withdraw your money before the end of the term, you can close your account early. If you close before the end of the term the whole balance will be returned without interest.
- You can ask us to transfer the money which is in your account into another savings account with us or to your nominated account.
- If you die before the end of the term, Scottish Widows Bank will return the initial deposit plus the full amount of accrued interest. No early withdrawal charge will be made.

At the end of your term:

- At least 30 days before the end of the term we will write to you, to ask what you would like to do with the money in your account.
- You can:
 - open another fixed term deposit account which is available at the time of maturity;
 - transfer money to another savings account with Scottish Widows Bank;
 - transfer money to your nominated account; or
 - allow your account to revert to our Maturity Base Rate Tracker, which has a variable rate which is equivalent to and tracks the Bank of England base rate.
- We will pay you interest for the fixed term period on the first working day after your account matures when you will be able to take out your money.

3 Year Fixed Term Deposit Account

A fixed term deposit account which is available to all customers.

Opening a 3 Year Fixed Term Deposit Account

When opening a 3 Year Fixed Term Deposit Account you:

- Must be aged 16 or over.

- Can open and operate your account online, or by calling us. To open and operate online, you must register for Internet Banking.
- Must pay in a minimum balance of at least £10,000 and cannot have a balance greater than £5,000,000.
- Can only pay into your account by:
 - transferring money from another Scottish Widows Bank account in your name(s);
 - by electronic transfer from your nominated account;
 - by cheque; or
 - for direct online applications, by direct debit from your nominated account.
- Must make payments into your account in sterling.
- Have up to 30 days from account opening to pay in. You can make several payments in during this time. Your account term commences on the start date of the fixed term period which can be later than you open your account.

Having a 3 Year Fixed Term Deposit Account

Our interest on 3 Year Fixed Term Deposit Account:

- Is fixed – it will not change during the 3 year term.
- Will be paid monthly, quarterly, or annually to either another account with us or to your nominated account. If you do not choose an interest period, your interest will be paid annually. If your account is opened before the start date of the fixed term period, the interest earned during that period, will be paid to your nominated account.
- Will be paid on the first working day of your chosen interest period. Annual interest is paid on the anniversary of account opening. If the anniversary is not a working day, interest will be paid on the next working day.

Operating your account:

- View a twelve month transaction history online or call us using the details in the 'How to contact us' section of this booklet.
- We will send you a statement in line with your chosen interest period, as well as annually and when your account matures. We will also send certificates of interest.
- You cannot withdraw part of your deposit. If you need to withdraw your money before the end of the term, you can close your account early. If you close before the end of the term you will lose an amount equal to 200 days' interest. We will work this out at the rate at which we pay interest on your fixed rate deposit account.
- We will take this amount from the interest we owe you on your account, which we have not yet paid. If there is not enough interest that we have not yet paid, we will take this amount from your fixed term deposit account capital. You may therefore get back less than you first invested.
- You can ask us to transfer the money which is in your account into another savings account with us or to your nominated account.
- If you die before the end of the term, Scottish Widows Bank will return the initial deposit plus the full amount of accrued interest. No early withdrawal charge will be made.

At the end of your term:

- At least 30 days before the end of the term we will write to you, to ask what you would like to do with the money in your account.
- You can:
 - open another fixed term deposit account which is available at the time of maturity;
 - transfer money to another savings account with us;
 - transfer money to your nominated account; or

- allow your account to revert to our Maturity Base Rate Tracker, which has a variable rate which is equivalent to and tracks the Bank of England base rate.
- We will pay you interest on the first working day after your account matures when you will be able to take out your money.

Maturity Base Rate Tracker

An easy-access account with variable interest rate only for customers with maturing Scottish Widows Bank Fixed Term Deposit Accounts.

Opening a Maturity Base Rate Tracker

When we open an Maturity Base Rate Tracker for you:

- The balance in your Scottish Widows Bank Fixed Term Deposit will transfer to your Maturity Base Rate Tracker.

Having a Maturity Base Rate Tracker

Our interest on Maturity Base Rate Tracker:

- Is a tracker rate which is equivalent to the Bank of England Base Rate. It can change while you have your account. If the Bank of England Base Rate changes, the interest rate on your Maturity Base Rate Tracker will move up or down on the first working day following the Bank of England Base Rate change. For the rate, see the latest Bank of England Base Rate at www.bankofengland.co.uk or call us.
- Can be paid monthly, quarterly or annually. You can choose the period. If you choose annual interest, it will be paid each year on the first working day of the month in which you opened the account. For example, if you have opened an account on 16th May 2016, your annual interest will be paid on 1st May in each future year. If you choose any other interest period, it will be paid on the first working day of your chosen period. If you do not choose an interest period, your interest will be paid annually.

- Can only be paid monthly if your balance is at least £10,000.
- Will be paid into your account or you can ask us to pay it into a different account with us. If your balance is above £2,500 you can ask us to transfer it to your nominated account.

Operating your account:

- You can operate your account online, by calling us or by post.
- To operate:
 - online, you must register for Internet Banking.
 - by calling us, you must confirm your security details before transacting.
 - by post, you must sign all instructions. You can send a letter or postal instruction form, which is available on our website or by calling us. We will act on your instruction when we receive it.
- Payments into your Maturity Base Rate Tracker after it is open must be at least £10 and can be made regularly.
- The minimum withdrawal you can make is £100.
- You will get regular statements to help you keep track. You can ask for monthly, quarterly, or annual statements.
- You can close it at any time.

Cash ISAs from Scottish Widows Bank

The following conditions apply to our Scottish Widows Bank cash ISAs.

Some additional conditions also apply only to the E Cash ISA 3. They start on page 14.

A bit about ISAs

ISAs (Individual Savings Accounts) help people save tax efficiently.

The government limits the amount that can be saved in ISAs, has rules on who can apply and restricts the number of ISAs you can have. Our Interest Rates and Charges sheet directs you to the annual ISA limit which can be found at www.gov.uk/individual-savings-accounts

An ISA can be a cash ISA, an innovative finance ISA, a stocks & shares ISA or (from 6th April 2017) a lifetime ISA.

If you are aged over 16 in any tax year, you can pay into a cash ISA. If you are aged over 18 in any tax year, you can also pay into a stocks & shares ISA and an innovative finance ISA. You can save up to the subscription limit in any of these or any combination of them. Depending on your age and circumstances, from 6th April 2017 you may also be able to save in a lifetime ISA. Your ISAs can be with the same or with different ISA providers.

If you have a cash ISA, there is no income tax on any interest we pay. If you have a stocks & shares ISA, an innovative finance ISA, or (from 6th April 2017) a lifetime ISA, any income or growth from your investment will be free of both income tax and capital gains tax. The tax treatment of any account will depend on your individual circumstances and may change in the future. If there are any relevant changes to the ISA regulations, we will apply them to your account straightaway.

The ISAs explained in this booklet are cash ISAs. They hold only money, not stocks and shares.

