

C&G Savings Handbook

This booklet contains important information
Please keep it in a safe place

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Welcome to C&G Savings

Thank you for choosing a C&G savings account.

This handbook provides all the information you need to run your account. It tells you how you can add money and make withdrawals, explains about your interest and when we will pay it, and also explains how tax is charged on the interest you earn.

You'll see that in a number of places where we're explaining about the timing of payments, we refer to 'bank working days'. A bank working day is classed as Monday to Friday, not including bank holidays.

If, after reading this handbook, you have any questions, you can call our Helpline on **0845 602 0022**. Lines are open between 8.45am and 5pm Monday to Friday. If you have a hearing or speech impairment and access to a textphone, you can contact us on **0845 300 4195** (lines are open 8.45am – 5pm, Monday to Friday).

Please keep this booklet and the booklet for your account safe in case you need to refer to them in future.

Adding to your C&G account and withdrawing money

There are different ways you can add to your C&G account and withdraw money, depending on which account you have:

- at a C&G or Lloyds TSB branch
- by phone
- by post
- by electronic transfer.

The table at the back of this booklet shows, for all the C&G accounts that are currently available, which accounts offer which services.

This section explains how each service works.

Minimum amounts

There is no minimum addition or withdrawal amount on any of the C&G accounts currently available.

Some accounts have a minimum opening balance.

When withdrawing money, please be aware that some C&G accounts pay a default rate of interest if the balance falls below the minimum opening balance. In addition, some C&G accounts have a minimum balance below which no interest is earned. For full details, please see your account booklet.

Maximum amounts

The most you can save in total in all your C&G savings accounts combined is £3 million.

Subject to the overall limit of £3 million, in terms of the maximum you can save in an individual account, it's only the C&G Cash ISA and the C&G Fixed Rate ISA where there's a limit. This will be the Government's limit on how much can be added to a cash ISA in any tax year. See page 14 for the current ISA limits.

The most you can withdraw is the balance of the cleared funds in your account, although there are certain limits affecting the amount you can pay in or withdraw at a C&G or Lloyds TSB branch. (Please see page 3.)

Saving at a branch

For C&G accounts that offer a branch service, you can add and withdraw money in cash or by cheque at any C&G or Lloyds TSB branch. There are certain limits on amounts that can be withdrawn at a branch, which are detailed below.

If your account has a passbook, please make sure you take it with you when you carry out a transaction at a branch. You will not be able to withdraw money without your passbook.

Adding to your account at a branch

Cash

- You can add up to £1,000 a day in cash.
- The maximum we can accept in coins is £10. Please sort and bag your coins before taking them to the branch. Your branch will be happy to provide you with bags.
- For security reasons please do not send cash through the post to a branch.

Cheques

- There is no maximum cheque value other than the maximum of £3 million that you can have in total with C&G Savings, and the Government's current maximum for the amount that can be saved in cash ISAs in any tax year (see page 14).
- Cheques should be made payable to the account holder(s). If a cheque is made payable to C&G or C&G Savings, it should still be followed by the name of the account holder(s), eg 'C&G Mr A and Mrs B Smith'. As a safeguard against fraud, if you deposit a cheque made payable simply to C&G or C&G Savings it is likely that we will be unable to accept it.
- Draw a line through any unused space on the cheque and then write your account number on the back.
- You'll earn interest from the day we receive any amount you pay in to your C&G account (or from the next bank working day if it's a Saturday). That includes money paid in by cheque. If you pay in a cheque from a Lloyds TSB personal account, it will also clear the same day that we receive it. Money paid in by any other cheque takes four bank working days after the day of receipt to clear before you can actually withdraw it. Please see page 8 for more on cheque clearance.

Withdrawals at a branch

- For security, we may ask to see some proof of identity when you make a withdrawal at a C&G or Lloyds TSB branch.

Cash

- You can withdraw up to £1,000 a day in cash.

Cheque

- You can withdraw up to £100,000 a day in total from your C&G account by cheque.

Bill payments

- You can ask your branch to transfer money from your C&G account to pay bills, such as utility bills. It takes three bank working days for the money to reach the payee's account.

