



# Newcastle Help to Buy: ISA



**The Help to Buy: ISA is designed to reward people who are saving for their first home and offers a competitive interest rate for monthly savings; plus a 25% government bonus.**



The Financial Conduct Authority is the independent financial services regulator. It requires us, Newcastle Building Society, to give you this important information to help you to decide whether our cash ISA is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference. These Product Special Conditions and the Savings General Terms & Conditions highlight the information which you should consider when applying for this cash ISA. The Society subscribes to HM Revenue and Customs 'Not in Writing' scheme. As part of the scheme we are required to confirm your ISA declaration.

Summary Box	
<b>Account Name</b>	<b>Newcastle Help to Buy: ISA</b>
<b>What is the interest rate?</b>	<b>Interest rate</b> Monthly 1.63% Gross*/ 1.64% AER** (Variable)
	<b>Interest is paid on:</b> The interest is calculated daily and will be credited to the account on the 1 <sup>st</sup> of each month.
<b>Can Newcastle Building Society change the interest rate?</b>	We can change the rate of interest payable on this account. The account is a variable rate account which means that the rate of interest paid may change throughout the lifetime of the account. Please refer to section 3 of the Savings General Terms & Conditions which sets out the reasons for which Newcastle Building Society may change the interest and the procedure for doing so.
<b>What would the estimated balance be after the first 12 months of account opening based on a £1,000 deposit?</b>	<b>Monthly (Variable)</b> £3,234 <i>This projection is based on an initial £1,000 deposit and 11 further monthly deposits of £200 and no withdrawals are made.</i>
	<b>Please note:</b> This projection is provided for illustrative purposes only and does not take into account customer's individual circumstances.
<b>How do I open and manage my account?</b>	<b>Opening your account:</b> This product is available for Help to Buy: ISA transfers only via branch or by calling us.
	<b>Giving us instructions for your account:</b> In branch, by post, by telephone, online or by secure message (for accounts opened and operated online).
	<b>Minimum Opening Deposit:</b> £1 (please refer to point 6 in the Product Special Conditions for further information regarding your initial investment). <b>Maximum Opening Deposit:</b> £1,200. <b>Minimum Account Balance:</b> £1. The minimum balance eligible for the 25% government bonus payment is £1600. <b>Maximum Account Balance:</b> No maximum balance. The total closing balance for the 25% government bonus payment is £12,000.
<b>Can I withdraw money?</b>	Withdrawals/transfers can be made penalty free without notice. Any withdrawals from the account can only be repaid in accordance with the maximum monthly subscription limits.  <b>Please note: Should you transfer or withdraw funds from this product to a non Help to Buy: ISA, you will not be able to reinstate these funds unless the purchase of your property falls through. If this happens you'll be provided with a failure notice which can be sent back to us and we'll repatriate your funds into a new Help to Buy: ISA.</b>  <b>You will not be entitled to claim the 25% government scheme bonus for the funds withdrawn from this account.</b>
<b>Additional Information</b>	<b>Tax Status:</b> Interest will be paid gross*.  <b>Conditions for the 25% government bonus:</b> A 25% government bonus will be calculated and paid on the closing balance of the Help to Buy: ISA by the Eligible Conveyancer on the customer's request to close their Help to Buy: ISA.

\*Gross' interest is the contractual rate of interest.

\*\*AER' stands for the Annual Equivalent Rate, a notional rate which illustrates what the interest rate would be if paid and compounded on an annual basis.



# Newcastle Help to Buy: ISA



## Product Special Conditions

The Newcastle's Savings General Investment Terms & Conditions will apply unless they are inconsistent with these Special Conditions, effective from the date of the Account opening.

Participation in the Help to Buy: ISA Scheme is subject to the H.M. Treasury's Scheme Rules, which are available online at [www.ownyourhome.gov.uk/](http://www.ownyourhome.gov.uk/) Alternatively, a copy can be requested by contacting us on: 0345 734 4345\*. These Product Special Conditions must be read in conjunction with the H.M. Treasury's Help to Buy: ISA Scheme Rules.

