

# Older. Wiser.

Full details of our new fixed rate Bonds  
exclusively for investors aged 65 and over



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# A word to the wise

Our 65+ Guaranteed Growth Bonds are a unique investment from NS&I. They're new and exclusive. You must be aged 65 or over to buy them.

With a guaranteed return for a set term, you can be sure how your money will grow and exactly what you'll receive at the end.

## A bit of background

### ▶ [You may have heard about our new Bonds](#)

These are the Bonds announced by the Chancellor in his March 2014 Budget statement. You might have heard them described in the media as 'pensioner bonds'.

### ▶ [How do these Bonds work?](#)

They pay a taxable, guaranteed rate for a fixed term of 1 year or 3 years.

### ▶ [Do I have to be a pensioner to invest?](#)

No. But you must be aged 65 or over at the time we receive your application.

### ▶ [100% security for your money](#)

NS&I is backed by HM Treasury so all the money you invest with us will be 100% secure.



## The Bonds explained



Our 65+ Guaranteed Growth Bonds are lump sum investments that earn a fixed rate of interest over a set period of time called a 'term'.

The terms on offer are 1-year and 3-year. You can invest from £500 up to £10,000 in each one.

The Bonds are designed to be held for their full term. There will be a penalty if you cash in before the end of the term.

We credit the interest to your investment on each anniversary, with basic rate tax taken off.

### What are the Bonds?

- ▶ Lump sum investments providing capital growth.
- ▶ Choice of terms – 1-year and 3-year.
- ▶ Designed to be held for the whole term, but can be cashed in early with a penalty equivalent to 90 days' interest.



### How much can I invest?

- ▶ Minimum for each investment: **£500**
- ▶ Maximum per person per Issue of each term: **£10,000**

### Who can invest?

- ▶ Anyone aged 65 or over.
- ▶ You can invest either by yourself or jointly with one other person aged 65 or over.



### What about interest?

- ▶ Highly competitive fixed rates – call us or visit our website [nsandi.com](https://www.nsandi.com)
- ▶ Guaranteed for the whole term.
- ▶ Interest added on each anniversary, with basic rate tax taken off.

### When are they available?

- ▶ Special Issues, available for a limited period.
- ▶ Issues can be changed or withdrawn without notice.
- ▶ To check availability call us or visit our website [nsandi.com](https://www.nsandi.com)

## Investing in Bonds



### How much can I invest?

You can invest from £500 up to £10,000 in each Issue of each term.

You can buy more than one Bond, as long as the total amount you invest in each term isn't more than £10,000.

### Investing jointly

You can combine your full allowance with another person aged 65 or over. This means you can invest up to £20,000 between you in each Issue of each term.

You will both be able to take money out and close the investment independently.

We will send all correspondence to the first investor named on your application.

### Can I change my mind?

No, sorry. As 65+ Guaranteed Growth Bonds are fixed rate investments with a set term, there is no right to cancel. Please make sure you're happy with the investment and the interest rate before you apply.

## How your Bond grows



### How interest is earned

Your investment starts earning interest from the day we receive your application and payment, assuming your application is successful. We calculate the interest on the daily balance held in your Bond, at the fixed rate on offer when you invested.

#### For a 1-year term

We add the interest you've earned to your Bond when it matures.

#### For a 3-year term

We add the interest earned to the Bond on each anniversary of investment, so it grows in value each year. From the second year onwards your Bond will earn interest on the previously earned interest as well as the original investment. This means you will get the benefit of compound interest.

## When your Bond matures



### We will get in touch

Your 65+ Guaranteed Growth Bond is a special Issue, so we can't guarantee that another Issue will be available when your Bond matures.

Around a month before the end of the term, we'll contact you to let you know what your options are at the time.

Shortly after your Bond matures, we'll send you a closing statement showing the interest you've earned and the final value of your Bond.

Don't forget to let us know if you change your address or contact details so we can get in touch.

### What if I need my money earlier?

To get the full return from your Bonds, you will need to keep your money invested for the whole of your chosen term.

**You can cash in all or part of your Bond early, but we will deduct a penalty from your payment.**

### Penalty for cashing in early

The penalty will be equivalent to 90 days' interest on the amount you cash in. Bear in mind that if you cash in all of your Bond within 90 days of investing, you will get back less than you originally invested. So do think carefully whether you need early access to your money, as this investment may not be right for you.

### How to cash in

Registered for our online and phone service? You can log in on our website.

#### **nsandi.com**

Or call us with your NS&I number and password to hand. We'll pay the money to your nominated bank account within a few days.

Otherwise you can download and print a cashing in form for 65+ Guaranteed Growth Bonds from our website.

#### **nsandi.com**

Or call us and we'll send you one.

When cashing in part of a Bond, you must keep at least £500 invested for the Bond to remain open.

## What about tax?



The interest earned on 65+ Guaranteed Growth Bonds is taxable. We take off tax at the basic rate (20% at the time of printing) when we add the interest to your Bond.

### Basic rate taxpayers

There is no more tax to pay on the interest. But if HM Revenue & Customs (HMRC) asks you to complete a tax return, you should still declare the interest.

### Higher and additional rate taxpayers

You'll need to declare the interest to HMRC and pay any further tax due.

