



CASH ISA

[Variable Rate Cash ISA & Fixed Rate Cash ISA]

Terms & Conditions

(Effective from 1st May 2014)

Additional Terms & conditions

Bank has published Terms and Conditions as applicable for all account holders and these Terms and Conditions are in addition to the General Terms and Conditions as may be amended from time to time. If there is any overlap or conflict with General Terms and Conditions then these Terms and Conditions will apply.

Punjab National Bank (International) Limited is approved by HMRC to manage Cash ISA.

Bank offers

- Variable Rates Cash ISA and o Fixed Rate Cash ISA

1 Eligibility

1.1 To be eligible to subscribe to a Cash ISA, the investor must be:

- An individual (not jointly with someone else)
- At least 16 years old
- Resident in the United Kingdom for tax purposes
- Or a Crown employee serving overseas and paid out of the public revenue of the United Kingdom (typically a serving member of the armed forces or a diplomat), or be married to or in a civil partnership with such a person) and
- Not have subscribed to another Cash ISA in the same tax year.

1.2 Cash ISA must be in investor's name and all subscriptions made, and to be made, must belong to investor.

2 Opening and Minimum Balance

2.1 Cash ISA will start from the date the account is opened by a Valid Cash ISA Application Form & complying with normal KYC documentations with first minimum deposit of:

- £1 for opening of Variable Rate Cash ISA
- £1,000 for opening of Fixed Rate Cash ISA

2.2 Nature of Account: -

- Variable Rate Cash ISA Account will be an operating account with features of Saving Account
- Fixed Rate Cash ISA Account will be for a Fixed Period with a minimum period of 1 year and maximum period of 5 years

2.3 Can be opened at any branch.

2.4 Deposits can be made by cash, cheques or electronic fund transfers.

2.5 Investor can pay into a Cash ISA account subject to permitted limit set by HMRC for the relevant tax year. To know about the limit of Cash ISA, investor can contact HMRC or us.

2.6 Investor can pay all or part of yearly Cash ISA into his/her **Variable Rate Cash ISA** Account at any time in the respective tax year; and

- At one point of time single deposit is accepted for a chosen term (1 year to 5 years) at a fixed offered interest rate, under **Fixed Rate Cash ISA**.

3 Operations of the Cash ISA Account

3.1 An Eligible Individual will subscribe to open a Variable Rate Cash ISA but can instruct the bank to allocate all or part of the subscription to a sub-account called Fixed Rate Cash ISA. All Subscriptions to Cash ISA will be accepted & credited into Variable Rate Cash ISA Account and from there whole or part of balance available can be transferred to sub-account called "Fixed Rate Cash ISA".

3.2 All the transactions will be routed through the Variable Rate Cash ISA Account to monitor that the total amount deposited into the account in any tax year is not in excess of the Cash ISA subscription limit fixed by HMRC.

3.3 The proceeds of Fixed Rate Cash ISA, on maturity or before maturity will be transferred to the Variable Rate Cash ISA account and such transfers will not be considered as deposit in the Variable Rate Cash ISA account for calculating the total eligible deposits in a tax year.

4 Withdrawal

Variable Rate Cash ISA	Fixed Rate Cash ISA
<p>4.1 Withdrawal from Variable Rate Cash ISA account is allowed at any time. On the instructions of the investor and within the time stipulated by the investor, all or part of the balance available in his/her Variable Rate Cash ISA account shall be paid to the investor.</p>	<p>Premature withdrawal from Fixed Rate Cash ISA account is allowed for full amount after giving notice of minimum 30 days. Partial withdrawal is not allowed from Fixed Rate Cash ISA, subject to conditions given under "closing Cash ISA".</p> <p>On the instructions of the investor and within the time stipulated by the investor, subject to minimum notice period of 30 days (only in case of premature withdrawal), investments held in his/her Fixed Rate Cash ISA and proceeds arising from those investments shall be transferred or paid to the investor, through his/her Variable Rate Cash ISA Account.</p>
<p>4.2 After making withdrawal, investor cannot deposit the amount more than the yearly Cash ISA limit set by HMRC, including all the amount deposited in a tax year.</p>	

4.3 No withdrawal charges in Variable Rate Cash ISA.	Premature withdrawals from Fixed Rate Cash ISA will bear penalty as mentioned in clause 5.1.
4.4 Minimum amount of withdrawal from Variable Rate Cash ISA is £10.	Full Amount is to be withdrawn. Partial withdrawal is not allowed from Fixed Rate Cash ISA.

5 Closing Cash ISA

Variable Rate Cash ISA	Fixed Rate Cash ISA
5.1 Variable Rate Cash ISA can be closed at any time.	<p>Fixed Rate Cash ISA account will be closed on due date. To close Fixed Rate Cash ISA account prematurely, minimum 30 days' notice is required. Premature closure will be subject to following conditions:</p> <ul style="list-style-type: none"> - If the account is closed within one year, no interest will be paid. - If the account is closed after 1 year but before the agreed term period, interest will be paid @ 1% less than the applicable rate of interest for the period for which the deposit has actually run.

5.2 Any interest earned will be tax-free.

5.3 Bank will give 30 days' notice before closing of the account.

6 Death of an Account holder

6.1 Cash ISA ceases on the death of the investor.

6.2 Any interest earned till the date of death will be tax free.

6.3 Any interest earned or any amount paid into account after the date of death up to the date of closure of the account is not exempted from tax.

6.4 After the death of the account holder, Cash ISA balance will normally be paid to the estate of the deceased, after receiving necessary legal confirmation.