Transfer

- You can arrange a transfer from a C&G account to another C&G account, or to another Lloyds TSB personal account, in your name, at either a C&G or Lloyds TSB branch.

Telephone Transaction Service

If your account allows you to carry out transactions by phone, adding or withdrawing money takes just one phone call to our Telephone Transaction Service.

- The phone number is **0845 3 000 020**.
- An automated service is available, or you can speak to an adviser.
- The automated service to add money to your account is available between 5am and 9pm Monday to Friday and 5am to 5pm on Saturdays. It is not available on Sundays or bank holidays.
- For withdrawals, and to hear your balance or details of recent transactions, the automated service is available 24 hours a day, seven days a week.
- Advisers are available between 8am and 8pm Monday to Friday and 8am and 5pm on Saturdays (excluding bank holidays).
- There may be limits on the amount you can add or withdraw using the automated system. Transactions can be made above these limits, but the system will connect you to an adviser.
- We will send you a quarterly statement if you have carried out a transaction during the relevant period. You can also phone us to ask an adviser for a statement at any time.

Your security number

- When you call, we will ask you for two digits from your security number. We will also ask you for your sort code and account number, so please have these handy. We will never ask you for your full security number.
- You choose your own six digit security number when you open your account. Or, if you already have an account with Lloyds TSB and use the Telephone Banking service, then the same security number will apply to all your telephone-operated C&G Savings and other Lloyds TSB accounts.
- If you have a joint account, each account holder will need to have their own individual security number.

Please see the section 'Account security' on page 9 for guidance on choosing a security number and keeping it safe.

Adding to your C&G account by phone

- To be able to add to your C&G account by phone, you need to link it to a bank or building society current account by a direct debit. We can then transfer whatever amount you tell us you want to add to your savings from your nominated current account. There is no charge for using this service.
- When adding to your account by phone, if you ring us between 5am and 5pm on a bank working day, we will process your request that day. The money will usually reach your C&G account, so start earning interest, two bank working days later. It will then be available to withdraw after another four bank working days, once there's no possibility of the paying bank recalling the money, (bank working days are Monday to Friday, excluding bank holidays). If you call between 5pm and 9pm the transaction will take one bank working day longer.

For example, if you call us before 5pm on a Monday, the money will reach your C&G account and start to earn interest on the Wednesday, and will be available to withdraw on the following Tuesday. If you call between 5pm and 9pm, the money will reach your C&G account on the Thursday and be available to withdraw on the following Wednesday.

- You can also arrange for a regular amount to be added to your C&G account on the same day every month using the same direct debit – after you get paid each month, for example.
- Please note that you can add to your C&G account by direct debit only once each day; so you can make only one phone addition each day, and you cannot add by phone on the same day as a regular direct debit you have set up.
- The direct debit instruction to your bank or building society takes up to 14 days to set up, from receipt of your completed mandate.
- You will be protected by the Direct Debit Guarantee. (Please see overleaf.)

Withdrawals by phone

- Just call our Telephone Transaction Service as explained earlier and tell us how much you want to withdraw.
- We will use electronic transfer to move the amount you request into the nominated bank or building society current account you have linked to your C&G savings account.
- If you ring us before 10pm on a bank working day and the account we're transferring the money to is a Lloyds TSB account, the money will be in your Lloyds TSB account the next bank working day. So a call before 10pm on a Monday means that the money will be in a Lloyds TSB account on the Tuesday.

- If the account the money is going to is with another bank and you call us before 10pm, the money will leave your C&G account the next bank working day and arrive in the other account after another two bank working days. For example, if you ring us on a Monday, the money will reach the nominated account on the Thursday.
- In both cases, if you call after 10pm, the transaction will take one bank working day longer.
- If you want the money to reach your nominated current account the same day, you will need to call the Telephone Transaction Service and speak to an adviser before 2.30pm. This service is only available Monday to Friday. There is a £20 charge for this service because it uses the Clearing House Automated Payment System (or CHAPS). There is a further £5 charge if you want us to call you to confirm that the money has arrived in your account. We will automatically debit the charges from your C&G account.