### Non-taxpayers

You can apply to HMRC for a refund if you're a non-taxpayer. You can also get a refund if you're entitled to have any of your interest taxed at the new 0% rate for savings income (which starts from April 2015).

Sorry, we're not currently part of the R85 scheme so we can't pay the interest gross on these Bonds.

### Find out more

To find out more about tax on savings, and how it affects you, please contact HMRC.

## 65+ Bonds at a glance

The table below will help you compare 65+ Bonds with other investments.

### Summary box: Key product information

- **Account name**  
NS&I 65+ Guaranteed Growth Bonds
- **Interest rates**  
Fixed for set terms – for our rates visit our website [nsandi.com](http://nsandi.com)  
Or call us
- **Tax status**  
Taxable, paid net
- **Conditions for bonus payment**  
Not applicable
- **Withdrawal arrangements**  
Can be cashed in early with a penalty equivalent to 90 days' interest on the amount cashed in
- **Access**  
Apply and cash in:
  - Online
  - By phone
  - By post

## Keeping track of your Bonds

### Online and by phone

Register for our online and phone service and you'll be able to:

- Buy, keep track of and cash in Bonds
- Keep details like your address, email and nominated bank account up to date
- Go paperless

You can still deal with us by post even if you register. It's your choice.

### How to register

If you apply for your Bond online or by phone we'll register you automatically. Or visit our website to find out more and register.

#### [nsandi.com/register](http://nsandi.com/register)

Or call us and we'll send you the form you need.

When you register we'll ask you to choose a password and answer some security questions. We'll also give you a unique NS&I number.

### Managing Bonds for someone else?

Sorry, not all these services are available if you're managing Bonds for anyone else under a power of attorney or as a deputy.

### Already registered?

There's no need to re-register for our online and phone service if you're already registered with NS&I for another account such as our Direct Saver or Premium Bonds. Simply use your existing NS&I number and password to manage your 65+ Bonds straight away.

### Prefer to use the post?

No problem. You can write to us at any time to give us your instructions or ask a question.

Call us and we will post you any forms you need. Or you can download and print many of our forms from our website without needing to be registered.

Remember to quote your Bond's account number when you contact us.

### Keeping you up to date

At the end of the tax year we'll send you a statement for each Bond you hold, either electronically or by post. It will show the current value of your Bond, the amount of gross interest earned and the amount of tax taken off. Keep these statements for your records.

## Ready to apply?

### Apply online

 [nsandi.com](https://www.nsandi.com)

Visit our website when you're ready to apply – it's quick, easy and secure.

Not ready to invest online? You can still use our website to learn more, sign up for email updates or register to manage your Bonds online and by phone.

### Apply by phone

 **0500 500 000**

You can call us free any time.

We're here in the UK all day, every day.

Calls from mobiles and some landline providers may not be free.

Calls may be recorded.

### Please have ready:

- ✘ A debit card in your own name and issued by a UK bank.
- ✘ Your NS&I number and password if you are registered for our online and phone service.
- ✘ Details of the nominated UK bank account you want us to pay any withdrawals into.

### After you apply

There are a few things we need to do before we accept your application. This can take a while if we need more information from you or others named on your application.

But don't worry, if everything goes through smoothly, the date of the Bond will be the date we received your application.

### Here's what happens next when you apply online or by phone

- 1** We'll check your identity and address if we haven't already done so. We normally do this electronically, but we may also ask you to send us some documents.
- 2** We may send you a confirmation form to sign and return.
- 3** When we receive your confirmation form and any documents we've asked for, we'll send you an email to confirm your investment, or a Bond record if you've asked for a paper copy.
- 4** We'll also send confirmation of your NS&I number, and a temporary password if you haven't already chosen one. You can then start using our online and phone service. Before then you can still deal with us by post.

Of course, not all of these steps will apply to you if you're already an established customer and have registered for our online and phone service. We'll just send you your email or Bond record.

## Decisions, decisions

Here's a quick checklist to help you decide if the 65+ Guaranteed Growth Bond is right for you.

### Right for you if:

- ✔ You want a fixed and guaranteed rate of interest
- ✔ You are aged 65 or over
- ✔ You can leave your money invested for 1 or 3 years
- ✔ You have at least £500 to invest

### Not for you if:

- ✘ You are aged under 65
- ✘ You want easy access to your money
- ✘ You need a regular income from your savings

## Apply by post

### Here's how:

[Click to download a form](#)

[nsandi.com/65plus-form](http://nsandi.com/65plus-form)

- ▶ Complete the application form in full.
- ▶ Make sure you have signed and dated it.
- ▶ Post your completed form and enclose a cheque to us in an envelope addressed to:

[NS&I, Glasgow G58 1WA](#)

To buy more than one Bond, you need to complete a separate form and cheque for each one.

### Paying by cheque

- ▶ Make your cheque payable to:  
**National Savings and Investments**
- ▶ The cheque must be drawn on a UK bank account in your name.
- ▶ Fill in the cheque details in section 6 of the form.

We will bank your cheque as soon as we receive it, so please make sure you have enough money in your account when you apply to invest.

For your security, we don't accept debit card details by post.

## Terms and conditions: 1 January 2015

### Description

1 National Savings and Investments (formerly known as National Savings) 65+ Guaranteed Growth Bonds ("Bonds") are UK Government securities issued under the National Loans Act 1968. These terms and conditions set out the obligations we have to you, as a customer, and the obligations you have to us. Please read these carefully and keep for reference.