Opening a Scottish Widows Bank cash ISA

To open a Scottish Widows Bank cash ISA you must:

- Be aged 16 or over.
- Be resident in the UK for tax purposes or a Crown employee serving overseas, or be married to or in a civil partnership with a Crown employee serving overseas.
- Give us your national insurance number and date of birth.
- Want an account in your sole name – you cannot open a cash ISA jointly with anyone else.

Having a Scottish Widows Bank cash ISA

If you have a Scottish Widows Bank cash ISA you must:

- Not subscribe to more than one cash ISA in the same tax year unless you have transferred your cash ISA (see the 'ISA Transfers' section), or you are using the additional permitted subscription allowance following the death of your spouse or civil partner (see the 'ISAs on death' section).
- Be the beneficial owner and not use it as security for a loan, or transfer it to anyone else.
- Not use it as security for a loan, or transfer it to anyone else.
- Not use it to hold money for someone else, for example as a trustee.
- Let us know if you move abroad. If you are no longer a UK resident for tax purposes, your cash ISA will continue to receive interest tax free, but you will not be able to pay any more money into it (unless you are a Crown employee serving overseas, or you are married to or in a civil partnership with a Crown employee serving overseas).
- Make a new application if you have not paid anything in for a full tax year and you want to make a fresh payment into your cash ISA. (This does not apply if you want to pay back money you withdrew during the current tax year and have not yet replaced.)

A failure to follow the ISA rules means your ISA has, or will, become lapsed. If your ISA becomes lapsed, income tax may be due on the interest earned, including any interest that has already been paid. You are responsible for paying any tax due to HM Revenue & Customs.

If your ISA is flexible then:

- You can withdraw up to the total amount in your ISA (including amounts you paid in during previous tax years).

- As long as you do so in the same tax year, you can then replace withdrawals from your cash ISA by paying them back into the same account. For example, if you withdrew savings you paid in during the 2013/14 tax year in the 2016/17 tax year, to keep saving money tax free you would have to pay it back before 5th April 2017.
- If you make a withdrawal and then pay money into your cash ISA in the same tax year, we will assume you are replacing some or all of the money you withdrew. This means your payments into your cash ISA will only count towards your ISA subscription limit if the total amount you pay in is more than you have withdrawn in that tax year.
- You cannot pay back in the amount of any withdrawal you made in a previous tax year. If you do not pay back the amount of any withdrawal in the same tax year, you will limit the overall amount you can save tax free.
- If you withdraw all or part of the money you paid into your cash ISA earlier in a tax year but do not replace it in your cash ISA, you can pay the equivalent amount into a stocks & shares ISA, innovative finance ISA or lifetime ISA before the end of the same tax year as part of your annual ISA allowance.
- If you make a withdrawal and do not pay the amount of that withdrawal back in before you close your account, the flexible allowance will be lost and you will limit the amount you can save tax free. You cannot repay the amount into a different cash ISA you have with another provider even if it is the same tax year and that ISA is also flexible.

ISA transfers

ISAs can be transferred from one ISA provider to another.

What can I transfer?

- Your existing cash ISA, stocks & shares ISA, innovative finance ISA or lifetime ISA from another provider to your Scottish Widows Bank cash ISA.

How long will it take?

- If you are transferring an existing cash ISA it should not take more than 15 working days.
- If you are moving an existing stocks & shares ISA, innovative finance ISA or lifetime ISA, it should not take more than 30 calendar days.
- If you ask to transfer your cash ISA to another provider, we will send them your ISA savings and information within 5 working days of receiving your transfer request.

If you are transferring to Scottish Widows Bank, please remember:

- Before you decide whether to transfer your existing ISA check your existing provider's charges for doing this – for example exit costs or charges for closing your existing account early. Special Rules apply to lifetime ISAs and a Government charge applies to some withdrawals. You should ask your lifetime ISA provider for full details.
- If you want to transfer a stocks & shares ISA or lifetime ISA, your stocks and shares will be sold as part of the process, because we only hold cash in your cash ISA. It is possible you could lose out if there is a rise in the market around the same time. Scottish Widows Bank will not be liable if this happens.
- When we receive your completed ISA transfer application, we'll ask your existing ISA provider to transfer the ISA funds to us in line with your request. We will pay interest at your new interest rate while your ISA funds are being transferred to us, provided those funds were

able to be moved from your old account when we made the request. If there is a delay in this process, we will pay interest at your new interest rate from the first working day after the day on which the transfer should have completed under the timelines set out above.

If you are transferring from Scottish Widows Bank, please remember:

- If you are the spouse or civil partner of a deceased ISA holder, you can transfer a Scottish Widows Bank cash ISA that you have used to save all or part of any additional permitted subscription allowance. If you have not paid in the full amount available under the additional permitted subscription the remaining allowance can not be transferred to your new provider. This remaining allowance can still be used by paying into a Scottish Widows Bank ISA within the allowed time limit, usually up to three years from date of death.

For any ISA transfer, please remember:

- If you ask to transfer your flexible ISA in full and you have withdrawn all or part of any amount you paid in during a previous tax year, you will not be able to replace these withdrawals once the transfer process starts. This will limit the amount you can save tax free. For example, if you saved £5,000 in your cash ISA during the 2013/14 tax year and withdrew £2,500 of it during the 2016/17 tax year, you would not be able to replace the £2,500 if you then asked to transfer all the money in your cash ISA to another ISA provider. To prevent this you could replace your withdrawn savings before you transfer your ISA in full.
- Generally you cannot subscribe to more than one cash ISA in the same tax year. However, you can transfer the money you have saved this tax year to another ISA. If you transfer it to a stocks & shares ISA, innovative finance ISA or lifetime ISA, you will be able to open another cash ISA, as long as overall you do not save more than the annual limit.

- Money cannot be transferred from a cash ISA to a junior cash ISA, or from a junior cash ISA to a cash ISA.
- If you transfer your existing Scottish Widows Bank cash ISA to another ISA provider in any tax year, you cannot subsequently make an ISA transfer application for a new Scottish Widows Bank cash ISA in the same tax year. If you ask to transfer ISA funds to us in these circumstances, your ISA transfer application will be rejected.
- You are able to transfer money saved in the current tax year in cash ISA into another type of ISA. Such transfers must be the whole amount saved in that tax year in that cash ISA up to the day of the transfer. Once transferred, the money is treated as if it had been invested directly into another type of ISA in that tax year.

ISAs on death

Special rules apply when an ISA holder dies.

How we treat our cash ISAs if the ISA holder dies

If you die before 6th April 2018 the tax-free status of your ISA ends on the date of your death. No more money can be paid into your account and any money withdrawn (including any withdrawals made before the date of your death) can't be replaced. We will pay interest gross until the closure of your account. Whoever looks after your estate will be able to close your account and they will be responsible for notifying HM Revenue & Customs and paying any tax.

If you die after 6th April 2018 the tax free status of your ISA can continue until the earliest of;

- the date your ISA is closed;
- the date the administration of your account is completed; or
- three years from the date of your death.

