



AA Postal ISA Standard Saver Account Conditions

In these conditions 'we', 'our' and 'us' means Bank of Scotland plc – Birmingham Midshires is a division of Bank of Scotland.

- Our agreement with you is made up of three kinds of conditions:
- The General Savings Conditions ('general conditions') which include the main terms for your savings account and for our overall relationship with you,
- The Account conditions below.
- Any other additional conditions including the details of interest rates, charges and other terms that apply to a specific account or service, for example, in application forms, rates leaflets, letters or on our website.
- If an additional or Account condition conflicts with a general condition, the additional or Account condition applies.
- Our general conditions explain that we treat payment and non-payment accounts differently when we make any changes to your conditions or interest rate. This Account is a non-payment account.
- Your ISA Savings Account is administered by Birmingham Midshires. You can find out about the current interest rate for your Account by calling 0345 603 6302 or going online at www.theaa.com

Opening a Postal ISA Standard Saver Account

- We will open a Postal ISA Standard Saver Account for you:**
- If your Fixed Rate ISA comes to an end and you have not told us what you want to do with your savings.
 - If you have a minimum deposit of £1.
 - If you are 16 or over.
 - If you are 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.
 - In your sole name – you can't have an ISA jointly with anyone else.
 - Your Account will start from the date we open it.

Having a Postal ISA Standard Saver Account

- Our interest on the Postal ISA Standard Saver Account:**
- Is variable and can change.
 - May depend on the balance in your Account (please check your interest rate details).
 - Is calculated daily.
 - Will be paid on the anniversary of the date we open your Account, and yearly after that. If this day falls on a non-bank working day, interest will be paid on the next bank working day; or
 - Will be paid into your account or paid into a different account with us or with another bank or building society, depending on which option you chose for your Fixed Rate ISA.
 - Will be paid tax free as long as you and your Account meet the ISA regulations.

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- Operating your Postal ISA Standard Saver Account:**
- By post only.
 - You can pay in up to the annual ISA allowance each tax year.
 - Unlimited withdrawals but remember that if you make a withdrawal you should pay that money back in before the end of the tax year, otherwise the amount you can save will be limited (see the flexible ISA section below).
 - We will send you an annual statement. We will send you a copy statement if you ask for one.
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- If you have a Postal ISA Standard Saver you must:**
- Not subscribe to more than one cash ISA in the same tax year (unless you are transferring your ISA – see the 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).
 - Not use it as security for a loan or transfer it to anyone.
 - Let us know if you move abroad. If you are no longer resident in the UK for tax purposes, your Account will continue to receive interest tax free, but you won't 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 Account. (This does not apply if you want to pay back money you withdrew during the current tax year and have not yet replaced).
 - Only pay in money that belongs to you.

We will contact you if a failure to follow the ISA rules or your account conditions means your Account no longer qualifies as an ISA. If your Account stops qualifying as an ISA income tax may be due on any interest earned, including interest already paid. You will be responsible for paying any tax due to HM Revenue & Customs.

- Your Postal ISA Standard Saver Account is flexible so:**
- You can withdraw up to the total amount of your ISA, including amounts you paid in during previous tax years (but if you have less than £1 in your account it will be closed).
 - As long as you do so in the same tax year, you can then replace withdrawals from your Account by paying them, back into the same account.
 - If you make a withdrawal and then pay money into your Account we will assume you are replacing some or all of the money you withdraw. This means your payments into your Account will only count towards your ISA savings limit if the total amount you pay in is more than the amount you have withdrawn in that tax year.
 - You cannot pay back 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 pay into your Account earlier in the tax year but don't replace it, you can pay the equivalent amount into a stocks and shares, innovative, or Lifetime ISA before the end of the tax year as part of your annual ISA allowance.
 - If you make a withdrawal and don't pay the amount of that withdrawal back in before you close your account, you cannot pay 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.
 - If you withdraw any amount you paid in during a previous tax year, you should replace those savings before you ask to transfer and close your Account, otherwise you will not be able to do so, and you will limit the amount you can save tax free.
 - If you convert an existing AA cash ISA into a Postal ISA Standard Saver Account, you can repay any replacement subscriptions you have withdrawn from your existing ISA into your Postal ISA Standard Saver Account, providing you are converting in the same tax year as the withdrawals were made.
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ISA transfers

- What can I transfer?**
- Your existing cash ISA, stocks and shares, innovative finance or lifetime ISA from another provider to a Postal ISA Standard Saver Account.
 - Your Postal ISA Standard Saver Account to a cash ISA, stocks and shares, innovative finance or lifetime ISA with another provider.
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- How long will it take?**
- If you are transferring an existing cash ISA it should not take more than 15 working days.
 - If you're moving an existing stocks and shares ISA or innovative ISA it should not take more than 30 calendar days.
 - If you ask to transfer your Postal ISA Standard Saver Account to another provider, we will send them your ISA savings and information within 5 working days of receiving your transfer request
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- If you are transferring to a Postal ISA Standard Saver Account:**
- Before you decide whether to transfer your existing ISA check your provider's charges for doing this – for example early closure charges or exit charges.
 - If you want to transfer a stocks and shares ISA, your stocks and shares will be sold as part of the process. It is possible you could lose out if there is a rise in the market while your transfer is processed.
 - Additional rules apply to lifetime ISAs and a Government charge may apply to some withdrawals. You should ask your lifetime ISA provider for full details.
 - If you transfer previous years' subscriptions paid to your existing ISA to your Account these will not count towards your yearly allowance. If you transfer payments you have made to your existing ISA in the current tax year, these will count towards your yearly ISA allowance for your Account.
 - If you ask to transfer a flexible ISA in full and you have withdrawn all or part of any amount you paid into it in 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. To prevent this you should replace your withdrawal before you ask to transfer your ISA.
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ISAs on death

How we treat your Postal ISA Standard Saver Account if the account holder dies: If you die the tax free status of your Account will end on the date of your death. Once we're notified, we'll transfer your Account balance to a new variable account on which interest will be paid gross.

Additional permitted subscription allowance

- A spouse or civil partner who was living with the ISA holder at the time of their death can qualify to save an 'additional permitted subscription'.
- If you qualify, you can pay in up to the amount the ISA holder had in ISAs at the time of their death (including any interest earned up to that date). This is on top of the amount you can save in ISAs otherwise.
- You can pay an additional permitted subscription into an ISA Account by transferring money you hold with us or by sending us a cheque.
- You must contact us to complete the necessary documentation before paying in an additional permitted subscription.
- You must pay in any additional permitted subscription within the time limits set out in the ISA Regulations. We will tell you about these time limits when you contact us.

Closing your Postal ISA Standard Saver Account

You can close your Account: At any time and any interest earned until the date of closure will be tax free. If you have paid some or all of your yearly ISA allowance into your Account in the same tax year as you close it you cannot open a new cash ISA for the same tax year unless that ISA is opened to pay in an additional permitted subscription.
