

Guaranteed Income Bonds

Print-friendly brochure

# Like clockwork

Earn a guaranteed income with  
our fixed rate Bond



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**For alternative versions of this brochure, please see [page 13](#).**

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## Key product information

This leaflet gives you an overview of our Guaranteed Income Bonds and the full terms and conditions. **Please read it together with the [summary box](#)**, which outlines the main features of the Bond.

### **What is an NS&I Guaranteed Income Bond?**

You don't have to wait for years to enjoy the fruits of your investment. With our Guaranteed Income Bond we'll pay you an income every month, directly into your bank account. And we'll keep your capital 100% secure – no matter how much you invest – so you can plan confidently for the future.

Our Guaranteed Income Bond is a lump sum investment that pays out monthly income at a fixed rate of interest over a set period of time (called a 'term'). With a guaranteed return, you can be sure how much income you will receive. You can only invest in the Bond online at [nsandi.com](https://nsandi.com), but you can manage it online, by phone or by post.

### **Investment limit**

You can invest up to £10,000 per person (or £10,000 per trust), in each Issue of each term.



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## All about interest

We pay your interest to your chosen bank or building society account on the same day of the month as the day you bought your Bond. For example, if you bought your Bond on 10 March, your interest payments would be on 10 April, 10 May and so on. If that date falls on a weekend or bank holiday, we will pay your interest on the next banking day.

## What about tax?

We pay your interest without deducting any tax. However, the interest is taxable so it will count towards your Personal Savings Allowance. Find out more at [nsandi.com/tax-and-savings](https://nsandi.com/tax-and-savings)

## Is my money safe?

Yes. NS&I is backed by HM Treasury so your money will be 100% secure, however much you invest with us.

## Can I buy more than one Bond?

Yes, as long as each investment you make is at least £500 and the total amount you invest in each Issue of each term isn't more than £10,000.

## Investing jointly?

You can invest jointly with one other person but there are a few things you need to know:

- We'll send all communications about the Bond to the first investor named on your application.
- Half of any amount you invest jointly will count towards your own maximum investment allowance.
- You'll each be able to cash in the Bond independently.

## Investing in trust

You can invest in trust on behalf of one or more beneficiaries, but you'll need to apply by post. Call us if you want a trust application form.

## Can I change my mind after investing?

No, sorry. As the Bond is a fixed rate investment 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.

## Can I get my money back early?

The Bond is designed to be held for the whole of your chosen term. You can get access to your money earlier, but there will be a penalty equal to 90 days' interest on the amount you cash in. This means that if you cash in within 90 days of buying your Bond, you'll get back less than you invested.

## What happens at the end of the term?

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

## Keeping your details up to date

Please make sure you keep your details up to date, including your address, nominated bank account and email address, so that any payments or communications from us about your Bond reach you safely. You can update your details online by logging in at [nsandi.com](https://nsandi.com) – you'll need your NS&I number and password.

## Terms and conditions: 5 August 2018

### Description

1. National Savings and Investments ("NS&I") Guaranteed Income Bonds ("Bonds") are UK Government stock 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 a UK Government stock subject to The National Savings (No.2) Regulations 2015 as amended or re-enacted from time to time. In the event of any differences 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 Guaranteed Income 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, or purchases, by BACS or Faster Payments, including under a standing order (unless the context requires otherwise);
- (h) "maturity date" means the day after the last day of the term;
- (i) "NS&I" means National Savings and Investments;
- (j) "prospective user" means a person described in paragraph 88 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 online and phone service provided by NS&I for the purposes of purchasing and managing Bonds as described in paragraph 88;

(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 53). 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 32 and 33). The terms and conditions are binding once we accept an application.

9. Some Issues may be exclusively available:

- through certain sales channels (for example, online); 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 us;
- published in the London, Edinburgh and Belfast Gazettes; and
- made available directly from us 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 51 and 83 to 85 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 59 and 61).

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

**14.** Interest is paid monthly by electronic transfer to a personal UK bank account (including an NS&I Direct Saver or Investment Account) or building society account in the name of the Bond holder, on the same date each month as the date of investment in the month of purchase (for example, if the date of investment was the 10th of a month, the interest will be paid on the 10th of each subsequent month) until the Bond is cashed in or until maturity. The Director intends to use BACS for this purpose so the account nominated on the application must be capable of receiving payments by this method. Any applications to invest that do not contain nominated bank account details will be rejected.

**15.** If the due date for payment of interest falls on a day which is not a banking day, your nominated account will not be credited with interest until the next banking day.

**16.** If the due date for payment of interest falls on a day which does not apply for the month (for example, if the due date is 31st of the month and there are only 30 days in the month of payment), the nominated account will be credited on the last day of that month.