During this time we will continue to pay interest tax free. Whoever looks after your estate will not be able to pay any more money into your account and any money withdrawn (including any withdrawals you made before the date of your death) can't be replaced. If your account is still open three years from the date of your death its tax free status will end. Whoever looks after your estate will be able to close it. We will pay the interest gross. They will be responsible for notifying HM Revenue & Customs and paying any tax.

Additional permitted subscription allowance

A spouse or civil partner who was living with an ISA holder when he or she died can qualify to save an 'additional permitted subscription'. The additional permitted subscription allowance can be deposited in addition to the amount you could have saved in ISAs otherwise. You must be aged 16 or over to qualify and the additional permitted subscription allowance does not include any withdrawal(s) from the deceased customer's flexible ISA(s) that had been withdrawn but not replaced at the date of death.

What this means:

- If the ISA holder dies before 6th April 2018 and if you qualify, you can pay in up to the amount the ISA holder had in ISAs at the date of death (including any interest earned up to that date), or;
- If the ISA holder dies on or after 6th April 2018 and if you qualify, you can choose whether to calculate this based on the value of the ISA holder's ISAs at the date of death or a later date, which will be the earlier of:
 1. The date the ISA was closed; or
 2. Three years from the date of death (including any interest earned up to that date).

If your spouse or civil partner had all his or her ISAs with the same ISA provider, you must use the same date to calculate the additional permitted subscription. If the ISAs were with different providers you can ask for a different date (including the date of death) to be used for the different ISAs. Once you have told a provider of the date on which you wish your additional permitted subscription to be calculated you cannot change your mind.

The government's ISA rules explain how long you have to use an additional permitted subscription. However, this is normally within three years of the date of the ISA holder's death, or 180 days from the date the administration of the ISA holder's estate is completed, whichever is later.

With Scottish Widows Bank you can choose whether to:

- pay it into your existing ISA;
- change your ISA to one in our current range; or
- open a new cash ISA.

The following additional conditions also apply if you have an E-Cash ISA 3.

To open an E-Cash ISA 3 you :

- Should pay in at least £10, or ask to transfer money you've saved in another ISA to Scottish Widows Bank.
- Can use, telephone banking or Internet Banking.

Our interest on E-Cash ISA 3:

- Is variable – it can change while you have your account.
- Is paid annually on 1st April or can be paid twice yearly on 1st April and 1st October if you make the appropriate selection. If the payment date is not a working day, interest will be paid on the working day immediately after.

- Will be added to your ISA. You can ask us to transfer it to a different account with us in your name. If the account balance is above £2,500, you can ask us to transfer it to your nominated account but please remember if we transfer ISA interest to another account, it will not be tax-free afterwards. You will not be able to earn tax-free interest on that interest.

You can manage an E-Cash ISA 3:

- With easy-access using Internet Banking, by calling us or by post. The minimum withdrawal you can make is £10.
- As it is a flexible ISA, remember that if you make a withdrawal, you should pay that money back into this account before the end of the tax year otherwise you will limit the amount you can save in your cash ISA tax free.

In the following sections we set out the general conditions for your savings account.

SECTION C – CHECKS, ACCOUNT SECURITY AND KEEPING YOU INFORMED

We need to make sure that only you can access your accounts. This section explains what you and we both need to do to protect your information and accounts. It also covers the information we will give you about your account.

Meaning of words we have used

device

Anything such as a computer, smart phone or another device that you can use on its own or in combination with your security details to access your account or give instructions.

security details

Details or security procedures you must follow or use to make an instruction or confirm your identity or access a device (for example a password or security code).

1. How do we know we are dealing with you?

- 1.1 We will assume we are dealing with you and will provide information about your accounts and services and act on instructions (without further confirmation) if we have checked your identity, for example in one of the following ways or in any other way we may introduce:

Method of instructing us:

In writing

Check:

Your signature

Method of instructing us:

Telephone, or Internet Banking or using a device

Check:

Use of your security details

2. How do you and we keep your account secure?

- 2.1 We will do all we reasonably can to prevent unauthorised access to your accounts and to make sure they are secure.
- 2.2 You must:
- follow instructions we give you, which we reasonably consider are needed to protect your accounts from unauthorised access;
 - not let anyone (even someone sharing a joint account with you) use your device or security details;
 - not let anyone give instructions or access information on your accounts unless they have a separate arrangement with us or you have authorised them to operate your account for you;
 - not email us confidential information or instructions (If you need to contact us, please see details in 'How to contact us');
 - keep your device secure and protect it from damage; and
 - do all you reasonably can to prevent anyone else finding out your security details.



You should not:

- tell anyone your security details;
- choose obvious passwords or codes (such as your date of birth) as part of your security details;
- write your security details on, or keep them with, your device or any documents for your savings account;
- write down your security details in a recognisable way; or
- let anyone listen to your calls with us, or watch you entering or using your security details.

- 2.3 You must tell us as soon as possible (see 'How to contact us') if you:
- a) think any device or security details have been lost, stolen, damaged or are being misused; or
 - b) think someone can access your accounts without your authority or has discovered your security details.



If your security details are stored on a device (like a smartphone), you should tell us if you lose your device.

2.4 If we, the police or other authorities are investigating any misuse or alleged unauthorised use of your accounts, you must provide information and help that we or they ask for if the request is reasonable. We, the police or other authorities would never ask you for your security details. We may pass related information to other banks or companies involved in payment processing, or to the police or other authorities, in the UK or (if appropriate) abroad.

2.5 You are responsible for checking statements or other account information we give you. We will correct any errors as soon as reasonably possible after becoming aware of them.

2.6 If you use Internet Banking, you should also comply with the security arrangements described in the Internet Banking terms and conditions which are available at www.scottishwidows.co.uk/bank/IB/tandc.htm

3. How will you get statements and other information?

3.1 If there are payments out of your account, we will either provide information on those payments by letter or send a statement within one month. You can ask us to provide this information less often than monthly by calling us on the number provided in 'How to contact us.' We will always provide a paper statement at least once a year. You may receive a regular statement more often than once a year, if we have agreed this with you. Statements will set out all the payments into and out of your account and give other information about them. We will also send you confirmation of all transactions of £10,000 or over.

- 3.2 You can ask for information about your accounts or order a statement by telephone. If we have already provided a statement, we may charge you for a duplicate.
- 3.3 When we send you statements, we may put messages on or with your statements to tell you about changes to this agreement or to other agreements or services you have with us.

SECTION D – MAKING AND RECEIVING PAYMENTS

In this section we explain how you can ask us to make payments from your account, how soon you can use money paid in and when we pay interest. You can also use a third party provider to make payments on certain accounts (you can find out more about third party providers in Section I). If you do use such a provider, those payments will be made in the same way we set out in this section. We also explain how to stop payments and what happens if something goes wrong. Payments include withdrawals and transfers to other accounts.