In addition to transferring money to your nominated bank or building society account, you can also use the Telephone Transaction Service to transfer money straightaway into another C&G account in your name. Again, you need to speak to an adviser, but this service is available between 8am and 8pm Monday to Friday (except bank holidays) and 8am to 5pm on Saturdays.

The Direct Debit Guarantee

- The guarantee is offered by all banks and building societies that take part in the direct debit scheme.
- If an error is made by us, or the bank or building society where your current account is held, you are guaranteed a full and immediate refund of the amount paid.

Changing and cancelling direct debit payments

- If you want to cancel an individual direct debit transaction or a regular payment to your C&G savings account, please call our Telephone Transaction Service and speak to a member of staff, who will be able to cancel the payment for you. Alternatively, you can write to us with your instruction at C&G Savings, PO Box 1888, Andover SP10 9BF.
- If you make any changes to the details of the bank account you have linked to your C&G savings account, or to the direct debit mandate, please make sure you let us know about the changes – without them we cannot operate your account for you and you will be unable to add any money to your account by phone.
- We will need a new direct debit mandate for your C&G account if you don't use the one you have set up for 36 months or more.
- If at any time you want to completely cancel the direct debit mandate on your C&G account, simply write to the bank or building society where your nominated current account is held. Please also send a copy of the letter to us.

Saving by post

With many C&G accounts, you have the option to carry out certain transactions by post. This can be in addition to transactions by phone or at a C&G branch. With other C&G accounts, post is the principal means of making withdrawals. Please see the table at the back of this booklet for details of which accounts these are. This section explains how to use our postal service.

Adding to your C&G account by post

If you can add to your account by post, we will provide you with a paying-in book. You can pay in a maximum of five cheques a day. For security reasons, please do not send cash through the post. To add to your account by post:

- Enter the amount you are paying into your account on a slip from your paying-in book.
- Cheques should be made payable to the account holder(s). If a cheque is made payable to C&G or C&G Savings, it should still be followed by the name of the account holder(s), eg 'C&G Mr A and Mrs B Smith'. As a safeguard against fraud, if you deposit a cheque made payable simply to C&G or C&G Savings it is likely that the cheque will be returned.
- Draw a line through any unused space on the cheque and then write your account number on the back of your cheque.
- Post your cheque(s) and paying-in slip to us at: **C&G Savings, PO Box 1888, Andover SP10 9BF**.
- You'll earn interest from the day we receive any amount you pay in to your C&G account (or from the next bank working day if it's a Saturday). That includes money paid in by cheque. If you pay in a cheque from a Lloyds TSB personal account, it will also clear the same day that we receive it. Money paid in by any other cheque takes four bank working days after the day of receipt to clear before you can actually withdraw it. Please see page 8 for more on cheque clearance.

Withdrawals by post

If you can withdraw money from your C&G account by cheque through the post, we will provide you with withdrawal slips. To make a withdrawal by post:

- Enter the amount that you wish to withdraw on your withdrawal slip.
- Post it to us at **C&G Savings, PO Box 1888, Andover SP10 9BF**.
- We aim to process your request within 24 hours of receipt and will send the cheque by first-class post to your correspondence address.

If you are paying a cheque to a large organisation, such as a bank or HM Revenue and Customs, it is advisable not to have the cheque paid simply to that organisation. We recommend you ask us to add further details into the payee line, eg 'HM Revenue and Customs re: A Smith', followed by your reference 'XYZ'.

Transfer

You can arrange for a transfer from a C&G account to another C&G account, or to another Lloyds TSB personal account, in your name, by writing to us.

