Virgin Fixed Rate Cash ISA

Key product information

A fixed rate of tax-free interest

Here is some important information about our Virgin Fixed Rate Cash ISA to help you decide whether this account is right for you. You should read this sheet carefully together with the full Savings Terms and Conditions and keep it safe, so you can check it again if you need to. If you have any questions, just talk to us at your local Virgin Money Store or call us on **0845 600 1568***.

Key product information for our Savings Accounts	
Account Name	Virgin Fixed Rate Cash ISA Issue 98
Interest rates (AERs)	Rates effective from 19 June 2014 on balances of £1+

Annual interest		Monthly interest	
% Tax-free[1]	% AER[2]	% Tax-free[1]	% AER[2]
2.25	2.25	2.23	2.25

- Rates are fixed until 15 July 2017. Thereafter your account will become a variable rate Cash ISA.
- Where the balance falls below £1, interest will be earned at the prevailing basic savings rate, currently 0.10% tax-free[1] p.a.
- Additional deposits are accepted (subject to the terms and conditions of your account) for any amount from £1 up to the maximum investment, currently £15,000 for this tax year (2014/2015). This amount does not include ISA subscriptions in respect of previous tax years transferred in from other providers or an existing Virgin Money ISA, which are allowed regardless of the balance.
- Once this issue is withdrawn you can deposit additional funds, including ISA transfers in, into your (already opened) Cash ISA for a period of 30 days only. Any additional deposits received after 30 days will be returned to you. Please ensure that you initiate any ISA 'transfers in' as soon as you receive your new Cash ISA details.
- After the 30 day period, you cannot make any additional deposits into this ISA or subscribe to any other Cash ISA in the current tax year, even if you have not reached your annual subscription limit. Current year's subscriptions can be transferred and these will count towards your current tax-free allowance of £15,000.

Tax status	Interest is paid tax-free[1].
Conditions for bonus payment	Not applicable.
Withdrawal arrangements	■ Withdrawals within the fixed rate period are subject to a charge equivalent to 120 days' loss of interest on the amount withdrawn. ■ Minimum withdrawal amount of £1 (or less if closing).
Access	Virgin Money Store[3] or post via Main Office.

[1] The tax-free rate is the contractual rate of interest payable where interest is exempt from income tax.

[2] AER stands for Annual Equivalent Rate and shows what the interest rate would be if interest was paid and added to the capital balance each year.

[3] Not all of our Stores can offer a full banking service. Any facility which is not available at your local Store, excluding cash deposits and general cash transactions, can be processed at our Main Office. Please refer to your local Store for further details.

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Important savings information

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

You should read these Key Features with the terms and conditions, which contain more detailed information about how your ISA will work.

What is a Cash ISA?

The Individual Savings Account (ISA) is an account for savings and investments whereby any income and capital growth is free from UK personal Income and Capital Gains Tax. ISAs were first introduced by the government on 6 April 1999 and replaced the Tax Exempt Special Savings Account (TESSA) and Personal Equity Plans (PEPs). The interest, income or profit received on an ISA are tax-free (this favourable tax treatment may not be maintained on the account depending on government regulation).

Your allowance can be spread across two types of ISA, Cash ISAs and Stocks and Shares ISAs. You may have a different provider for each component within the same tax year.

Types of ISA

There are two basic types of ISA available: Cash ISA and Stocks and Shares ISA.

Currently up to £15,000 can be invested into a Cash ISA, a Stocks and Shares ISA or any combination of the two. For example you can invest:

- £10,000 into a Cash ISA and £5,000 into a Stocks and Shares ISA; or
- £15,000 into a Cash ISA and £0 into a Stocks and Shares ISA; or
- £2,000 into a Cash ISA and £13,000 into a Stocks and Shares ISA.

In any tax year you can only subscribe to one Cash ISA and one Stocks and Shares ISA.

How much can I save?

Minimum to open: £1

Minimum additional deposit: £1

Maximum deposit limit: Each tax year you can pay in up to your annual tax-free allowance (subject to the terms and conditions of your account), which is currently £15,000. Please note for Fixed Rate ISAs you only have 30 days from when the issue is withdrawn to deposit all of your funds, therefore if you wish to add to your ISA every tax year this product will not be suitable. Fixed Rate ISAs are not suitable for regular deposits.

In addition to this you can also transfer previous tax years' Cash ISA subscriptions and Stocks and Shares ISA subscriptions.

If a deposit results in your account going over this limit we will return the additional funds to you. This does not include any interest you have asked to be added direct to your account.