Meaning of words we have used

working day

Monday to Friday (except English bank holidays). You can give some instructions for payments on non-working days, but we do not complete their processing on our systems until the next working day. This is explained below.

cut-off time

The latest time we can process instructions or add payments to an account.

device

Anything such as a computer, smart phone or another device that you can use on its own or in combination with your security details to access your account or give instructions.

electronic transfer

A payment to or from the account made by any type of telecommunication, digital process or device and does not include cash or cheques.

nominated account

The account in your name (or in both names for joint accounts) with another UK bank or building society which you nominate as the account from or to which electronic transfers may be made.

Meaning of words we have used

security details

Details or security procedures you must follow or use to make an instruction, confirm your identity or access a device (for example a password or security code).

The time periods below assume we receive a payment or payment instruction before the cut-off time on a working day. If it is received after the cut-off time or on a non-working day, we will treat it as being received the next working day.

4. How can payments be made into your account?

4.1 Subject to any restrictions in the additional conditions for your account, payments in sterling can be made into it by cheque and direct transfer from your nominated account. Cut-off times for payments into your account will depend on how the payment is made. The table shows our cut-off times for receiving payments by cheque or direct transfer.

Method: Cheques
Cut-off time 3pm
Method: Electronic transfer from another bank account
Cut-off time 5pm

The tables below show how we process these payments.

4.2 Direct payments received from your nominated account or from another Scottish Widows Bank account

Paying-in method:

Transfers on a non-working day between two personal accounts (A) and (B) in your name with Scottish Widows Bank

Does the payment show in your account on the day it is received?

No – it will show in (B) on the next working day.

Can you use the money on the day it is received?

Yes – immediately available in (B).

Does the payment affect any interest from the day it is received?

No – it will count for interest in (A) until it is shown in (B).

Paying-in method:

Any other direct payment including transfers from your nominated account (e.g. direct debit, direct transfer)

Does the payment show in your account on the day it is received?

Yes

Can you use the money on the day it is received?

Yes – immediately.

Does the payment affect any interest from the day it is received?

Yes

To collect regular or occasional transfers by direct debit, from your nominated account, we will require a completed direct debit mandate. Please note that it takes three working days to set up a direct debit mandate and we are unable to collect funds on your behalf during that period.

Once the direct debit mandate is set up, we will ask for the payment to be sent to us on the day specified in your direct debit mandate, provided this is at least three working days from when we request your payment to be sent to us. We will process your direct debit request on the working day we receive it, or if after the cut-off time or if on a non-working day, the next working day.

If no day is specified, we will request the payment from your nominated account on the day we process your direct debit request. We will usually receive the payment three working days after we request it. For example, if we request the payment on Monday, it will reach your account by Thursday.

Scottish Widows Bank does not accept funds transferred in by other means e.g. bank giro credit, standing order or dividend mandate.

4.3 Cheques from your nominated account paid in at Scottish Widows Bank

Cheques must be drawn from an account bearing your name. We recommend that personal cheques issued by you are made payable to: Scottish Widows Bank [Accountholder's Name].

Third party cheques are not permitted. Building society cheques must be verified to confirm they are from an account held in your name. (Please arrange for the issuing branch to stamp and sign the reverse of the cheque and add your name, sort code account number and roll number if applicable.)

Payments show in your account on the working day we receive the cheque.

The table below explains what happens while the cheque is being 'cleared' (collected from the other bank).

We use one of the two clearing cycles:

- The '2-6-6' process
- The 'Cheque Imaging' process (being introduced during 2018)

The 'Cheque Imaging' process will be introduced gradually, and if we are using the new process we will display a notice when you pay in a cheque.

Type of cheque

All cheques paid into Scottish Widows Bank using the '2-6-6' clearing process

When will the payment affect any interest we pay?

From the second working day after we receive the cheque.

When can you use the payment?

From the sixth working day after we receive the cheque.

When can the cheque be returned unpaid?

Up to the end of the sixth working day after we receive it *even if you have already spent it*. From then on we cannot take money from your account if the cheque is returned unpaid without your consent, unless you have been fraudulent.

Type of cheque

All cheques paid into Scottish Widows Bank using the 'Cheque Imaging' process.

When will the payment affect any interest we pay?

By 23.59 on the working day when we receive it at the latest.

When can you use the payment?

From 23.59 on the working day after we receive it at the latest.

When can the cheque be returned unpaid?

Up to 23.59 on the working day after we receive it.



'2-6-6' Clearing process

If you pay a sterling cheque into your account at Scottish Widows Bank and we receive it on a Monday, you will see it in your account the same day. It counts towards any interest on Wednesday, you can use the money on the following Tuesday and we cannot take the payment out of your account after that day.



'Cheque Imaging' Process

If you pay a sterling cheque into your account and we receive it on a Monday, you will see it in your account the same day. It counts towards any interest and you can use the money on Tuesday by 23.59 at the latest.

Important information

We may refuse a sterling cheque for payment into your account if it is more than six months old.

Scottish Widows Bank does not accept non-sterling cheques.

4.4 General terms about payments

If we are told, for example by another bank, that money has been paid into your account by mistake, we can take an amount up to the mistaken payment amount from your account. We do not have to ask you to agree to this, but will let you know if it happens. We will act reasonably and try to minimise any inconvenience to you.

If we become aware that a payment into your account was made by mistake or fraud within two months of receiving the payment, we will:

- make sure the amount of the payment is not available to you to use (we might do this by taking the amount out of your account or by limiting access to the amount in the account); and
- tell you we will return the payment to the paying bank unless you tell us within 15 working days that the payment was not made by mistake or fraud. If you do not respond within 15 working days, we will return the amount to the paying bank.

If we become aware that a payment into your account was made by mistake or fraud more than two months after the receipt of the payment, we will normally contact you before restricting your use of the amount in the account.

If we cannot return the funds to the payer, we may give information about you and your account to the payer's bank so they can recover the money.

We may refuse to accept a payment into an account or make a payment from it if we reasonably believe that doing so may:

- a) cause us (or another company in Lloyds Banking Group) to breach a legal requirement; or
- b) expose us (or another company in Lloyds Banking Group) to action from any government or regulator.

5. How can you make payments out of your account?

5.1 Making a payment

If you want to make a payment, we will check we are dealing with you as set out in Section C.

- For certain accounts, the types of payment and the way you can make them may be limited. The additional conditions tell you the payment services available on your account.

If we receive a payment instruction after the cut-off time on a working day, we will act on it on the next working day. The cut-off time for making payments depends on how and where a payment is to be made, but for a payment in sterling within the UK is not usually before 6pm (UK time). You can ask us for details, and we have some extra information about cut-off times for particular payments in Section M.

If you ask us to make a payment on a future date, we will make the payment on that date, unless it is a non-working day, in which case we will make the payment on the following working day.

5.2 Payment details

For us to make a payment for you within the UK, we normally need the sort code and account number and any other details we ask for.

You must check that the details are correct before asking us to make a payment.