## Tax

**17.** Interest will be paid without deduction of tax.

**18.** Interest paid is subject to UK Income Tax so Bond holders may need to declare their interest to HM Revenue & Customs, depending on their circumstances.

## Who may purchase and hold Bonds

**19.** Bonds may be purchased and held in accordance with paragraphs 20 to 23 unless a limitation applies (see paragraph 24).

**20. Individuals** Individuals of at least 16 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 16 years of age.

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

**22. Trustees** A person who holds money in trust for one or more individuals (whether they are an individual or a corporate trustee) may purchase and hold Bonds in their capacity as a trustee either:

- (a) by themselves; or
- (b) jointly with one or more other trustees.

**23. Deputies** A person who is legally entitled to make investments on behalf of a person who lacks capacity may purchase Bonds on behalf of, and in the name of, that person.

**24. General** limitations Bonds cannot be purchased by:

- (a) a person, or on behalf of a person, who is either a US citizen and/or a US resident for tax purposes;
- (b) a person who is an undischarged bankrupt;
- (c) a person who is 16 years of age or older and operates under a legal disability; or
- (d) one person on behalf of another, unless the application is made in accordance with paragraphs 20(b), 21 and 23.

## How to purchase Bonds

**25.** Subject to paragraph 26, an application to purchase Bonds can only be made online.

**26.** Applications made by trustees can only be made by post.

**27.** 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.

**28.** 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.

**29.** Where an applicant applies online, the Bonds must be purchased using a personal 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.

**30.** Where an applicant makes an application and this is their first application, 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 will 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.

**31.** When an application is made by post the Bond must be purchased using a cheque drawn on a personal UK bank or building society account held by the proposed Bond holder,

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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.

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

**33.** 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**

**34.** 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 with a credit reference agency. When you apply to invest with us, you confirm that you, and anyone else named on the application, are aware that your and their identity and address will be checked.

**35.** When applying to invest, or at any time, we may also request documentary evidence of identity, address and/or source of funds. Our request will let you know by when you need to send us the documents. If we don't receive your documents within that time, we will not be able to process your application. We may also request documentary evidence directly from any other person named on 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.

**36.** Where we can't accept your application in these circumstances (paragraphs 34 and 35), we will cancel it and refund the money to your debit card or by issuing a crossed warrant (like a cheque). 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**

**37.** 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 45, 46 and 50). If a Bond is cashed in prior to maturity, a penalty will be applied (see paragraphs 51 to 53).

### **Purchase and holding limits**

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

**39.** 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.

**40.** 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. This paragraph does not apply to applications made by a person applying to purchase as a trustee (see paragraph 22), nor do any Bonds held by a person as a trustee count towards their holding for the purpose of this paragraph.

**41.** An applicant who is acting as a trustee may not apply to purchase a Bond if immediately after that purchase they would hold more than £10,000 (at purchase price) of Bonds of that Issue under that trust.

**42.** Where a Bond is held by trustees jointly, each will be treated as holding the full value of that Bond. For example, if two trustees hold £10,000 of Bonds of a particular Issue jointly, they will each be treated as holding the full £10,000 of Bonds of that Issue. This will mean that neither of those trustees will be permitted to purchase further Bonds of that Issue under that trust.

**43.** Renewed investments are not subject to the limits on purchasing Bonds set out in paragraphs 39 and 41, 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 reinvest the value of a maturing £5,000 Bond in a particular Issue of Bonds and could still purchase up to an additional £10,000 of Bonds of that Issue, if that Issue is on general sale.

**44.** 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 39 and 40. 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 £3,000 of Bonds of that Issue, that person will be able to hold the £3,000 of inherited Bonds, but will not then be able to purchase further Bonds of that Issue.

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## Cashing in

**45.** 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.

**46.** 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.

**47.** For online or telephone applications to cash in made via the Service, repayment will be made by electronic transfer to the nominated bank account (see paragraph 54).

**48.** 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 61 and 62).

**49. Partial encashments** Bond holders may cash in part of a Bond, subject to the payment of any penalty for early repayment (see paragraph 51).

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

## Penalty

**51.** Except where paragraph 52 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.

**52.** 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 83), and we received the instruction to cash in by the end of that term;
- (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 registered as held in trust and the instruction to cash in is made after the death of a sole, or last surviving, beneficiary;

(d) where a Bond is cashed in as a result of a detrimental change to the terms and conditions applying to the Bond (see paragraph 110).

**53.** In order to ensure prompt payment of monthly interest, we start to process interest payments a few days before the interest payment date, proceeding on the basis that the Bond holder will continue to hold the full value of the Bond for the remainder of the month. This means that if the Bond holder requests a partial repayment after we have started to process their monthly interest payment, but before the interest payment date, the Bond holder may receive an overpayment of interest. Where this occurs, we will deduct the overpayment from the amount of interest received in the following month.