Each customer can save up to a total of £2 million with Virgin Money.

Opening your account

Please note, we are required to confirm the identity of all customers who open an account. You may not be required to send proof of identity with your application as we may be able to verify your identity using our electronic identification system. However, you may be asked to supply identification at a later date.

- This account can be opened by UK residents aged 16 years and over
- You can only open an account individually – joint accounts are not allowed
- Accounts can be opened by an attorney under a valid Power of Attorney or, for a customer in England and Wales who lacks mental capacity, by an order of the court or a court appointed deputy; or by the parent, guardian, spouse, civil partner, son or daughter of a customer in Scotland or Northern Ireland suffering from a mental disorder (please see 'Applying for an ISA on behalf of someone else').
- Crown employees serving overseas and those married to, or in a civil partnership with a Crown employee serving overseas are also able to invest in a Cash ISA
- By opening a Cash ISA you limit the amount of tax-free savings you can make in a Stocks and Shares ISA
- This is a limited issue account
- You can only subscribe to one Cash ISA in each tax year, up to the current tax-free savings allowance of £15,000 per tax year
- If you open your account by cheque and this cheque is returned unpaid, we may have to close your account and ask you to fill in a new application form. Any unpaid cheques will not count towards your subscription limit in that tax year

How often is interest paid?

Annual interest is paid on 30 November, and will be available the next business day.

Monthly interest is paid on the last day of each month, and will be available the next business day.

It can be added to your Virgin Fixed Rate Cash ISA, transferred into any Virgin Money account (except Cash ISAs or, if your existing terms and conditions do not allow) or paid into an account with another bank or building society. Following your final annual interest payment, any additional interest earned after this date will be added to the capital balance and paid upon closure of the account.

As interest is paid tax-free, no Tax Deduction Certificate can be provided, although we can confirm the amount of interest paid on request.

Adding to your account

You can only make a deposit to your account within 30 days from your account opening date by:

- cash – Stores[3] only;
- cheque (in the interests of security, please make your cheque payable to "Virgin Money, for the account of [insert account holder(s) name(s)]" and crossed "A/c Payee only"). Cheques drawn in foreign currency or drawn on a foreign address cannot be accepted;
- transfer from an existing Virgin Money account, subject to the terms and conditions of that account;
- transfer from an existing Cash ISA or Stocks and Shares ISA with another provider; or
- once we provide you with your account number you can arrange an electronic transfer (BACS, CHAPS, FPS or Standing Order) from your bank or building society account. If you open your account via the telephone or online you can only open with a nil balance.

  The following details need to be quoted for a BACS, FPS transfer and Standing Order:
  – Virgin Money sort code: 08-61-15
  – Account number: 00000515
  – Reference: your Virgin Money account number

  The following details need to be quoted for a CHAPS transfer:
  – Virgin Money sort code: 08-02-65
  – Account number: 50048407
  – Reference: your Virgin Money account number and your name.

There are limits on the amounts you can invest each tax year but access to your funds is not restricted except as detailed in this information. An ISA may become void if invalid contributions are made and we may transfer the account to a non-ISA account which may not pay the same interest rate as the current ISA.

Once you have reached your maximum investment limit for any tax year you will not be able to deposit more money after making withdrawals.

Under HMRC regulations if you do not make any deposits into a Cash ISA for a full tax-year (break in subscriptions), we are required to obtain a new Cash ISA application form from you before any additional deposits can be accepted.

Subscriptions are not allowed to any other Cash ISAs in the same tax year(s) that you subscribe to this Cash ISA, even if you have not used your full annual allowance(s).

If you are a UK resident but subsequently move abroad, your account can remain open and retain the tax free status. You can also continue to make subscriptions for the rest of the tax year. In later years, however, you cannot make further subscriptions unless you are a crown employee or married to, or in a civil partnership with, such a person.

Taking money out

On your written instructions and within a time stipulated by you, all or part of your Cash ISA funds and any earned interest can be transferred or paid to you (please refer to the Savings Terms and Conditions for further information).

Any funds withdrawn from a Cash ISA will lose their tax-free status. To ensure you retain this tax-free status, ISA funds must be transferred to another ISA either with another provider or a Virgin Money Cash ISA.

You can withdraw a minimum of £1 subject to the charge for loss of interest on the amount withdrawn. Please refer to the withdrawal arrangements detailed earlier for your chosen specific product.