5.3 When can we stop you making payments?

We can stop or suspend your ability to make payments using any device or security details if we reasonably consider it necessary because of:

- security – including if you tell us you have lost your device; or
- suspected unauthorised or fraudulent use of a device or your security details.

If we do this, we will act in a reasonably appropriate way and will try to reduce your inconvenience. Unless the law prevents us doing so or we reasonably believe it would undermine our security measures, we will try to contact you in advance to tell you we are doing this and why. If we cannot tell you in advance, we will tell you as soon as possible afterwards.

5.4 **When can we refuse to act on an instruction?**

We can refuse to make a payment if:

- our internal security controls require you to produce additional identification or prevent us carrying out the transaction (for example, if it is for more than the maximum amount we set at any time) – we will let you know if we are stopping a payment for this reason;
- the payment seems unusual compared with the way you normally use your account, in which case we may investigate further, for example by calling you;
- you do not have available funds to make the payment or you have exceeded a limit we have applied to your account or device;
- the payment instruction is not clear or does not contain all the required details;
- there is a regulatory requirement that tells us to;
- we reasonably believe that you or someone else has used, is using or obtaining, or may use or obtain a service or money illegally or fraudulently;
- we reasonably believe that someone else may have rights over money in your account (in this case we can also ask – or require you to ask – a court what to do, or do anything else we reasonably need to do to protect us); or

- any other reason set out separately in this agreement applies.

5.5 **What happens if we refuse to act on an instruction?**

Unless the law prevents us, we will try to contact you to tell you we are refusing, or are unable, to act. We will do this as soon as we can and before the time any payment should have reached the bank or building society you are sending it to. If you want to check whether a transaction has been accepted, you can call us (see 'How to contact us').

Additional information about failed payments

You can contact us to find out (unless the law prevents us telling you) why we have refused to act on your payment instruction and how you can correct any factual errors that led to our refusal.

5.6 **Can you cancel or change a payment?**

You cannot change or cancel a payment that you have instructed us to make immediately but you can cancel any payment you asked us to make on a future date. To do this, you must tell us on the working day before the payment is due to be made.

If a banking industry payment scheme such as the Current Account Switch Service tells us that a person you have asked us to pay has switched their account to another bank, we will update your instruction with the new account details. This will mean your payment reaches the correct account within the agreed timescales as set out in this booklet.

SECTION E – HOW LONG WILL YOUR PAYMENT TAKE?

If your account allows you to make payments, this section tells you how quickly we will send payments to the payee's bank. Please refer to your account's additional conditions to see what payments you can make.

6. UK payments

Type of payment:
Faster Payment

How long will the payment take to reach the payee's bank after we take it from your account?

If you ask us to make a payment to your nominated account, it will reach the bank holding your nominated account no later than close of business on the next working day.

- a) For example, if we process your request on a Monday, the funds will reach the other bank by Tuesday.
- b) We will process your instruction on the working day when we receive it or, if we receive it after the cut-off time or on a non-working day, the following working day.

Please check with us if the bank or building society you want to send the payment to can accept Faster Payments.

Alternatively, you can ask us to make a CHAPS transfer (please contact us for exact requirements on how to do so). There is a charge for this service which is set out in our Interest Rates and Charges sheet.

- a) We will then take the money from your account on the working day we process your request and the other bank will receive the money on the same working day.
- b) We will process your request on the working day we receive it or, if we receive it after the cut-off time or on a non-working day, the next working day.

Type of payment:

Future-dated payment to another UK bank account

When we send a payment to your nominated account it will arrive on the next working day. You must tell us when you would like the payment to be sent. We can also send regular payments. Future-dated payments can be made on working days only.

The payee's bank must pay the funds into the payee's account on the day it receives the payment from us.

SECTION F – HOW WE CALCULATE INTEREST AND ACCOUNT CHARGES

As long as you have enough money in your account, we will pay you interest on amounts we hold for you. We also have charges for some account services.

7. Where can you find information about our interest rates and account charges?

Our Interest Rates and Charges Sheet contains our usual interest rates and charges for our savings accounts and most regular services. When you opened your account, you will have been given this information but if you would like another copy, call us (see 'How to contact us').

You can also see our interest rates and charges online at http://www.scottishwidows.co.uk/bank/interest_rates.html

8. How do we work out how much interest to pay?

- 8.1 Unless we have told you otherwise, we calculate any interest we pay on a daily basis, based on the daily balance of your account.
- 8.2 The additional conditions will tell you when we pay interest on your account. They will also say whether we pay interest into the account and whether we can pay it to another account. We will calculate any interest on amounts credited to your account as they become part of the account balance. This will depend on when and how the relevant payment is made into your account – see Section D.

If we are due to pay interest on a non-working day we will pay it on the next working day unless the additional conditions for your account state otherwise. We pay interest at the end of a working day. So you may not be able to withdraw the interest until the following day. You may not see it as part of your account balance online until shortly after midnight.

- 8.3 If you make a withdrawal from your account, we pay interest on the amount of the withdrawal up to and including the day before it leaves your account, unless you make the withdrawal on a non-working day. If so, we continue to pay interest up to and including the day before the working day after your withdrawal.



If you make a withdrawal on a Saturday, we will pay interest on the amount withdrawn on the Saturday and the Sunday, but not the Monday (unless the Monday is a bank holiday).

- 8.4 If we pay interest on your account, we will pay it 'gross'. You will be responsible for paying any tax you owe directly to HM Revenue & Customs.
- 8.5 We may take any charges you owe us from the same account. We will refer to the charges in our Interest Rates and Charges Sheet when you call, and write to confirm the details.
- 8.6 You must not allow your account to go overdrawn. If your account does go overdrawn, this does not mean we have allowed you to have an overdraft. You must immediately pay us back the amount you are overdrawn.

SECTION G – HOW AND WHEN WE CAN MAKE CHANGES TO THIS AGREEMENT

As this agreement could last a long time, we will need to change its terms occasionally. We can foresee some of the reasons why it would be fair for us to do this, and have listed them below, but we may in the future also want to make changes for other reasons. We will tell you about these changes, and how they will affect you, in advance. You may be able to close an affected account or end your relationship with us if you do not want to accept any change we tell you about.

This section refers to two types of account: 'payment accounts' and 'restricted savings accounts'. The account's additional conditions tell you which type you have.

9. What can we change?

- 9.1 We can change the general or additional conditions that apply to a particular account, benefit or service.



We may change any of the terms in this booklet, and the interest rates and charges that apply to an account.

- 9.2 We cannot change terms that we tell you are fixed, such as interest rates that are fixed for a set period.

10. Why can we make a change?

Meaning of words we have used

reference interest rate

An interest rate that is publicly available and linked to a rate we do not set – like the Bank of England base rate (also called the Bank of England bank rate).

regulatory requirement

Any law, regulation, code or industry guidance that applies to us including a requirement of a court, ombudsman or similar body or an undertaking given to a regulator.

- 10.1 We can make a change for a reason set out below. If we do, the change will be a reasonable and proportionate response to a change that is affecting us or that we reasonably think will affect us.