Adding to your C&G account by electronic transfer

BACS and CHAPS payments

You can also add to your C&G account by contacting the bank or building society you want to take the money from and asking them to transfer money electronically, using one of the following automated systems:

- **BACS** (Bank Automated Clearing System) – this is a free service where money is transferred between accounts electronically. You could contact your bank or building society and ask them to make a one-off payment for example, or you could set up regular payment by standing order. A BACS transfer takes three bank working days after the day of the transaction for the money to reach the account it's going to. This is to allow time to ensure that the paying bank honours the payment. So, where you're adding to your C&G account by BACS, if the transferring bank carries out the transaction on a Monday, the money should reach your C&G account on the Thursday.
- **CHAPS** (Clearing House Automated Payment System) – this is a same-day transfer service and carries a charge. Your bank/building society will advise you by what time they need to receive your instructions and what charges they will make. This is most commonly used for one-off payments.

To use either of the facilities mentioned above, you will need to provide your bank or building society with your C&G savings account sort code and account number.

You start earning interest on the day any BACS or CHAPS transfer from your bank completes, which is also when the money is available to withdraw.

Cheque clearance

We meet the requirements of the 2-4-6 cheque clearance process implemented by all UK banks and building societies. The 2, 4 and 6 refer to the number of bank working days after a cheque has been paid in to an account. Bank working days are Monday to Friday, except bank holidays. These requirements are:

- By the start of the second bank working day after a cheque has been paid in, the money must start to earn interest. In fact, C&G is even faster, with interest starting the day the cheque is paid in. If we receive a cheque on a Saturday, it will earn interest from the next bank working day.
- By the start of the fourth bank working day, a customer must be able to withdraw money against a cheque. However, if the cheque is returned unpaid before the sixth bank working day, the bank or building society can reclaim the money from the account.
- From the end of the sixth bank working day onwards, the bank or building society cannot reclaim the money from the account unless the account holder has been a knowing party to fraud.

Here's an example of how the process works for C&G savings accounts:

- A cheque is paid in on Monday and interest starts to be earned.
- The cheque is cleared for withdrawals by Friday morning.
- The cheque is cleared completely by the end of the following Tuesday.

If you pay in a cheque from a Lloyds TSB personal account, it will clear the same day as we receive it

Cheques paid in from a non-UK bank may take longer to clear.

General

If, for any reason, a cheque added to your account is returned unpaid, we will write to you, returning the cheque if appropriate, and remove the credit from your account along with any interest earned on the amount. If this results in your C&G account balance dropping below £0, you must restore a balance of at least £1 immediately.

For more information on cheques and cheque clearing please ask at your C&G or Lloyds TSB branch, or refer to the booklet Cheques and Cheque Clearing – The Facts, which can be downloaded from www.apacs.org.uk.

Account security

If you discover or suspect that someone else knows any confidential details relating to your account, it's very important that you let us know straightaway. This includes if your account has a passbook and you discover or suspect that your passbook has been lost or stolen – or, for phone-operated accounts, if you discover or suspect that someone else knows your security number. Here's how you should contact us:

- If you have an account with a passbook, you should contact your C&G or Lloyds TSB branch or call our Helpline on **0845 602 0022**.
- For accounts operated by phone, please call our Telephone Transaction Service. The number is **0845 3 000 020**.
- For postal accounts, you should call our Helpline on **0845 602 0022**.

When you contact us we will freeze your account. Where you suspect theft or fraud, we may ask you to report this to the police and provide us with any crime reference number that the police give you.

Provided you contact us straightaway, have not been very careless, and no-one named on the account has acted fraudulently, you will not be liable for any loss caused by someone else becoming aware of your account's confidential details.

If someone, who is not authorised to, actually takes money from your account, it is important you tell us within 13 months of the money being taken.

Accounts operated by telephone – keeping your security number safe

If you have a C&G account that operates by phone, it's important that you do all you reasonably can to make sure that no-one finds out your security details. For example, you should:

- not let anyone else know your security number, including our staff. Our staff may ask you for two random digits from your security number in order to confirm who you are, but they will never ask you for the full number
- not choose an obvious security number (such as your date of birth)
- not write your security number or other security details on, or keep them with, your account documentation
- not write down your security number in a way that is recognisable and
- not allow anyone to listen in to your calls with us or watch you entering or making use of your security details.