2 Bonds are registered on the National Savings Stock Register and are subject to The National Savings Stock Register Regulations 1976 (Statutory Instrument Number: 1976/2012) as amended or re-enacted from time to time (see paragraph 111). In the event of any difference between these terms and conditions and the Regulations, the Regulations will prevail.

### Definitions

3 In these terms and conditions:

- (a) "anniversary date" means any anniversary of the date of purchase of a Bond, but if the date of purchase was 29 February, the anniversary date will always be 28 February (even in a leap year);
- (b) "BACS" means the Banking Automated Clearing Service;
- (c) "banking day" means a day (other than a Saturday, Sunday or bank holiday) on which banks are generally open for business in London, and, in relation to the processing of a payment, any other place of receipt;
- (d) "Bond" means an NS&I 65+ Guaranteed Growth Bond;
- (e) "Bond holder" means a person in whose name a Bond is registered on the National Savings Stock Register;
- (f) "Director" means the Director of Savings;
- (g) "electronic transfer" means payments by BACS (unless the context requires otherwise);
- (h) "maturity date" means the day after the last day of the term (see 'n' below);
- (i) "NS&I" means National Savings and Investments;

- (j) "prospective user" means a person described in paragraph 80 who is entitled to become registered as a "registered user";
- (k) "registered user" means a person who has registered to use the Service;
- (l) "renewed investment" means an investment in a Bond that has reached maturity and has been invested for a further term of any length;
- (m) "Service" means the telephone and internet services provided by NS&I for the purposes of purchasing and managing Bonds as described in paragraph 80;
- (n) "term" means, in relation to any Bond, the specified period of time for which a particular rate of interest has been fixed for that Bond (see also paragraphs 5 and 6) (unless the context requires otherwise).

4 For the purposes of these terms and conditions, any references to "we", "us" or "our" are references to the Director or those acting under the Director's authority.

### Investment terms

5 A Bond earns interest at rates fixed for a specified period of time (for example, 1 year, 3 years, etc) starting on the date of purchase. We call each period of time a term.

6 The last day of the term will be the day which immediately precedes the relevant anniversary date (for example, the last day of a one-year term beginning on 5 January will be 4 January in the following year).

### Issues of Bonds

7 Each Bond issued belongs to an "Issue" (for example, 3-year Issue 1). Each Issue has a term and specific interest rate that applies to it.

8 Any Issue can be withdrawn from sale without notice. An application can only be accepted for Issues on sale on the date of purchase (see paragraphs 30 and 31).

9 Some Issues may be exclusively available:

- through certain sales channels (for example, telephone and internet); and/or
- to existing Bond holders with maturing Bonds.

10 The details applicable to each Issue on general sale offered under these terms and conditions will be:

- published on the NS&I website;
- published in our Interest Rates leaflet available from NS&I;
- published in the London, Edinburgh and Belfast Gazettes; and
- made available directly from NS&I over the phone.

11 The details applicable to Issues exclusively available to existing Bond holders with maturing Bonds will be provided in the pre-maturity information that holders receive when their existing Bonds are due to mature.

### Interest

12 Subject to paragraphs 47 and 75 to 77 inclusive, interest is earned for each day a Bond is held based on the value of the Bond at the end of that day. For this purpose the value of a Bond will be reduced by any repayments dated for that day (see paragraphs 54 and 56).

13 Interest is earned on a daily basis at 1/365th of the annual interest rate for each day.

14 We will add any interest earned to the value of the Bond annually on the anniversary date. It will then form part of the capital value of the Bond which will earn further interest unless the Bond is cashed in. The capital value of the Bond after the annual interest has been added will be rounded to the nearest penny.

15 If the anniversary date falls on a day which is not a banking day, the Bond will not be credited with interest until the next banking day. If the anniversary date falls on 29 February, interest will be added on 28 February, even where that month falls in a leap year.

### Tax

16 UK Income Tax at the rate prescribed by law will be deducted from the interest before the interest is added to a Bond.

17 Information relating to the deduction of tax (see paragraph 16) will be included in the annual statement (see paragraph 70).

### Who may purchase and hold Bonds

18 Bonds may be purchased and held in accordance with paragraphs 19 to 21 unless a limitation applies (see paragraph 22).

19 *Individuals* Individuals of at least 65 years of age may, for their own benefit, purchase and hold Bonds:

- (a) in their own name; or
- (b) jointly with one other individual of at least 65 years of age.

20 *Attorneys* An individual of at least 16 years of age may also purchase Bonds in the name of another individual of at least 65 years of age where acting under a valid Power of Attorney.

21 *Deputies* A person who is legally entitled to make investments on behalf of a person of at least 65 years of age who lacks capacity may purchase Bonds on behalf of, and in the name of, that person.

22 *General limitations* Bonds cannot be:

- (a) purchased by a person, or on behalf of a person, who is either a US citizen and/or a US resident for tax purposes;
- (b) purchased by a person who is an undischarged bankrupt;
- (c) purchased by a person who is 65 years of age or older and operates under a legal disability; or
- (d) purchased by one person on behalf of another, unless the application is made in accordance with paragraphs 19(b), 20 or 21;
- (e) held in trust.