Reason:

A change in regulatory requirements.

For example

We may have to update our security terms because new legislation introduces tighter standards.

Reason:

To do something positive for you.

For example

Our conditions may have to change because new technology enables you to make payments more quickly.

Reason:

A change in the cost of running our accounts, including changes in our running costs.

For example

We may have to adjust our charges if our running costs change.

Reason:

Any other change that affects us, if it is fair to pass on the impact of the change to you.

For example

We may introduce new measures to combat fraud.

10.2 We may also make changes for any other reason we cannot foresee.



We may need to respond to changes in the banking sector caused by increased competition that affect how we provide our services and what we charge for them.

10.3 If the interest rate on your account is a 'tracker' rate, the rate will change automatically in line with the reference interest rate it is linked to. The additional conditions will say how soon the tracker rate will change after a change in reference interest rate.

11. How and when will we tell you about changes and what are your rights?

Meaning of words we have used

managed rate

A rate that we set, and can change, and that is not a reference interest rate.

material change

Changes to a managed rate where the balance of your account is £100 or more.

restricted savings account

A fixed-rate bond or other savings account that provides only a limited ability to make payments. The additional conditions for an account will tell you if it is a restricted savings account.

payment account

A savings account that is not a restricted savings account.

published notice

A notice we put on our website and, sometimes, in national newspapers.

personal notice

A notice we give you individually, for example by letter, electronically or in statement messages or inserts.

11.1 In the tables below, we explain how we give notice to change terms on particular accounts.

11.2 Restricted savings accounts

Type of change	Notice	Timing of notice before or after the change	Can you close or switch the account without charge?
Interest rate increase	Personal or published	As soon as possible	Yes, unless the additional conditions say you cannot.
Interest rate decrease that is not material (not tracker rates)			
Favourable or neutral changes to other terms	Personal or published	No more than 30 days after	
Material changes to interest rates (not tracker rates) that disadvantage you	Personal	At least 14 days before	Yes within 30 days of the notice.
All other changes that disadvantage you	Personal	At least 2 months before	Yes, at any time before the change.

11.3 Payment accounts

Type of change	Notice	Timing of notice before or after the change	Can you close or switch the account without charge?
Interest rate increase	Personal or published	No more than 30 days after	Yes, unless the additional conditions say you cannot.
All other changes	Personal	At least 2 months before	Yes, at any time before the change.

12. What are your rights if you want to close or switch an account in response to notice of a change?

For a change where we have to give you advance notice, you can tell us you do not want to accept the change using the contact details at the start of this booklet. We will take this as notice that you wish to end the agreement or close or switch your account immediately. If there is normally a charge for closing or switching your account, it will not apply. If we do not hear from you, we will regard you as accepting the change on the date it comes into force.

SECTION H – HOW WE MANAGE JOINT ACCOUNTS

If two of you are joint accountholders, you can each give us instructions on your own. This section explains how we treat you and what happens if the arrangement between you comes to an end.

Some of our accounts cannot be held jointly.

13. What do joint accountholders need to know?

- 13.1 We will make payments, allow withdrawals, give information (including about your account) or do anything else if we are asked to do so by either of you, subject to condition 13.2 below. We can also rely on information given by either one of you about the other.

Examples of things either joint accountholder can do without the knowledge of the other(s)

- Pay away all the money in an account.
- Close an account.

If you have a joint account and you only want us to accept instructions from both of you, then both of you must write to us to discuss the future operation of the account.

Examples of things we can do for one accountholder that count as if we did them for both

- Provide any information about your account, but if you are receiving statements at only one address you can ask us to send you separate account statements if the accountholders live at different addresses.
- Send a notice to just one of you.

- 13.2 You are each, separately, responsible for complying with the terms of this agreement. If any either of you does not comply, we can take action against either or both of you.

14. What happens when the arrangement between joint accountholders changes or ends for any reason?

- 14.1 When this agreement ends (or your account is closed), we may pay or transfer money we hold for you under this agreement (or in the account) to either of you.
- 14.2 If you want to put the account into just one of your names or authorise someone else to operate the joint account, you must both write to us.
- 14.3 If we become aware of a dispute between you, we may take steps to prevent either of you giving instructions or using the account individually until the dispute is ended. If there is a dispute and you only want us to accept instructions from both of you (and not just one of you), then both of you must first return to us any items we have provided. We may then close your account and, if we choose, offer each person the opportunity to open a new account in just their own name.
- 14.4 If either of you dies, we will change your joint account into the name of the survivor.

SECTION I – CAN SOMEONE ELSE OPERATE YOUR ACCOUNT?

15. How can someone else operate your account?

- 15.1 If you want or need someone else to operate your account, you must generally provide appropriately signed instructions in writing, or sign a form we give you or grant a power of attorney to someone, which authorises them to operate your account.
- 15.2 In certain circumstances, the law may require us to allow someone else to operate your account – for example, if you are no longer able to manage your money, if you are bankrupt or die.
- 15.3 For security reasons, we may not allow another person access to all of the services we provide to you. If we do allow them to use a service, you can tell them your security details as long as they agree to keep them safe.
- 15.4 We are not responsible for an act (or failure to act) by someone else allowed to operate your account as long as we did not know or suspect they were acting dishonestly towards you.

16. Third party providers

Meaning of words we have used

Third party provider

A service provider authorised by law to access information or make payments for you from your payment accounts.

- 16.1 You can instruct a third party provider to access information on your accounts or make payments from your accounts online as long as it is open and transparent about its identity and acts in line with the relevant regulatory requirements. We will treat any instruction from a third party provider as if it were from you.
- 16.2 We may refuse to allow a third party provider to access your account if we are concerned about unauthorised or fraudulent access by that third party provider. Before we do this we will tell you and explain our reasons for doing so, unless it is not reasonably practicable, in which case we will tell you immediately afterwards. In either case, we will tell you in the way which we consider most appropriate in the circumstances. But we won't tell you if doing so will compromise our reasonable security measures or otherwise be unlawful.
We may make available to a third party provider a specific means of accessing your account. If we do, and it tries to access your account by a different way, we may refuse to allow that access.
- 16.3 If you think a payment may have been made incorrectly or is unauthorised, you must tell us as soon as possible even where you use a third party provider.

SECTION J – WHO IS RESPONSIBLE FOR ANY LOSS?

It is important for you to understand what you and we take responsibility for and when you may be liable under this agreement. This section also applies to any payments you make through a third party provider.

Meaning of words we have used

device

Anything such as a computer, smart phone or another device that you can use on its own or in combination with your security details to access your account or give instructions.

security details

Details or security procedures you must follow or use to make an instruction, confirm your identity or access a device (for example a password, security code).

the EEA

The European Economic Area, which means the countries in the European Union plus Iceland, Norway and Liechtenstein.