Important notes about withdrawals

Depending on the terms and conditions specific to your C&G account, the following may apply:

- Making withdrawals could lead to a reduction in the interest rate payable on your account.
- If your account has a minimum balance requirement, any withdrawal that reduces the balance to below the minimum may result in the interest rate being reduced to a lower rate, called the default rate listed in your account's conditions, or in no interest being earned, until the minimum balance is restored.
- On some C&G accounts there may be a charge for making a withdrawal. Any charge will be deducted from your account's capital balance at the time of the withdrawal and will appear on your passbook or statement as a withdrawal charge.
- For your protection, all cheques withdrawn are crossed 'Account Payee'. This means that only the payee to whom they are made out can cash them.

Any cheques we issue on a C&G savings account are valid for six months. If you don't cash the cheque within this time, you can request a replacement either by calling our Helpline on **0845 602 0022** if the cheque was issued via our postal service, or from the issuing C&G or Lloyds TSB branch.

Please refer to your account conditions for full details about withdrawals.

Stopping a cheque

To stop a C&G cheque, if it was issued by a C&G or Lloyds TSB branch please contact the branch; if it was issued via our postal service, please call our Helpline on **0845 602 0022**.

If the cheque is made payable to a third party, we'll be unable to stop the cheque without their written agreement.

Interest

Where and when interest is paid

Money you pay into your C&G savings account earns interest from the day we receive it (except payments we receive on a Saturday, when interest starts to be earned from the next bank working day). In a leap year, we pay interest for all 366 days. On the day you make a withdrawal, interest will not be paid on the amount withdrawn.

You can choose to receive the interest you have earned either annually or monthly. Whichever option you choose, your interest will be calculated daily, based on the balance at the close of business and using the interest rate applicable on that day.

Your interest can be paid to:

- your C&G account (compounded)
- your nominated bank or building society current account or
- another of your C&G savings accounts.

The only exceptions to these interest payment options are the C&G Reward Saver and C&G Young Investor Account, where interest is always paid annually. In addition, with a C&G Young Investor Account, interest can only be added to the account.

Receiving your interest annually or monthly

If you choose to receive your interest annually, we will add your interest to your C&G account at the end of the day on the anniversary of the account opening. Or, if you choose monthly interest, we will add it to your C&G account at the end of the day on the first day of each month. (If the date we'd add the interest to your C&G account is not a bank working day, we'll add it on the preceding bank working day.) Then, if you choose to have the interest paid to another account:

- if the account the interest payment is going to is another C&G account or a Lloyds TSB personal account, it will arrive in that account the next bank working day;
- or, if the account the interest payment is going to is not a C&G account or a Lloyds TSB personal account, the money will leave the C&G account it was initially paid to on the next bank working day using the BACS system, and will arrive in the account it's going to after another two bank working days.

The interest rate for monthly interest is slightly lower than the annual rate. This is because monthly interest is paid more frequently. However, we will ensure that the Annual Equivalent Rate (AER), which illustrates what the interest rate would be if the interest was paid and added to your account once each year, is always the same for both the annual and monthly rate.

C&G Offset Saver account

If you have a C&G Offset Saver account, your account will not earn interest. Instead, the balance will be offset against your C&G Offset Mortgage. Please refer to the C&G website located at www.cheltglos.co.uk for more details about the offsetting arrangement.

Current C&G Savings interest rates

For most C&G accounts, you can find out details of current interest rates from any of the following:

- 'C&G Savings Accounts, Rates & Charges' booklet
- the savings section of the C&G website located at www.cheltglos.co.uk – the rates section shows interest rates on all C&G accounts, that includes those applied prior to the most recent rate change
- at any C&G branch
- the C&G Savings Helpline on **0845 602 0022**.

We also offer a recorded Rateline service for many C&G accounts. Please see the back of this handbook for Rateline numbers.