### How to purchase Bonds

23 Subject to paragraph 24, an application to purchase Bonds can be made:

- (a) via the internet;
- (b) by telephone; or
- (c) by post to NS&I.

24 Only applications to purchase made by individuals on their own behalf can be made via the internet and by telephone. Applications made by attorneys and deputies can only be made by post.

25 Because the Bonds on sale at any one time may have different terms, the applicant must specify their choice of term when applying to purchase.

26 As Bonds have a specified term, it is not possible to invest further money in a particular Bond once it has been issued. Where a person purchases Bonds of a particular Issue on different dates, a new Bond will be issued in respect of each purchase.

27 Where an applicant applies by telephone or via the internet, the Bonds must be purchased using a debit card in the name of the proposed Bond holder (or in the case of joint applicants, in the name of either or both of the proposed Bond holders) issued by a UK bank or building society.

28 Where an applicant makes an application via the internet or by telephone, we may ask the applicant (or in the case of joint applicants, both of those applicants) to provide their signature(s). If so, we will write to the applicant(s), specifying the time by which we need to receive their signature(s). If we do not receive the signature(s) within the specified time we will not be able to process the application. If this is the case any money paid to us will be refunded to the relevant debit card or by issuing a crossed warrant (like a cheque). However, we reserve the right to use a different method of payment if necessary. No interest will be earned or paid for the intervening period.

29 When an application is made by post the Bond must be purchased using a cheque drawn on a UK bank or building society account held by the proposed Bond holder, or applicant (or in the case of joint proposed Bond holders or applicants, in the name of any one or more of them), where different, or by a building society branch cheque or banker's draft.

30 In all cases, an application to purchase is subject to acceptance by us.

31 Once an application to purchase has been accepted, the date of purchase will be the date that the completed application to purchase was received by us. For these purposes:

- (a) an application to purchase using a debit card for payment will not be considered complete until we have received the authorisation of payment from the debit card issuer; and
- (b) we accept no responsibility for applications which are lost in the post or affected by postal delays, and proof of postage will not be accepted as proof of delivery.

### Evidence of identity

32 Under legislation relating to money laundering we are required to verify the identity and address of our customers before we can accept an application to invest. To do this we may make electronic checks using data from a third party including information from the Electoral Register. In accepting the terms and conditions the applicant confirms that they, and anyone else named on the application, are aware that their identity and address will be checked.

33 We may also request documentary evidence of identity and address. The request for evidence of identity will specify the time within which the evidence must be returned to us. If the evidence is not received by us within the specified time we will not be able to process the application. We accept no responsibility for documents which are lost in the post, or affected by postal delays. Proof of posting will not be accepted as proof of delivery.

34 If we are unable to process an application due to lack of evidence of identity, the application will be cancelled from inception and any money paid to us will be refunded to the relevant debit card or by issuing a crossed warrant (like a cheque) to the purchaser named on the application form. However, we reserve the right to use another method for payment if necessary. No interest will be earned or paid for the intervening period.



## Cancellation rights

**35** As Bonds are a fixed rate investment with a set term, there is no right to cancel after investment. However Bonds can be cashed in at any time (subject to paragraphs 41, 42 and 46). If a Bond is cashed in prior to maturity a penalty will be applied (see paragraphs 47 and 48).

## Purchase and holding limits

**36** The minimum value Bond that may be purchased is a £500 Bond.

**37** An applicant may not apply to purchase a Bond if immediately after that purchase the Bond holder would hold more than £10,000 (at purchase price) of Bonds of that Issue.

**38** Where a Bond is held jointly, each Bond holder will be treated as holding an equal share of that Bond. For example, if two Bond holders hold a £15,000 Bond of a particular Issue, they will each be treated as holding £7,500 of that Issue. This will mean that each can purchase up to another £2,500 of Bonds of that Issue.

**39** Renewed investments are not subject to the limits on purchasing Bonds set out in paragraph 37, nor do they count towards a person's holding for the purposes of determining whether any other application to purchase further Bonds may be made. For example, a Bond holder could renew a maturing £5,000 Bond into a particular Issue and could purchase up to an additional £10,000 in that Issue, if that Issue is on general sale.

**40** If a person inherits a Bond and an application is made to transfer that Bond into that person's name, that application will not be considered to be an application to purchase and will not be subject to the purchase limits in paragraphs 37 and 38. However, the inherited Bond will count towards that person's holding for the purposes of determining whether that person can purchase further Bonds of that Issue. For example, if a person has £7,500 of Bonds of a particular Issue, and inherits £5,000 of Bonds of that Issue, that person will be able to hold the £5,000 of inherited Bonds in addition to the original £7,500, but will not then be able to purchase further Bonds of that Issue.

## Cashing in

**41** Bonds purchased by cheque or debit card can only be cashed in after payment has cleared. However, in certain circumstances, we may allow Bonds purchased by debit card to be cashed in before the payment has cleared. If we so allow, we will repay the sum requested to the debit card from which the payment was made.

**42** It will normally take seven banking days from the date of purchase for payments to clear. For example, if we receive a cheque on a Monday, the payment will be cleared on the Tuesday of the following week. One additional day should be allowed for each English bank holiday. The same clearance periods apply for debit card payments.

**43** For internet or telephone applications to cash in made via the Service, repayment will be made by electronic transfer to the nominated bank account (see paragraph 49).