17. Incorrect payments

17.1 When will we refund incorrect payments?

We will refund the amount of a payment and any charges you paid as a result of it, and pay you any interest we would have paid you on that amount, if:

- you asked us to make the payment to an account at another bank in the EEA and the payment was not made properly or never arrived, unless there was a mistake in any of the details in the payment instruction or we can show that the payment was received by the other person's bank. We will provide the refund without undue delay; or

- the payment was unauthorised (see 'Unauthorised payments' below). We will provide the refund as soon as we can and in any event by the end of the next working day.

Additional information about payment refunds

We will not refund the payment if you tell us more than 13 months after it was made that the payment was not made properly or was unauthorised.

If a payment goes to the wrong person or is delayed because you gave us the wrong details, we will not be liable but we will try to recover the payment for you. We may charge our reasonable costs for doing so. If a payment is delayed due to our error, you can ask us to ensure that the receiving bank credits the payment to the payee's account as if it had been made on time.

17.2 What happens if we incorrectly execute or fail to execute a direct debit instruction?

If you ask us to transfer money to your account by direct debit and the payment is not made or never arrived, we will:

- immediately ask the paying bank to make the payment to us again; and
- refund to you any charges you paid and pay you any interest we would have paid you on the amount that should have been transferred as a result,

unless we can show we submitted our request to the paying bank correctly, or you gave us the wrong details in the payment instruction.

18. Unauthorised payments

You are not liable for any payments or withdrawals from your account that you do not authorise. If you are not liable for a payment, we will refund or pay the amount of the payment and interest you lost as a result of the payment. We will not have any further liability. There are two exceptions to this rule:

- i) If we can prove you acted fraudulently, you will be liable for all payments from the account that we could not stop.
- ii) If we can prove you have been grossly negligent with your device or security details, you will be liable for payments from your account but only until you have told us your device or security details have been lost, stolen or could be misused. In some cases, you will not be liable for a payment instruction you did not give yourself. These include where we have failed to tell you how to report that your device or security details have been lost, stolen or could be misused or where the unauthorised payment was made by telephone or internet.

19. What happens if we break the terms of this agreement?

19.1 We are responsible if you suffer loss because we have broken this agreement. There are three exceptions to this rule:

- i) We are not liable for losses or costs caused by abnormal and unforeseeable circumstances outside our reasonable control, which would have been unavoidable despite all efforts to the contrary. These include delays or failures caused by industrial action (e.g., strikes), problems with another system or network, mechanical breakdown or data-processing failures.
- ii) We are not liable for losses or costs where a regulatory requirement means we must break this agreement.
- iii) We are not liable for business losses or costs you suffer (such as loss of business profits or opportunities) as a result of anything we have done, as we make this agreement with you as a personal customer.

19.2 Nothing in this agreement limits our liability for acting fraudulently or very carelessly or otherwise excludes or limits our liability to the extent we are unable to exclude or limit it by law.

SECTION K – ENDING THIS AGREEMENT OR AN ACCOUNT OR SERVICE OR SUSPENDING A SERVICE

20. Suspending an account or service

20.1 We may suspend an account or service if we think you do not want it anymore because you have not used it for 12 months, or if you are no longer eligible for it. We will give you two months' notice in writing before doing so.

21. Ending this agreement or an account or service

21.1 This agreement continues until you or we cancel or end it. The table below shows how this agreement (or any account or service) can be ended. If we end it, we will act in a manner we think is reasonably appropriate for the circumstances and will try to reduce the inconvenience to you.

By	Reason	Notice
You	Any reason.	None, unless the additional conditions for your account require notice. You may have to pay a charge if you close some accounts before the end of a fixed term. We may ask you to confirm in writing your request to close your account.
Us	If we reasonably consider that: <ul style="list-style-type: none"> • there is illegal or fraudulent activity on or connected to the account; • you are or may be behaving improperly (for example, in a threatening or abusive way); • by continuing the agreement we (or another company in Lloyds Banking Group) may be exposed to action from any government, regulator or other authority or may break a regulatory requirement; or • you have seriously or repeatedly broken this agreement in any other way. 	None.
	When we participate in the unclaimed assets scheme and you have not used an account for 15 years (or other period specified by law) and we have lost touch with you. In this case, we may transfer any money in the account to the 'reclaim fund' (a body set up to deal with unclaimed assets in dormant accounts). We will try to contact you before doing this.	For further details see Section M.
	Any other reason.	Two months (in writing).

- 21.2 When this agreement ends, any account covered by it will close and any service we provide under it will stop. You must also:
- a) repay any money you owe us (including any payments you have made that have not yet been taken out of your account);
 - b) pay any charges up to the date the agreement, account or service ends; and
 - c) if your account allows them, cancel any direct payments into or out of your account.
- 21.3 If this agreement (or a service under it) ends, it will not affect any legal rights or obligations that may already have arisen or any instructions already given.
- 21.4 When this agreement ends (or your account is closed) we will pay or transfer money we hold for you or owe you under this agreement (or in the account) to you, or to any other person you name in writing. However, we may keep enough money to cover anything you owe us or, if you have broken this agreement, any loss of ours that results.
- 21.5 In the event of your death, we may need to see a grant of probate, certificate of confirmation or grant of representation before releasing money in your account to your personal representatives.
- 21.6 After this agreement ends, we will keep any rights we have under general law. We may continue to hold and use your personal data but only to the extent we need to do so as set out in our privacy statement. This is available at http://www.scottishwidows.co.uk/bank/savings/full_privacy_notice.html or by asking us.

SECTION L – OTHER IMPORTANT TERMS

22. What happens if you do not meet the conditions we set for an account type?

- 22.1 We may change an account you hold with us to a different account if:
- a) you stop being eligible for your existing account in any way;
 - b) you are no longer resident in the United Kingdom; or
 - c) you make a complaint and we agree that the account may not be suitable for you.

Before changing your account to a different account, we will give you at least two months' notice. We will only change your account to one that we believe is a reasonably suitable alternative.

23. Transferring rights and obligations

You may not transfer any obligations or rights, benefits or interests under this agreement or in your accounts (or income from them) or create any security over money in your accounts in favour of someone else unless we say you can in writing.

24. Not enforcing this agreement

We may not always strictly enforce our rights under this agreement; for example, we may allow you to withdraw funds when your account conditions do not allow this. If we do this, it will be just a temporary measure and we may enforce our rights strictly again.

25. How can you complain?

If you feel we have not met your expectations in any way, please let us know so that we can tackle the problem as quickly as possible. We have a three-step procedure to resolve your concerns.

Step 1 – Tell us about the problem

Tell us about your complaint and how you think it could be resolved by calling our customer service team on **0345 845 0829**.

We will try to resolve your complaint by the end of the third working day after you contact us. If we cannot do this we will write to you within five working days to tell you what we have done to resolve the problem, or acknowledge your complaint and let you know when to expect our full response. We will also let you know the name and contact details of the person or team dealing with your case.

Step 2 – Follow-up

To follow up your complaint with our Customer Services Department, you can ask the person you raised your complaint with to refer the matter to them or write to Customer Services Department, Scottish Widows Bank, PO Box 12757, 67 Morrison Street, Edinburgh EH3 8YJ.