Simply send your written instruction to our Main Office or you can take money out in the following ways:

- cash – Store[3] only;
- cheque – simply complete a transaction slip and a cheque will be sent promptly to your correspondence address;
- electronic transfer – if possible, we will send your payment by FPS, meaning that we will debit your account the same day or on any future date for which you authorised the payment. The payment should reach your nominated account within a few hours but no later than the end of the next business day;
- if you request a CHAPS withdrawal and we receive your authority and full instructions before 1pm on a business day, the money should be credited to your nominated bank or building society account the same day. A charge will be made for this type of transfer, please refer to Condition 11 within your Savings Terms and Conditions for details. The minimum you can withdraw by CHAPS is £250 up to the account balance.

  To make a withdrawal by CHAPS please provide us with the following details:
  – Virgin Money account number
  – Amount to transfer
  – Name of bank or building society where funds are to be transferred
  – Valid sort code
  – Account number
  – Reference number (where applicable)
  – Authority to debit the CHAPS transfer charge; or
- transfer to another Virgin Money account, subject to the terms and conditions of that account.

Transferring your existing Cash ISA

From another provider

If you wish to transfer to Virgin Money, all you need to do is complete an application form and send this together with an ISA transfer authority form. We will then contact your current provider within five business days of the date of receipt and give our confirmation that we will accept the transfer and proceed to arrange the transfer of your funds (subject to the terms and conditions of your existing ISA). On receipt of the transfer from your existing provider we will credit the funds to your new Virgin Money Cash ISA within three business days of the date of receipt. Interest will be earned from the date of the cheque, from the date the funds were sent to us by your existing ISA provider, or day 16 of the transfer process if earlier. Please note, however, under the ISA Regulations it can take up to 15 business days to complete your request to transfer your Cash ISA.

Your existing ISA provider must transfer the funds directly into an ISA account with us.

Current year subscriptions must be transferred in whole, i.e. part transfers are not permitted.

From another Virgin Money ISA

These transfers will be processed at our Main Office normally within five business days.

To another provider

On your written instructions and within a time stipulated by you, all or part of your Cash ISA, with all its rights and obligations, can be transferred to another ISA provider in accordance with ISA regulations relating to transfers. Under the regulations subscriptions in the current year are treated differently from those in previous years. You may transfer any amount relating to previous year subscriptions. You don't have to transfer current year subscriptions as well, but if you do you must transfer the full amount. If you request an immediate transfer we will arrange the transfer within five business days of the date of receipt of both your instructions and confirmation from the new ISA provider they are prepared to accept the transfer. If you give notice we will arrange the transfer within five business days of the end of the notice period. Please note, however, under the ISA Regulations it can take up to 15 business days to complete your request to transfer your Cash ISA. There is no charge for the transfer but any transfers during the fixed rate period will be subject to a charge for loss of interest on the amount withdrawn as detailed earlier for your specific chosen product.

Transferring your existing Stocks and Shares ISA

If you wish to transfer subscriptions from an existing Stocks and Shares ISA please complete an ISA transfer authority form and we will make the necessary arrangements with your current provider.

After the fixed rate period

After the fixed rate period your account will become a variable rate Cash ISA.

We will write to you before the end of the fixed rate period to let you know the options available to you, as well as advising you of the interest rate currently payable on the variable rate account.

Can I cancel my Cash ISA?

If you are not happy with your choice of account within 14 days of depositing your ISA subscription, we will help you close your account and you will not lose your right to invest in another Cash ISA or Stocks and Shares ISA for that tax year. If you wish to take advantage of this 14-day rule, you must send your cancellation in writing to Savings Operations, Virgin Money, Jubilee House, NE3 4PL, when you close your account we will ensure that our reports to HM Revenue & Customs reflect the correct position. If you do cancel your account, the full amount of your investment, together with any interest earned will be returned to you.

Loss of tax-free status

It is important that we are able to fully verify your identity. If we do not receive the documents required to verify your identity, we must close your account and return any subscriptions made to the account holder, along with any interest earned which will be paid net of tax. You will be free to then open an ISA in this tax year with Virgin Money or another provider.

If the funds were transferred in directly from another ISA provider, your funds will be returned to them and your ISA will retain it's tax-free status.

Keeping you informed

On opening your account, we will send you a Welcome Pack with details of your account number and opening balance.

We will also send you statements annually and upon closure of the account.

General Cash ISA information

ISA regulations

We will notify you if, by reason of any failure to satisfy the provisions of the ISA Regulations, an ISA has or will become void.

