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Newcastle Launches New Guaranteed Capital Return Account

Newcastle IS, the intermediary services division of Newcastle Building Society has launched its new *Guaranteed Capital Return Account (Issue 3)* with a guaranteed minimum return of 9.00% over five years.

The new deposit account from Newcastle IS is available to intermediaries and IFAs as a Bond or ISA, offering a guaranteed minimum return of 9% Gross / 1.74% AER with a potential return of up to 45% Gross / 7.71% AER based on the performance of the FTSE 100 Index.

As this is a deposit account and not asset backed there is no counterparty risk - all funds are held in a savings account with the Society - and funds are protected by the Financial Services Compensation Scheme (FSCS) up to £50,000 per individual customer.

Newcastle IS's new account is the latest in a long line of structured deposit products offered to intermediaries via the Society and follows on from the success of its Three Year FTSE Trigger Account, which matured early, hitting its trigger point after just one year and paying a return of 9% AER.

Available for investment until mid-February 2010*, the Guaranteed Capital Return Account has a minimum investment of £1,000, a maximum investment of £1,000,000 with a maturity date of 9th March 2015.

Steven Marks, Intermediary Service Executive at Newcastle IS, commented:

“At a time when structured investment products have been under close scrutiny, we believe our structured deposits will prove particularly attractive to IFAs and intermediaries, as well as their clients who are looking for a capital guarantee

while enjoying the benefit of the FSCS protection scheme and have no further counter party risk as well as a guaranteed minimum return of 9%.”

-ENDS-

* May be withdrawn earlier if fully subscribed