Step 3 – Contact the Financial Ombudsman Service if you are not satisfied

If you disagree with the decision we make, you can refer the matter to the Financial Ombudsman Service free of charge. The Financial Ombudsman Service provides a way of resolving disputes if you are unhappy with something we have done. Details are available from us on request or you can get further information at www.financial-ombudsman.org.uk

You may be able to submit a claim through the European Online Dispute Resolution Platform (available at <http://ec.europa.eu/consumers/odr/>) if you live outside the United Kingdom or if you prefer not to deal directly with the Financial Ombudsman Service.

26. Law applying to this agreement

- 26.1 If you are resident in England or Wales or in Northern Ireland when the conditions in this agreement first apply to you, the relevant law of England and Wales or of Northern Ireland will decide any legal questions about this agreement, and about our dealings with you with a view to entering into it. The courts of England and Wales or Northern Ireland will also be able to deal with any legal questions connected with this agreement.
- 26.2 Unless you are resident in England or Wales or Northern Ireland when the conditions in this agreement first apply to you, Scots law will decide any legal questions about it, and about our dealings with you with a view to entering into this agreement. The Scottish courts will also be able to deal with any legal questions connected with this agreement.
- 26.3 This agreement applies even if any term of it contradicts or overlaps with any law that applies, unless the law says we cannot agree with you to change or exclude the effect of that law.

SECTION M – ADDITIONAL IMPORTANT INFORMATION

This Section does not form part of the conditions for your account but provides further important information that you may need.

Who we are

- Our company details
 - Scottish Widows Bank is a trading name of Lloyds Bank plc. Registered in England and Wales, no. 2065. Registered office: 25 Gresham Street London EC2V 7HN.
 - To find out more about our company, see the Registrar's website, www.companieshouse.gov.uk or call the Registrar on **0303 1234 500**.
- Our VAT number is 244155576.
- We lend money and offer savings and other financial services to our customers.

How we are regulated

- We are authorised by the Prudential Regulation Authority, and regulated by the Financial Conduct Authority and Prudential Regulation Authority under registration number 119278.
- To find out more about us, see the Financial Services Register: www.fca.org.uk or call the FCA on **0800 111 6768**.
- We are regulated by the Office of Communications ('Ofcom'). If you have a complaint, you may also be able to take it to Ofcom at Riverside House, 2a Southwark Bridge Road, London SE1 9HA, www.ofcom.org.uk, telephone **020 7981 3040** or fax **020 7981 3333**.

Industry codes and memberships

- We are a member of the British Bankers' Association. Please see www.bba.org.uk to find out more.
- We subscribe to the Lending Code; you can get a copy of it from www.lendingstandardsboard.org.uk
- Eligible deposits with us are protected by the Financial Services Compensation Scheme. We are covered by the Financial Ombudsman Service.
- We follow advertising codes regulated by the Advertising Standards Authority ('ASA'). If you would like to find out more about the advertising codes or the ASA, or complain to them about any of our advertising, please see www.asa.org.uk, call the ASA on **020 7492 2222** email them at enquiries@asa.org.uk, fax them on **020 7242 3696** or write to the Advertising Standards Authority, Mid City Place, 71 High Holborn, London WC1V 6QT.

Dormant balances

When we participate in the unclaimed assets scheme established under the Dormant Bank and Building Society Accounts Act 2008, it enables money in dormant accounts (i.e., accounts that have been inactive for 15 years or more) to be distributed for the benefit of the community while allowing customers to reclaim their money.

Under the scheme, we may transfer balances of dormant accounts to Reclaim Fund Ltd (RFL), a not-for-profit reclaim fund authorised and regulated by the Financial Conduct Authority.

If we transfer the balance of your account to RFL, you will have the same rights against RFL to reclaim your balance as you would have done against us. However, we remain responsible for managing the relationship with you and for handling all repayment claims on behalf of RFL. Therefore, you should continue to contact us in the usual way if you have any questions or complaints about dormant accounts or balances.

Both we and RFL participate in the Financial Services Compensation Scheme (FSCS). Any transfer by us to RFL of your balance will not adversely affect any entitlement you have to compensation from the FSCS.

Cancellation

We hope you're happy with the savings account you have chosen. However, if you are not, you have 14 days from opening the account (or, if you have opened your account by telephone, from the date you receive your conditions if that is later) to cancel it without charge. Just give us your notice in writing by sending it to Scottish Widows Bank, PO Box 12757, 67 Morrison Street, Edinburgh EH3 8YJ. If you have chosen an ISA account and cancel within 14 days, you will still be able to open another ISA in the same tax year. If you cancel your ISA account after 14 days, you will not be able to open an ISA in the same tax year. Whenever you cancel, we will repay any credit balance and pay interest on your account for the time your money was with us. Even if you miss the 14-day deadline, you may still close your account in line with the account conditions.

CHAPS

The cut-off time for making CHAPS payments is 3.40pm.

Section E explains how long any payment should take to arrive.

Tax

We will pay your interest gross. This means we will not automatically deduct tax from your interest. Depending on your personal circumstances, you may need to pay tax on the interest you earn and it will be your responsibility to pay any tax you owe to HM Revenue & Customs (HMRC).

Tax-free is the contractual rate of interest that applies when interest is exempt from income tax.

Our charges will include our delivery costs (if any) and any tax you have to pay through us. You may have to pay tax which you do not pay us or pay through us.

ISAs

Lloyds Bank plc trading as Scottish Widows Bank is registered as an ISA manager with HM Revenue & Customs. If it delegates any of its functions or responsibilities under the ISA conditions, it will satisfy itself that the person to whom the functions or responsibilities are delegated are competent to carry out those functions or responsibilities.

Other information

- We will communicate with you in English.
- You can ask for a copy of this agreement or download it from our website.
- For more information visit us at www.scottishwidowsbank.co.uk

Copies of our literature can be provided in large print or in Braille and additional assistance is available to any customer upon request. If you have any special requirements please contact our customer service team on **0345 845 0829**. Customers with hearing impairment may choose to make use of Next Generation Text Relay (NGT) (previously known as Text relay, TextDirect and Typetalk) on **0345 732 3436** (lines are open seven days a week, 9am to 5:30pm). For more information visit the NGT Relay website. (Link to www.ngts.org.uk/)

These conditions are correct at the time of printing – April 2018.

Copies of our literature can be provided in large print or in Braille and additional assistance is available to any customer upon request.

If you have any special requirements please contact our customer service team on **0345 845 0829**.

Scottish Widows Bank is a trading name of Lloyds Bank plc. Registered office: 25 Gresham Street, London EC2V 7HN. Registered in England and Wales, no. 2065. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under number 119278.

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The logo for Scottish Widows, featuring the words "SCOTTISH WIDOWS" in a bold, black, sans-serif font. The text is centered and flanked by two stylized, wavy lines that sweep upwards and outwards from the base of the letters, creating a sense of movement and elegance.

SCOTTISH WIDOWS