**44** For postal applications to cash in, repayment will normally be made by electronic transfer to the nominated bank account. However in certain circumstances we may accept requests for repayment to be made by crossed warrant (see paragraphs 56 and 57).

**45** *Partial encashments* Bond holders may cash in part of a Bond, subject to the payment of any penalty for early repayment (see paragraph 47).

**46** There is no minimum limit for repayments. However, where a Bond holder is requesting a partial encashment, at least £500, excluding interest which has not yet been added, must remain invested in that Bond, otherwise the request will be rejected.

## Penalty

**47** Except where paragraph 48 applies, a penalty equivalent to 90 days' interest on the sum requested (which may be the whole or part of the investment), at the interest rate the Bond is earning, will be deducted from the repayment. This penalty also applies to Bonds held for less than 90 days, and this means that if a Bond holder cashes in an entire Bond that they have held for less than 90 days, they will get back less than they originally invested.

**48** No penalty will be charged:

- (a) where a Bond is cashed in at the end of its original term, or at the end of any further term (see paragraph 75), and we received the instruction to cash in by the date and time specified in the pre-maturity notice;
- (b) where an instruction to cash in is given after the death of a sole, or last surviving, Bond holder;
- (c) where a Bond is cashed in as a result of a detrimental change to the terms and conditions applying to the Bond (see paragraph 109).

## Repayments by electronic transfer

**49** Where repayment is to be made by electronic transfer, repayments will normally be made to a UK bank account (including an NS&I Direct Saver) or building society account in the Bond holder's name. The account to receive such repayments must be nominated at the time of the application to invest. Any applications to invest that do not contain nominated bank account details will be rejected.

**50** We intend to use BACS as the means of making these electronic transfers (although we reserve the right to use a different means if necessary).

**51** The nominated bank or building society account must be capable of receiving payments via BACS.

**52** For telephone or internet applications to cash in, we will normally initiate the electronic transfer within three banking days of receiving instructions.

**53** For postal applications to cash in, we will normally initiate the electronic transfer within five banking days of receiving instructions.

**54** Once we have initiated the electronic transfer, the date of repayment, for the purposes of these terms and conditions, will be considered to be the date on which, in the normal course, the requested amount would be credited to the specified bank or building society account. In the case of BACS, this is normally two banking days after we initiate the transfer.

**55** Where an electronic transfer is initiated properly we will not be liable for:

- (a) any failure or delay of the receiving bank or building society in crediting the specified account;

- (b) any failure or delay in any part of the electronic transfer process which is beyond our direct control (including any failure which occurs because the specified account is incapable of receiving an electronic transfer).

## Repayments by crossed warrant

**56** In exceptional circumstances payment can, on request, be made by crossed warrant (like a cheque). In such cases the date the Bond is cashed in will be taken to be the date on the warrant.

**57** We will normally put the warrant in the post within five banking days of receiving the instructions to cash in.

## Amount due when cashing in the entire Bond

**58** The amount due when a Bond is cashed in on the maturity date will be the capitalised value of the Bond (see paragraph 14).

**59** The amount due when a Bond is cashed in on an anniversary date (except where it is also the maturity date) will be the capitalised value of the Bond (see paragraph 14) less any penalty deducted (see paragraphs 47 and 48).

**60** The amount due when a Bond is cashed in between anniversary dates will be the capitalised value of the Bond (see paragraph 14) (or the original Bond value if the Bond has been held for less than one year) plus interest earned at 1/365th of the annual interest rate for each day held since the last anniversary date (or date of investment if the Bond has been held for less than one year) less any penalty deducted (see paragraphs 47 and 48).

**61** The amount due when a Bond is cashed in will be rounded to the nearest penny before the repayment is made.

## Transfers

**62** A Bond, or part of a Bond, can only be transferred with the consent of the Director. The Director will only give consent in exceptional circumstances. Generally, the Director will give consent in the case of the inheritance of Bonds on the death of a Bond holder, but not to any transfer which is by way of sale.

## Repayment of Bonds by NS&I

**63** We can repay Bonds immediately, without needing an application to cash in, if:

- (a) we reasonably think any of the persons named in the application have provided false information;
- (b) we reasonably suspect that the Bond is being held for an illegal purpose;
- (c) the applicant who applied to purchase the Bond was not entitled to purchase it, or the Bond holder is not entitled to hold it;
- (d) the Bond holder's holding exceeds the maximum allowable (see paragraph 37) (to the extent that the holding exceeds the maximum allowable in any one Issue);
- (e) the Bond holder fails to comply, in a material manner, with the terms and conditions for holding the Bond;
- (f) the Bond has reached its maturity date and the Treasury has decided that it is not eligible to earn interest for a further term of the same length (see paragraph 75); or
- (g) we have any other valid reason to do so.

## Giving us instructions

**64** Instructions can be given:

- (a) via the internet (where a holder is registered for the Service);
- (b) by telephone (where a holder is registered for the Service);
- (c) by post by completing the relevant forms (available from us) and returning them to us. Where we do not have a record of the holder's signature, we may make additional security checks before we can carry out the holder's instructions.

**65** Bond holders cannot change or cancel payment instructions that they have given because we start processing them as soon as we receive them.