## Repayments by electronic transfer

**54.** 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 Investment Account) 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 purchase. Any applications to invest that do not contain nominated bank account details will be rejected.

**55.** 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).

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

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

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

**59.** 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.

**60.** 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

**61.** 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.

**62.** 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

**63.** The amount due when a Bond is cashed in on the maturity date will be the capitalised value of the Bond.

**64.** When a Bond is cashed in on an interest payment date occurring before its maturity date, the amount due will be the value of the Bond, less any penalty deducted (see paragraphs 51 and 52).

**65.** When a Bond is cashed in before its maturity date, but not on an interest payment date, the amount due will be the value of the Bond plus interest earned at 1/365th of the annual interest rate for each day that the Bond has been held since the last interest payment date, less any penalty deducted and any overpayment of interest that may, in due course, occur (see paragraph 66).

**66.** An overpayment of interest may occur where a Bond is cashed in after we have begun to process a monthly interest payment, but before the interest payment date (see paragraph 53).

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

**68.** For the purposes of paragraphs 63 to 67, the value of a Bond will be its purchase price, unless a partial encashment has previously been requested. Where a partial encashment has previously been requested in respect of that Bond, the value of the Bond shall be treated as being reduced by the amount of that partial encashment.

### Transfers

**69.** 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

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

- we reasonably think any of the persons named in the application to purchase have provided false information;
- we reasonably suspect that the Bond is being held for an illegal purpose;
- the applicant who applied to purchase the Bond was not entitled to purchase it, or the Bond holder is not entitled to hold it;
- the Bond holder's holding exceeds the maximum allowable (see paragraph 39) (to the extent that the holding exceeds the maximum allowable in any one Issue);
- the Bond holder fails to comply, in a material manner, with the terms and conditions for holding the Bond;
- 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 83); or
- we have any other valid reason to do so.

### Giving us instructions

**71.** Instructions can be given:

- online (where a holder is registered for the Service);
- by telephone (where a holder is registered for the Service);
- 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 carry out the holder's instructions.

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

**73.** We may refuse to act on instructions if:

- we reasonably believe that they were given by a person who was not entitled to give us instructions;
- we reasonably suspect fraudulent activity in relation to the Bond;
- the instructions are unclear, incomplete or not in the required form;
- in carrying out the instructions, we might thereby act contrary to a law, regulation, code or other duty which applies to us;
- it would cause any limit or restriction which applies to a Bond holding to be exceeded; or

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- (f) we have any other valid reason for not acting on the instructions.

**74.** 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

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**75.** For all Bonds that are held jointly:

- (a) The Bond is the joint property of all joint Bond holders.
- (b) In the event of the death of one of the joint Bond holders, ownership will pass to the survivor(s) who will be entitled to manage the Bond on the same terms.
- (c) All correspondence, including statements and investment records (see paragraphs 78 to 81) will be sent to the Bond holder named first on the application to purchase the Bond.
- (d) Upon the application of all of the surviving Bond holders, we may remove the name of any person from the title of the Bond.

**76.** For Bonds purchased jointly by Bond holders who are not acting as trustees:

- (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 we are satisfied that both Bond holders have authorised us to accept instructions from either one of them, acting independently.

**77.** Where Bonds have been purchased jointly by Bond holders who are acting as trustees, we will only accept instructions sent to us by post and which have been signed by all Bond holders.

### Statements and investment records

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**78.** The Bond holder will receive an annual statement showing all transactions for the previous year. The statement will include details of all transactions and monthly interest payments (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).

**79.** 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 78) or the date of investment if the Bond is in its first investment year.

**80.** The Bond holder will receive an investment record every time they purchase a new Bond or make a partial encashment. 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 can request a duplicate investment record at any time.

**81.** 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 paid 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 78)). The Bond holder will need this information if required to complete a self-assessment tax return for HM Revenue and Customs.

**82.** 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

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**83.** 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.

**84.** 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;

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- (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.

**85.** 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 before the maturity date, 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.

**86.** When a Bond begins a further term in accordance with paragraph 85, 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 108 and 109). 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 us if they do not receive notice of their options when their Bond is due to mature.

**87.** 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 45 to 53 inclusive.

### Online and Phone Service

**88.** Bonds may only be purchased online, however we offer the opportunity to manage Bonds both online and by telephone, 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 Service is offered to those entitled to manage their savings and investments (each a "prospective user"). To use the Service to both invest and manage their account or an account they have the authority to manage on behalf of someone else, a prospective user can register either by telephone or via the internet, or as part of an application to invest. We may need to ask you to return documents by post to complete your registration.