We will operate your account in accordance with the ISA Regulations and may do anything necessary to comply with these, including changing your terms and conditions. If you die, tax will be due on any interest earned after the date of death and we may also have to transfer the account to a non ISA which may not pay the same interest rate. You must notify us of any change to residency, which will affect your ability to subscribe to the Cash ISA.

You will be and will remain the beneficial owner of the money in your Cash ISA account. You may not use your Cash ISA account as security for a loan. Your Cash ISA account may not be transferred from one person to another, held in trust or opened in the name of more than one person.

Applying for an ISA on behalf of someone else

We may accept an application form completed and signed by someone legally appointed to act on behalf of a customer.

The person appointed to act may be an attorney:

- in England and Wales, appointed under an Enduring Power of Attorney (created before 1 October 2007 and registered with the Public Guardians Office) or a Lasting Power of Attorney for property and financial affairs;
- in Scotland, under an equivalent registered authority, for example an Intervention Order or a Guardianship Order;
- in Northern Ireland, under an Enduring Power of Attorney registered with the High Court (Office of Care and Protection); or

- under a General Power of Attorney, where the customer is unable to sign because he or she is a member of the armed forces on active service in a war zone.

The person appointed will have to provide to us:

- the registered Enduring Power of Attorney or Lasting Power of Attorney or a certified copy of it;
- the registered Intervention Order or Guardianship Order; or
- the General Power of Attorney.

These documents will be reviewed and copies kept for our records.

In England and Wales an application may also be made on a customer's behalf by the court, or by a court appointed deputy, for a customer who lacks mental capacity. We will require a copy of the order bearing the court's seal (or a certified copy of it).

An application may be completed by the parent, guardian, spouse, civil partner, son or daughter of a customer suffering from a mental disorder resident in Scotland or Northern Ireland.

In these cases we will request:

- confirmation in writing that the customer is suffering from a mental disorder and the nature of their relationship with the customer, for example mother or wife; and
- documentation to show the customer is suffering from a mental disorder, for example letters or payment books that show the customer is entitled to disability living allowance/personal independence payment, severe disablement allowance or incapacity benefit/employment and support allowance.

Additional information

Whilst our Cash ISAs offer attractive features, they are not based on Stakeholder Standards. Stakeholder Standards are benchmarks that have been set up by the Government to help customers identify simple and low-cost savings e.g. a minimum opening deposit of £10 and unlimited withdrawals.

Please also remember the tax advantages depend on your individual circumstances and the tax treatment of ISAs may change in the future.

We are not 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.

Remember

This is the Key product information sheet as referred to in the Savings Terms and Conditions.

This account is classed as a non-payment account, which means making payments in and out of your account may be restricted. For example, you may have to give notice before being able to make a withdrawal.

Please ensure you have read the Savings Terms and Conditions before you open an account.

Alternative format

If you require this in an alternative format such as Braille, large print, audio or require interpreter services, please call our Disability Awareness Team on 0191 279 5300. Lines are open 9am to 5pm business days and are charged at your service provider's prevailing rate. Alternatively, our text phone number is 0191 279 8505 or you can contact us at disability.awareness@virginmoney.com. These contact details should not be used for general enquiries relating to your account.

Important information about compensation arrangements

We are covered 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.

In respect of deposits, an eligible depositor is entitled to claim up to £85,000. 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 £85,000 each (making a total of £170,000). The £85,000 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 compensation provided by the FSCS (including the amounts covered and eligibility to claim) please call us on 0845 600 1568*, ask at your local Virgin Money Store, refer to the FSCS website www.FSCS.org.uk or call the FSCS on 0800 678 1100 or 0207 741 4100. Please note *only* compensation related queries should be directed to the FSCS.

Complaints

If you have a complaint, please let us know as soon as possible so that we can look into it for you. You can write to the Customer Relations Team, Virgin Money plc, Gosforth, Newcastle upon Tyne NE3 4PL or email customerrelations@virginmoney.com. If we aren't able to put things right to your satisfaction, you have the right to refer your complaint to the Financial Ombudsman Service for independent adjudication. If you'd like a copy of our Internal Complaint Procedures leaflet, this is available on request.

Lost and stolen account documentation

Please contact us if you suspect or discover that your details have been lost or stolen or you suspect fraud.

Call 0845 600 7301 or 0191 279 4405*

* Our UK-based contact centre is open 8am to 8pm business days, 8am to 4pm Saturday and 10am to 3pm Sunday. Calls are charged at your service provider's prevailing rate and may be monitored and recorded.

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