**66** We may refuse to act on instructions if:

- (a) we reasonably believe that they were given by a person who was not entitled to give us instructions;
- (b) we reasonably suspect fraudulent activity in relation to the Bond;

- (c) the instructions are unclear, incomplete or not in the required form;
- (d) in carrying out the instructions, we might thereby act contrary to a law, regulation, code or other duty which applies to us;
- (e) it would cause any limit or restriction which applies to a Bond holding to be exceeded; or
- (f) we have any other valid reason for not acting on the instructions.

**67** If we refuse to act on instructions we will notify the Bond holder and, if possible, give our reasons for doing so. Bond holders can obtain information about the refusal and, where appropriate, our reason for refusing, along with information on how to correct any errors that led to the refusal, by contacting us using the details at the end of these terms and conditions (unless we are prevented by legal obligations, or circumstances beyond our control, from providing this information).

## Joint investments

**68** For all Bonds that are held jointly:

- (a) The Bond is the joint property of both joint Bond holders.
- (b) In the event of the death of one of the joint Bond holders, ownership will pass to the survivor who will be entitled to manage the Bond on the same terms.
- (c) All correspondence, including statements and investment records (see paragraphs 70 to 73) will be sent to the Bond holder named first on the application to purchase the Bond.
- (d) Upon the application of both of the Bond holders, we may remove the name of either person from the title of the Bond.

**69** For Bonds purchased jointly:

- (a) Where the Bond holders have registered to use the Service in respect of that Bond, they will each have a separate password and separate security information.
- (b) We will accept instructions, including instructions to cash in the Bond, from either Bond holder acting independently.

- (c) If either joint Bond holder informs us of a dispute between the Bond holders, or requires that instructions should only be accepted with the assent of both Bond holders, neither Bond holder may use the Service (which depends on us being able to accept instructions from either Bond holder). From that point onwards instructions will need to be given by post and be signed by both Bond holders. We may permit joint Bond holders to use the Service again if satisfied that both Bond holders have authorised us to accept instructions from either one of them, acting independently.

## Statements and investment records

**70** The Bond holder will receive an annual statement showing all transactions for the previous year. The statement will include details of all transactions and interest added to the Bond, including the tax deducted from that interest (the Bond holder will need this information if required to complete a self-assessment tax return for HM Revenue and Customs) since the last annual statement (or the date of investment if the Bond is in its first investment year).

**71** Bond holders can request, at any time, an interim statement of all transactions on their Bonds. This statement will include all transactions since the last annual statement (see paragraph 70) or the date of investment if the Bond is in its first investment year.

**72** The Bond holder will receive an investment record every time they purchase a new Bond or make a partial encashment, unless they have agreed to go paperless. The investment record will confirm the details of the transaction that has taken place and, in the case of a partial encashment, the new value of the Bond immediately following that encashment. Bond holders who have not agreed to go paperless can request a duplicate investment record at any time.

**73** When a Bond is repaid in full the Bond holder will receive a closing statement. The closing statement will include details of all transactions and interest added to the Bond since the last annual statement was issued (or since the date of investment if no annual statement has yet been issued in respect of the Bond (see paragraph 70)), including the tax deducted from that interest (the Bond holder will need this information if required to complete a self-assessment tax return for HM Revenue and Customs).

**74** The Bond holder is responsible for checking the information we provide and must tell us as soon as possible if it includes something which appears to be wrong or if a repayment was not made in accordance with the instructions given.

## Retention after the fixed rate term

**75** After any term a Bond may be eligible to earn interest for a further term of the same length. The Treasury will decide whether this will apply and, if so, what the interest rate will be. We will contact the Bond holder, using the last recorded contact details, at least 30 days before the end of the term to tell them of the Treasury's decision.

**76** The interest rate set by the Treasury for any further term may be different from the interest rate earned previously on the Bond. Typically the Treasury will decide to set a different interest rate to enable us to respond proportionately to a change, or an anticipated change, in:

- (a) gilt prices, the Bank of England's base rate or any other publicly listed market rate;
- (b) the interest rates paid or charged by other banks and financial institutions;
- (c) the Government's funding requirements;
- (d) the costs we reasonably incur in providing Bonds;
- (e) the law or a decision by an ombudsman;
- (f) regulatory requirements; or
- (g) any codes of practice to which we subscribe.

**77** If a Bond is eligible to earn interest for a further term of the same length, and we have not received a request to cash in that Bond by the date and time specified in the pre-maturity notice, the rate of interest set by the Treasury for the further term will be applied automatically and will be guaranteed for the whole of the further term.

**78** When a Bond begins a further term in accordance with paragraph 77, the terms and conditions applicable to that Bond for that further term shall be those specified on NS&I's website at the point at which that further term begins. This may mean that the terms and conditions applicable to the Bond will change (see paragraphs 107 and 108). If we notify a Bond holder that the Treasury has decided that their Bond is eligible to earn interest for a further term of the same length, that notice will include a copy of the terms and conditions that will apply for that further term. The Bond holder should contact NS&I if they do not receive notice of their options when their Bond is due to mature.

**79** The Bond holder will remain free to cash in the Bond at any time, including for investment into another Issue or another NS&I product, under the normal rules for cashing in as set out in paragraphs 41 to 48 inclusive.

