

# Saga Fixed Rate ISA

Providing a tax free return  
with a guaranteed interest rate

SAGA

Personal finance done properly

# The Saga Fixed Rate ISA

The Saga Fixed Rate ISA, provided by Birmingham Midshires, is a Cash ISA that gives you a fixed rate of interest over a set term, so you know exactly what rate of interest your investment will receive. You are also completely protected against fluctuations in interest rates for the term of your investment.

## ISAs explained

An ISA, or Individual Savings Account, can offer an attractive way to help you pay less tax on your savings and investments. Whether or not you pay tax on your income or other savings, you won't have to pay any personal income tax or capital gains tax on ISAs.

Introduced by the Government in April 1999, ISAs have been designed to offer a range of savings and investment options, and are currently available in two types, Cash ISAs and Stocks and Shares ISAs - cash and equity/stock market investments (shares, unit trusts, gilts, etc).

You can only invest in one Cash ISA each tax year. You can invest in a Cash ISA in the same year that you invest in a Stocks and Shares ISA.

Current ISA regulations allow anyone eligible to invest in an ISA who was born on or before 5 April 1960 (i.e. who will be aged 50 or over during the current tax year) to invest up to £10,200 in any one tax year, by choosing one Stocks and Shares ISA or a combination of one Cash ISA and one Stocks and Shares ISA. You can invest up to £5,100 in a Cash ISA with one provider. The remainder of the £10,200 can be invested in a Stocks & Shares ISA with either the same or another provider. Alternatively, any amount up to the full £10,200 can be invested in a Stocks & Shares ISA with one provider.

You can transfer all of the money you have saved in the current tax year and some or all of the money saved in previous tax years.

You will also be able to transfer money saved in a Cash ISA in the current tax year, or a previous tax year to a Stocks and Shares ISA.

If you open a Cash ISA and subsequently transfer it to a Stocks and Shares ISA, you can reinvest in a Cash ISA for the current tax year as long as the total investment limits aren't exceeded. Such transfers must be the whole amount saved in the current tax year in that Cash ISA up to the day of the transfer. These transfers are subject to terms and conditions.

## Benefits of the Saga Fixed Rate ISA

- You can invest your money tax free.
- You can open your account with as little as £1 (depending on the account selected; please see the Special Terms and Conditions that are enclosed with your application letter for the account) and invest a maximum of £5,100, for the current tax year. As this is a limited issue, your initial deposit should be for the full amount you would like to invest.
- You may transfer Cash ISA subscriptions from the current and previous tax years into the Fixed Rate ISA, providing the issue remains open.
- You know exactly what rate of interest you will earn over the full term of your investment.
- You can choose to have your interest paid annually or monthly.

## What you need to know

- Available to UK residents aged 50 and over.
- You can deposit a maximum of £5,100 in a Cash ISA this tax year.
- Access is permitted subject to a loss of interest on the amount withdrawn. Please refer to the summary box overleaf.
- Your account is operated by post.
- If you open a Cash ISA and subsequently transfer it to a Stocks and Shares ISA, you can still invest any remaining allowance in a Cash ISA during the current tax year as long as the total investment limits are not exceeded.
- Please remember that favourable tax treatment for ISAs may change in the future.
- Each issue of this type of account has a limited amount of money that can be invested in it, so when this limit is reached the issue will be closed. This means once the issue is closed, you will be unable to add to your account in either this or future tax years.
- If your chosen Fixed Rate ISA is fully subscribed at the time we receive your funds (cheque or transferred funds) we will either return your application along with your cheque and any other instructions we receive, or contact you about other offers we currently have.

## Interest

The term of the account will run from the date of the first deposit. Your interest is calculated daily, and you have a choice of interest options. Annual interest is paid on the anniversary of the first deposit and monthly interest is paid on the first day of each month<sup>†</sup>.

For full details of our current interest rates, visit our website at [saga.co.uk/savings](https://saga.co.uk/savings) or call the Saga Savings Team on **0845 850 0664**.

## What happens at the end of the term?

We will write to you prior to maturity, giving you options to help you decide what to do with your investment. If no instructions for re-investment are received, we will re-invest your funds at maturity into an easy access ISA of our choice.

## Opening a Saga Fixed Rate ISA

For further information, please visit [saga.co.uk/savings](https://saga.co.uk/savings) or call the Saga Savings Team on **0845 850 0664**.

## Summary Box

### Key Product Information for our Savings Accounts

Account name	Saga Fixed Rate ISA
Interest rates (AERs*)	For current interest rates and details of the terms available, visit <a href="https://www.saga.co.uk/savings">saga.co.uk/savings</a> or call <b>0845 850 0664</b>
Tax status	Interest will be paid tax free
Conditions for bonus payment	There is no bonus available on this account
Withdrawal arrangements	Withdrawals are allowed subject to the following early access charges on the amount withdrawn. Loss of interest is dependent on the length of term remaining at the time of access. 1 year or less: 90 days loss of tax free interest Up to 2 years: 180 days loss of tax free interest Up to 3 years: 270 days loss of tax free interest
Access	Postal

\*AER stands for Annual Equivalent Rate and illustrates what the interest rate would be if interest was paid and compounded once each year.

Tax Free means free from personal liability to Income Tax.

†Interest payments to non-Saga savings accounts could take up to 4 bank working days to clear.

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### Saga Savings Team

PO Box 2264, Pendeford Business Park, Wobaston Road, Wolverhampton WV9 5HZ

Telephone 0845 850 0664

Lines are open Monday to Saturday between 8.00am and 8.00pm. Calls may be monitored and recorded for security and training purposes.

This information is available in large print, Braille or on audio. Customers can also contact us using Text Relay.

Saga Personal Finance is authorised and regulated by the Financial Services Authority, is registered in England and Wales (Company No: 3023493) and is a wholly owned subsidiary of Saga Group Limited. Registered Office: Enbrook Park, Sandgate, Folkestone, Kent CT20 3SE.

Birmingham Midshires, a division of Bank of Scotland plc, is authorised for accepting deposits by the Financial Services Authority. It is entered in the FSA's Register and its Register Number is 169628. Registered office: The Mound, Edinburgh EH1 1YZ. (Registered in Scotland No. SC327000).

Bank of Scotland is a member of the Financial Services Compensation Scheme under the Financial Services and Markets Act 2000. Where a customer has made deposits in a savings or bank account, payments under the scheme are limited to 100% of the first £50,000, subject to a maximum payment to any one depositor of £50,000 (or €50,000 if, at the time, that is greater). Please note that accounts with Bank of Scotland include accounts in its divisions and trading names, for example, Halifax, Intelligent Finance and Birmingham Midshires. Most deposits denominated in sterling and other European Economic Area currencies and euro made with offices of the bank within the European Economic Area are covered. There are different levels of protection for other investments covered by the Financial Services Compensation Scheme. Further details of the scheme are available on request.