

Specific Terms Changes - for Flexible ISA accounts

HMRC recently clarified how you can use Flexible ISA Replacement Subscriptions – deposits that replace previously withdrawn funds in the same tax year.

As a result, we've updated how we describe 'Flexible ISA Replacement Subscriptions' in the Specific Terms of our Flexible ISAs.

What is the change?

Flexible ISA Replacement Subscriptions that replace Current Tax Year Subscriptions can, as a result of the HMRC change, and if you choose, now be paid into an ISA account with another ISA provider, instead of paying that replacement deposit back into the ISA account you hold with us.

This change doesn't affect Previous Tax Year Subscriptions – new deposits that replace those amounts withdrawn in the same tax year can still only be paid back in to the ISA account you hold with us.

We've also clarified that if a deposit doesn't qualify as a Flexible ISA Replacement Subscription, because of how the withdrawn funds were used (e.g. to pay HMRC tax you owed), we will treat it as a normal deposit.

This change to our Specific Terms will be effective immediately, no action is required.

The defined term at the start of each relevant set of Specific Terms will read as follows:

'Flexible ISA Replacement Subscriptions' means deposits made in the same Tax Year to replace amounts withdrawn from this account:

- Each withdrawal of Current Tax Year Subscriptions from this account automatically reduces the total subscriptions (deposits) made into it during that Tax Year. Replacement deposits can be paid back into this account or, if you choose, into another ISA (flexible or non-flexible) with another ISA Manager. All replacement deposits must be paid in before the end of the same Tax Year that the withdrawn funds were removed.
- Each withdrawal of Previous Tax Year Subscriptions from this account (meaning withdrawn amounts that exceed all the Current Tax Year Subscriptions) can only be replaced by deposits paid back into this account, before the end of the same Tax Year that the withdrawn funds were removed.

We reserve the right to treat a deposit intended to be a Flexible ISA Replacement Subscription as a normal deposit if it does not meet the applicable HMRC criteria for Flexible ISA Replacement Subscriptions.

And in the section dealing with Flexible ISA features, we've inserted this new condition text:

If we reasonably believe, or you tell us, that a deposit is to replace funds withdrawn that were used for certain reasons specified by HMRC, that deposit will not be a Flexible ISA Replacement Subscription. We will explain the reason why a deposit does not qualify as a Flexible ISA Replacement Subscription unless laws or regulations prevent us from telling you. If that deposit amount means you will exceed your annual ISA subscription limit, we will return the funds to you if already paid in to this account or refuse to accept the deposit.

This change will apply to the following products:

- 6 Access ISA
- 6 Access ISA (2)
- 6 Access ISA (Online)
- 6 Access ISA (Online) (2)
- 8 Access ISA
- 8 Access ISA (Online)
- Easy Access ISA
- Easy Access ISA (11)
- Easy Access ISA (12)
- Easy Access ISA (Online)
- Easy Access ISA (Online) (5)
- Easy Access ISA (Online) (6)
- ISA Reward – Annual
- Matured Junior ISA (1)
- Privilege ISA
- Privilege Reward ISA
- Regular Saver ISA
- 30 Day Notice ISA
- 30 Day Notice ISA (2)
- 30 Day Notice ISA (3)
- 30 Day Notice ISA (4)
- 30 Day Notice ISA (5)

For more information call us on **0800 121 8899** Monday to Friday 8am–7pm or Saturday 9am–2pm. Calls to 0800 numbers are free from the UK. Calls may be monitored or recorded to help improve our service and as a record of our conversation.