#### Telephone and Internet Service

**80** We offer the opportunity to purchase and manage Bonds via the telephone and/or internet, and to opt to receive paperless documents. The Service is offered to Bond holders and, where a Bond holder lacks capacity or has created a valid Power of Attorney, a limited Service is offered to those entitled to manage their Bond (each a "prospective user"). To use the Service to both purchase and manage a Bond, a prospective user will need to register either by telephone or via the internet as part of their application to purchase. If a prospective user wants to register to use the Service to manage a Bond that they have already purchased, they will need to complete a registration form (available from us or to download from our website) and return it to us for processing. Deputies and attorneys can only register to use the limited Service by completing the registration form and returning it to us for processing.

**81** If a prospective user registers as part of an application to purchase made over the internet, they will be asked to supply security information and choose a password. If the prospective user is an existing customer who has already registered to use the Service, they must use their existing security information and password to purchase and manage the relevant Bond (see also paragraph 84).

**82** If a prospective user registers as part of an application to purchase made by telephone, they will be asked to supply security information. After registration, we will send a temporary password to the registered user. Before the registered user can manage their Bond using the Service, they will need to change the temporary password to one of their own choosing. This temporary password will expire after 60 days so the registered user will need to change it before then. If they do not change their temporary password before it expires we will issue them with a new password when they next contact us. The new temporary password must be changed within 60 days.

**83** We will use the password and security information to verify the identity of the person seeking access to the Service. If for any reason a registered user wishes to change their security information or password they can do so via the internet, or by calling us. We may ask for any change to be confirmed in writing.

**84** Registered users must take reasonable precautions to prevent unauthorised use of the Service. They should not disclose any information which will give access to the Service to anyone other than us. They should not record their password or security information in any way that may result in them becoming known to another person.

**85** Please note that after initial registration we will never contact registered users, or ask anyone to do so on our behalf, with a request to disclose security information in full. If a registered user receives any such request from anyone (even if they are using our name and logo and appear to be genuine) then it is likely to be fraudulent and security information should not be supplied under any circumstances. Registered users should report any such request to us immediately.

**86** The Bond holder will be responsible for any instructions received by us between the time a registered user passes the security procedure until the time that registered user exits from the Service. Please note that this includes any input errors or instructions sent by someone other than the registered user, so registered users are asked not to leave the device they are using to access the Service unattended while logged on.

**87** Please note that we are entitled to repay Bonds where instructions to cash in have been given through the Service, if particulars of the security information were correctly provided.

**88** If a registered user has reason to suspect that their security information and/or password have become known to a third party, they should immediately notify us by telephone. We may ask for this to be confirmed in writing.

**89** While we will make reasonable efforts to provide the Service, we will not be liable for any failure to provide the Service, in part or full, for any cause that is beyond our reasonable control. This includes, in particular, any suspension of the Service resulting from maintenance and upgrades to our systems or the systems of any party used to provide the Service.

**90** We may, where we consider it is appropriate for the protection of Bond holders, suspend, withdraw or restrict the use of the Service or any part of the Service. We will inform Bond holders as soon as practicable if we take such action. We may also end the Service or any part of the Service at any time by giving registered users reasonable notice.

#### Liability

**91** If a Bond holder tells us that an application to cash in was not authorised and the money was paid to a third party, we will carry out an investigation. As soon as we are reasonably satisfied that the application to cash in was unauthorised, we will, subject to paragraph 92, refund the amount repaid and return any relevant Bonds to the position they would have been in if the unauthorised repayment had not taken place. This means that, in addition to the amount of the unauthorised repayment, we will refund any interest on the amount incorrectly paid but we will have no further liability.

**92** However, we will not give a refund if the Bond holder has acted fraudulently.

**93** If a Bond holder asks us to make a repayment by electronic transfer and, after a reasonable period has elapsed, the bank or building society to which repayment should have been made says that it did not receive the repayment, we will, subject to paragraphs 94 and 95, refund the amount of the repayment and return any relevant Bonds to the position they would have been in if the repayment had not been made.

**94** We will not make a refund pursuant to paragraph 93 if there was a mistake in any of the details contained in the instructions to cash in. In such circumstances, we will, however, make reasonable efforts to recover the funds for the Bond holder.

**95** We will not make a refund pursuant to paragraph 93 if we can show that the repayment was in fact received by the bank or building society to which repayment should have been made.

#### How we use your information

**96** We may use any information provided to us to help us:

- (a) manage Bonds;
- (b) prevent and detect crime;
- (c) understand our customers' requirements; and
- (d) develop and test products and services.

**97** We treat all information we hold concerning customers as private and confidential. We will not reveal any personal details or details concerning a customer's investments to anyone not connected with NS&I, unless:

- (a) the customer asks us to reveal the information, or we have the customer's permission to do so;
- (b) we are required or permitted to do so by law;
- (c) it is required by credit reference and fraud prevention agencies and other companies that provide a service to us or the customer; or
- (d) there is a duty to the public to reveal the information.

**98** When giving us information about another person, the person providing the information is required to confirm that they have been appointed to act on behalf of that other person. This includes providing consent to process that other person's data as set out in these terms and conditions.

**99** We may monitor or record telephone calls for training, quality assurance and other business purposes.

**100** The NS&I website uses cookies to collect anonymous data in order to administer the website. It is possible to set internet browser software so as to disable the use of cookies. Please note however that application forms and other processes require the use of cookies for correct operation.