**89.** When an applicant registers online, they will be asked to supply security information and choose a password. If they are 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 Bonds (see paragraph 92).

**90.** If a prospective user registers 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.

**91.** 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 online, or by calling us. We may ask for any change to be confirmed in writing.

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

**93.** 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.

**94.** The registered user will be responsible for any instructions received by us between the time they pass the security procedure until the time they exit 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.

**95.** 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.

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**96.** 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.

**97.** 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.

**98.** 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**

**99.** If a Bond holder or their legal representative tells us that an application to cash in was not authorised, 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 100, 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.

**100.** However, we will not give a refund if the Bond holder or their legal representative has acted fraudulently.

**101.** If a Bond holder or their legal representative 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 102 and 103, 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.

**102.** We will not make a refund in relation to paragraph 101 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.

**103.** We will not make a refund in relation to paragraph 101 if we can show that the repayment was received by the bank or building society to which repayment should have been made.

### **How we use your information**

**104.** We handle your personal information in line with current data protection legislation and industry best practice. If you would like to know what information we collect, how we use it and what your data protection rights are, please see our Privacy Notice at [nsandi.com/privacy-notice](https://nsandi.com/privacy-notice) or contact us for a paper copy.

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

**105.** So that we can manage and protect your Bond(s), and communicate with you safely and quickly (for example, if we suspect fraud), please let us know straight away if any of these change:

- your name;
- nationality;
- address (including if you move abroad);
- signature;
- telephone number (including mobile);
- email address.

You should also ensure that your nominated bank account details are kept up to date. If you are registered to use the Service, you should update your details online or notify us of any such changes by telephone. Otherwise you should write to us at the address at the end of these terms and conditions.

### **Complaints**

**106.** 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. You can make a complaint by calling us free on **0800 092 1286**, by visiting [nsandi.com](https://nsandi.com), or by writing to the Customer Care Team at the address at the end of these terms and conditions. A leaflet describing our complaints procedure is available on request or you can download one at [nsandi.com](https://nsandi.com)

**107.** If you feel that we have not resolved your complaint to your satisfaction, you may be able to refer it to the Financial Ombudsman Service, an organisation set up by law to give consumers a free and independent service for resolving disputes. You can call them on **0800 023 4567** (calls to this number from the UK are free). You can also visit [financial-ombudsman.org.uk](https://financial-ombudsman.org.uk) or write to them at **Exchange Tower, London E14 9SR**. Or, if you invested with us online, you can refer your complaint via the Online Dispute Resolution (ODR) website, set up by the European Commission to help consumers resolve disputes with companies within the EU. Visit <https://webgate.ec.europa.eu/odr>

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## Changes to these terms and conditions

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**108.** The Director and the Treasury reserve the right to amend these terms and conditions at any time.

**109.** Typically, changes will be made pursuant to paragraphs 86 and 108:

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

**110.** 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 52) within 60 days of us telling them.

**111.** 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.

## Accessibility

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**112.** If you have a disability, condition, characteristic or circumstance which prevents you from applying for your Bonds online, please call us for free on **08085 007 007** or write to us at the address at the end of these terms and conditions, to allow us to discuss alternative access appropriate to your needs.

**113.** Some of these terms and conditions may not apply if we have agreed changes with you in order to make your Bonds more accessible. If so, any differences will be agreed with you individually.

## Regulations

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**114.** The Regulations stated in paragraph 2 can be accessed at [www.legislation.gov.uk](http://www.legislation.gov.uk), and on our website at [nsandi.com](http://nsandi.com)

## Law and jurisdiction

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

**116.** 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.

**117.** Subject to paragraphs 118 and 119, 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.

**118.** 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.

**119.** Paragraphs 117 and 118 are included for our benefit. Accordingly we retain the right to bring proceedings in any other court which has jurisdiction to whose jurisdiction the Bond holder irrevocably submits.

## Guaranteed Income Bonds

National Savings and Investments  
Glasgow G58 1SB

Telephone **08085 007 007**

Visit our website [nsandi.com](http://nsandi.com)

5 August 2018

**PLEASE KEEP FOR REFERENCE**

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## Always here to help you

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**Find us online**  
**[nsandi.com](https://www.nsandi.com)**

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**Call us**  
**08085 007 007**

You can call us any time. We're here in the UK all day, every day.

Calls from the UK are free.

We may record your call to help us give you the best service.

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**Write to us**  
**NS&I, Glasgow G58 1SB**

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**Tweet us**  
**[@nsandihelp](https://twitter.com/nsandihelp)**

### **Alternative versions of this brochure**

Ask us for a version in:

- Braille
- Audio tape or CD
- Large print

### **Do you use a Minicom?**

Minicom (textphone) users can contact us on **0800 056 0585**

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