7 Interest

Variable Rate Cash ISA	Fixed Rate Cash ISA
<p>7.1</p> <ul style="list-style-type: none">• Interest will be calculated on daily product basis and paid once a year on 31st March or on the closure of the account, whichever is earlier.• Interest rate may undergo revision from time to time. In such cases we will provide a minimum notice of one month through our website and investor will have full freedom to transfer the balance without any charges, within 15 days of change in interest rate. The current interest rates for our Cash ISA are available at any of our branches or at our website: www.pnbint.com or customer support on 0800 849 9229	<ul style="list-style-type: none">• The option of interest withdrawal is available.• Interest rate is fixed for a period.• Interest will be paid annually or at the time of maturity as per option given by the investor.• If the interest is chosen by investor to be paid on maturity, then the same will be compounded annually.

Following Terms & Conditions will be applicable to both variants i.e. Variable Rate Cash ISA & Fixed Rate Cash ISA Accounts

8 Transfer of Cash ISA Account

8.1 Cash ISA can be transferred to another provider at any time, subject to conditions applicable to “closing of Cash ISA Account”.

8.2 Account holder is required to give a completed and duly signed “Transfer Authority” form and “Transfer Application” to the new ISA manager.

8.3 Account holder can transfer:

- All of his/her current years’ Variable Rate Cash ISA subscriptions (and Interest) and/or some or all of the previous tax year(s) subscriptions to a Cash ISA or stocks and shares ISA with another ISA provider; and
- The whole of his/her Fixed Rate Cash ISA deposits (and interest) from a current/previous tax year or years, to Cash ISA or stocks and shares ISA with another ISA provider, subject to conditions under 5.1.

8.4 ISA can only be transferred directly between the two managers. Account holder cannot transfer the ISA account by closing it and opening new ISA account with the new ISA Manager.

8.5 Transfer In

If investor wants to transfer another Bank's Cash ISA, he/she should contact us to arrange the transfer. On receipt of the documents, we require to arrange the transfer. We will forward his/her transfer request to existing ISA provider within 5 working days. On receipt of the funds from his/her existing ISA provider, we will credit his/her account within 3 working days.

8.6 Transfer Out

On receipt of transfer instructions from new ISA Manager, we will transfer whole or part of his/ her ISA within 5 working days.

9 Other Terms and Conditions

9.1 ISA is a scheme managed in accordance with the ISA regulations of HMRC.

9.2 The ISA investments will, and must remain, in the beneficial ownership of the investor and must not be used as security for a loan.

9.3 Investor can subscribe only to one Cash ISA in a tax year. Investor can split his/her subscription to Cash ISA into Variable Rate Cash ISA & Fixed Rate Cash ISA. Amount subscribed partly in Variable Rate Cash ISA Account & partly in Fixed Rate Cash ISA Account will be treated as one Cash ISA in a tax year, subject to condition that total amount deposited/invested should not exceed the limit prescribed by the HMRC for concerned tax year.

9.4 Any change made by HMRC for Cash ISA regulations that affect these conditions will apply on investor's Cash ISA as well, as soon as they come into force.

9.5 Bank is required to provide details of all Cash ISA holders to HMRC.

9.6 If one is or is likely to become a non -resident in the UK, HMRC may be required to share this information with tax authorities in one's country of residence.

9.7 If the Cash ISA ceases to qualify as an ISA, for any reason of any failure to satisfy the provisions of the ISA Regulations, Bank will notify the customer and Bank will deduct income tax at the appropriate rate on the interest earned on the deposit so far, including any interest that has already been paid. The tax will be deducted from the Cash ISA account.

9.8 Cash ISA cease to qualify as an ISA i n the following circumstances:

- If the declaration on the application form is or becomes untrue;
- From the date of Investor's death;
- If account holder transfers any of the rights or use the Cash ISA as a security for a financial liability;

- As per instructions from HMRC.

Bank will notify investor, if by reason of any failure to satisfy the provisions of the ISA regulations, an ISA has, or will, become void.

9.9 The terms and conditions including the interest rates or our charges can be revised at any time.

9.10 Bank reserves the right to decline to open or refuse to accept deposit in a Cash ISA account.

9.11 Instructions for closure and transfer of Cash ISA to another manager must be in writing and with signature of the account holder.

9.12 Money deposited more than the limit for Cash ISA in a tax year shall be excess deposits and considered invalid. Such excess deposit will not earn any interest.

9.13 If account holder leaves UK after starting a Cash ISA, no further contribution into the Cash ISA is allowed, unless the account holder is a crown employee working overseas. However, investor can keep his/ her ISA and still get tax relief on investments held in the Cash ISA. On returning to UK, contribution to Cash ISA can be resumed.

9.14 Account holder can withdraw the balance available in Variable Rate Cash ISA at any time, without losing any tax benefits already built up. However, in Fixed Rate Cash ISA, 30 days prior notice is required for premature withdrawal. Account holder may lose some or all interest if withdrawn prematurely, as per condition 5.1 of Fixed Rate Cash ISA.

9.15 If investor has any queries, he/she may call the HMRC's Helpline on 0845 6041701.

9.16 If the customer wants to make a complaint, he/she may contact the Bank. We have a complaint procedure to redress customer grievances. If the customer is not happy with our reply, the matter can be taken up with the Financial Ombudsman. Financial Ombudsman Service (FOS) may be contacted on Phone No. 0845 606 1234 (calls are charged at local rates) or on the Ombudsman Service Website.