**101** From time to time we may change the way we use customer information. Where we believe that customers may not reasonably expect such a change we will notify them personally. If customers do not object to the change within 60 days, we will deem them to have consented to that change.

**102** Customer information will be held by us in both paper form and on our IT systems and will be kept after Bonds have been repaid in full, in line with our retention procedures. Customers wishing to obtain a copy of the information we hold about them can make a Data Subject Access Request under the Data Protection Act and send it to: The Data Protection Officer, National Savings and Investments, 1 Drummond Gate, London SW1V 2QX – make sure the request is signed. A Data Subject Access Request form is available to print off and complete in the 'Privacy' section of the NS&I website. Alternatively, customers can write to the Data Protection Officer giving us their full name, current address and any previous addresses, which savings or investments they have with us and the account, holder's or customer numbers. There may be a small charge for this service – if so, we will make this clear.

**103** We would like to keep customers up to date with information about our products and services which we think might interest them. If a customer does not want to receive this information they can contact us using the details at the end of these terms and conditions.

#### How to notify us of changes to personal details

**104** To enable us to manage Bonds effectively and to be able to contact Bond holders when necessary we ask that they let us know, as soon as possible, of any changes in name, address, telephone number or email address. Bond holders should also ensure that their nominated bank account details are kept up to date. If they are registered to use the Service they should notify us of any such changes by telephone, or update their details on the internet. Otherwise they should write to us at the address at the end of these terms and conditions.

#### Complaints

**105** If we make a mistake we'll aim to put things right quickly and without fuss, and we have a procedure designed to resolve complaints effectively and fairly. Complaints can be made in writing to the Customer Service Team at the address at the end of these terms and conditions, by calling us free on **0800 092 1286** (calls from mobiles and some landline providers may not be free), or by visiting [nsandi.com](http://nsandi.com), clicking 'Contact us', clicking on the 'Contact us online' button in the 'Email us' section, and selecting 'complaint' in the 'subject' dropdown menu. A leaflet describing our complaints procedure is available on request or to download at [nsandi.com](http://nsandi.com), by clicking 'Why save with us', clicking on 'Our commitment' and then clicking on the link under the heading 'Not happy with our service?'

**106** If a customer feels that we have not resolved their complaint to their satisfaction, they may be able to refer it to the Financial Ombudsman Service (the "FOS") at **South Quay Plaza, 183 Marsh Wall, London E14 9SR** (Tel **0800 023 4567**). The FOS is an organisation set up by law to give consumers a free and independent service for resolving disputes.

#### Changes to these terms and conditions

**107** The Treasury reserves the right to amend these terms and conditions at any time.

**108** Typically, changes will be made pursuant to paragraphs 78 and 107:

- to make the terms and conditions clearer or more favourable to the Bond holder;
- to reflect changes in the Government's funding requirements;
- to reflect changes in the law or a decision by an ombudsman;
- to enable us to meet changed regulatory requirements;
- to reflect changes in any codes of practice to which we subscribe;
- to reflect changes in the general practice of banks and other organisations offering similar products or services; or
- to allow for new technology systems, methods of operation, security or facilities.

**109** If a change is to the Bond holder's detriment we will let them know personally at least 30 days before the change. If this is the case the Bond holder can switch to another NS&I product or cash in their Bond without notice or penalty (see paragraph 48) within 60 days of us telling them.

**110** For any other changes we will let customers know by updating our website and, if appropriate, publishing a notice in a range of national newspapers.

#### Regulations

**111** As at 1 November 2014, The National Savings Stock Register Regulations 1976 (Statutory Instrument Number 1976/2012) have been amended by the following Statutory Instruments:

1981/485	1984/600	1986/2001	1987/1635
1988/1355	1989/2046	1993/3131	1997/1864
1998/1446	1999/2771	2001/2616	2001/3649
2004/1662	2005/2114	2007/1898	2009/1263
2010/291	2012/1877		

**112** Copies of UK legislation can be purchased from the TSO Parliamentary and Legal Bookshop.

#### Law and jurisdiction

**113** These terms and conditions and any agreement made on the basis of them will be governed by and interpreted in accordance with English law and available in the English and Welsh languages.

**114** In the event of the death of a Bond holder, the Director reserves the right to make any payment in respect of the Bond in accordance with the law of the place in which the Bond holder resided, or if different, was domiciled at the date of their death.

**115** Subject to paragraphs 116 and 117, the courts of England are to have exclusive jurisdiction to settle any dispute (including claims for set off and counterclaims) which may arise in connection with these terms and conditions or any agreement made on the basis of them and which, subject to the Regulations, falls to be determined by a court of law.

**116** Where section 16 of the Civil Jurisdiction and Judgments Act 1982 applies the relevant court of law of the relevant part of the United Kingdom shall have jurisdiction to settle any such dispute.

**117** Paragraphs 115 and 116 are included for the benefit of NS&I. Accordingly NS&I retains the right to bring proceedings in any other court which has jurisdiction or to whose jurisdiction the Bond holder irrevocably submits.

#### 65+ Guaranteed Growth Bonds

National Savings and Investments  
Glasgow  
G58 1SB

Telephone **0500 007 007**

Fax **0141 636 8744**

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1 January 2015

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We're here in the UK all day, every day.  
Calls from mobiles and some landline providers may not be free.  
Calls may be recorded.

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