1. Only 'Eligible Customers' (as defined in the H.M. Treasury's Help to Buy: ISA Scheme Rules) aged 16 or over who have valid National Insurance number and are resident in the UK may open a Help to Buy: ISA.
2. To open a Help to Buy: ISA, you must not be or never have been a 'Residential Property Owner' (as defined in the H.M. Treasury's Help to Buy: ISA Scheme Rules).
3. Participation in the Help to Buy: ISA Scheme will not result in an Eligible Customer:
  - a. Qualifying for or otherwise being eligible to receive any other financial product or financial service (as the terms "financial product" and "financial service" are used in the Financial Conduct Authority Handbook); or
  - b. Qualifying for, or otherwise being eligible to participate in, any Help to Buy scheme or program offered by Her Majesty's government.
4. Each Help to Buy: ISA holder is only entitled to hold one Help to Buy: ISA.
5. The Account is held in a single name only.
6. The minimum initial investment in the Account is £1 and the maximum is £1,200; this is for the initial subscription of £1,000 (only available in the first Calendar Month of opening the account) and the monthly maximum of £200. There is no limit to the number of investments you can make in any one Calendar Month; however your total initial monthly subscription must not exceed £1,200 and any subsequent total monthly subscriptions must not exceed £200.
7. The maximum monthly permitted investment of up to £200 each month can be paid into the account throughout each Calendar Month. Should you invest more than this in any one Calendar Month; the full subscription amount for that month will be rejected and returned to source of payment.
8. Should you transfer or withdraw funds from this product to a non Help to Buy: ISA, you will not be able to reinstate these funds unless the purchase of your property falls through. If this happens you'll be provided with a failure notice which can be sent back to us and we'll repatriate your funds into a New Help to Buy: ISA.
9. You will not be entitled to claim the 25% government scheme bonus for the funds withdrawn from this account.
10. Transfers of current and previous year's ISA subscriptions from other ISA's are permitted and are subject to the Help to Buy: ISA Scheme Rules. Transfers are subject to the customer not holding two Help to Buy: ISAs at the end of the transfer process. The transfer value of any transfers from a non Help to Buy: ISA are subject to the opening and monthly allowance.
11. Transfers to other Help to Buy: ISA providers are permitted penalty free.
12. The Account is a limited issue and may be withdrawn to new applicants at any time and at short notice.
13. A 'Deposit;' is defined as a minimum investment of £1.
14. A 'Calendar Month' is defined as one of the months as named in the Calendar.
15. In accordance with the Help to Buy: ISA Scheme Rules (ref: 6.9) a Help to Buy: ISA can be reopened if a house purchase falls through (and this can be evidenced) within 12 months from the date that the account was closed.
16. This account is available to residents within our local operating area, defined as: NE, SR, DH, TD10 - 15, DL, TS, CA1 - 17. Should you change address and your new postcode is not as defined within our local operating area you will be permitted to continue to operate your account however, you will be unable to open any new accounts which are only available to residents within our local operating area as defined above.

## Help to Buy: ISA 25% government bonus payment criteria:

1. In order to qualify for the 25% government bonus, you must be a 'First Time Buyer' as defined in the H.M. Treasury's Help to Buy: ISA Scheme Rules.
2. The government bonus will be calculated and paid via the Eligible Conveyancer who will claim the government bonus on behalf of the Eligible Customer.
3. You must close your Help to Buy: ISA in the manner required by the H.M. Treasury's Help to Buy: ISA Scheme Rules; by obtaining the Closing Letter from Newcastle Building Society.
4. 1<sup>st</sup> December 2030 is the last date that a customer can save into a Help to Buy: ISA and also the last date when a request for the 25% government bonus for the Help to Buy: ISA can be made.
5. The government bonus will be paid towards the price of the property. This price is after any discounts have been applied. The property price caps are up to £250,000 anywhere in the UK, or up to £450,000 inside London.
6. The government bonus will represent 25% of the amount saved, so for the maximum monthly saving of £200, the government will contribute £50, with a maximum contribution of £3,000 on £12,000 of savings. The Help to Buy: ISA holder shall be entitled to a government bonus in respect of their closed Help to Buy: ISA of 25% of the Closing Balance of the Help to Buy: ISA, as illustrated below:

The below table shows indicative government bonus amounts that can be claimed based on your Help to Buy: ISA balance:

<b>ISA Balance</b>	<b>Bonus amount</b>	<b>Notes</b>
<i>Less than £1,600</i>	£0	The minimum bonus is £400
<i>£1,600</i>	£400	
<i>£5,000</i>	£1,250	
<i>£12,000</i>	£3,000	
<i>More than £12,000</i>	£3,000	The maximum bonus is £3,000

Details are correct as at 7<sup>th</sup> June 2021.

\*Telephone lines open Monday to Friday 8am to 6pm. Calls may be monitored and recorded for training and security purposes.