Interest rate changes

Where there's an interest rate change affecting your C&G account, for most accounts, if the change is to your advantage, we'll make the change and then write to you within 30 days to notify you. If the change is not to your advantage, we'll write giving you two months' notice before the change is due to take effect. The only exceptions are:

- If your account tracks changes in the Bank of England base rate, we will always make any interest rate change on the first day of the month following a base rate change and write to tell you within 30 days of making the change.
- If your account's interest rate is guaranteed not to be lower than a certain level below the Bank of England base rate, if a change in the base rate requires us to increase the interest rate in order to fulfil the guarantee, we will increase it on the first day of the month following the base rate change and write to you within 30 days.
- If your account is a cash ISA, then, unless regulatory requirements or guidance require us to do otherwise, we can make an interest rate change immediately and write to you within 30 days of doing so.

Also, if your account is one where there's normally a charge if you withdraw money, if we're making a change to the interest rate that's not to your advantage, you have the option to close your account if you want to without the withdrawal charge applying. The period during which you can close your account without the withdrawal charge applying (if there is a charge) will be from the date we write to you about the change until the date that the change takes effect.

But, if the interest-rate change is in your favour or the change is because your account tracks the Bank of England base rate, then you would have to pay the withdrawal charge if you closed your account. (Of course, if your account does not have a charge if you withdraw money, you are free to close it at any time.)

Notifying HM Revenue and Customs of interest earned

If you are asked by HM Revenue and Customs to provide an S352 Certificate of Deduction of Tax:

- If you have a C&G branch-based account with a passbook, your local C&G branch can provide you with a Certificate of Deduction of Tax whenever you need it.
- If your account doesn't operate with a passbook, we'll send you a letter each year, showing the amount of interest you have received over the past tax year and the total amount of tax deducted, where relevant. This is now generally accepted by HM Revenue and Customs as proof of interest earned. However, if you need a Certificate of Deduction of Tax at any time, please phone our Helpline and we will send one to you. The Helpline number is **0845 602 0022**.

ISA information

HM Revenue & Customs sets an annual ISA allowance, part of which can be saved in a cash ISA and the remainder in a stocks and shares ISA. Alternatively, you can invest the whole amount in a stocks and shares ISA.

From 6 April 2010, the annual ISA allowance is £10,200 for all customers.

The following table explains how much of your annual ISA allowance you can invest in a cash ISA and how much in a stocks and shares ISA.

Open and run one cash ISA	Open and run one stocks and shares ISA
<p>From 6 April 2010, you'll be able to save up to £5,100 of your £10,200 total annual ISA allowance in a cash ISA during the current tax year.</p> <p>To be invested with a single provider only.</p>	<p>From 6 April 2010, provided your total ISA investment does not exceed £10,200 in this tax year, you can invest:</p> <ul style="list-style-type: none"> - Up to £10,200 in a stocks and shares ISA or - Up to £5,100 in a cash ISA and the remainder in a stocks and shares ISA
<p>You can open and run a cash ISA and a stocks and shares ISA in the same tax year with either the same or different ISA providers.</p> <p>Money held in a cash ISA can be transferred into a stocks and shares ISA, but not the other way round.</p>	
<p>You can open and run a cash ISA and a stocks and shares ISA in the same tax year with either the same or different ISA providers.</p> <p>Money held in a cash ISA can be transferred into a stocks and shares ISA but not the other way round.</p> <p>If you invest the maximum amount in a cash ISA in any tax year and then transfer that amount into a stocks and shares ISA, you can then invest in another cash ISA up to the maximum amount following the transfer, as though the subscription to the first cash ISA had been made directly into the stocks and shares ISA.</p>	

Taxation and charges

Taxation

C&G savings accounts are only available if you have your permanent home in the UK.

If you pay income tax, the interest you earn will be paid net after the deduction of income tax at the applicable rate (currently 20%). If the sum deducted exceeds your tax liability, in certain circumstances you may be able to apply to HM Revenue and Customs for a rebate.

To determine whether there is any liability to tax at a higher rate, the amount of interest actually paid or credited to your account must be included in your annual tax return.

If you are aged 65 or over, earning interest may affect the special tax reliefs that are available to you.

If you are a non-taxpayer, interest can be paid gross without the deduction of income tax – all you need to do is fill in the appropriate HM Revenue and Customs form (an R85) for each account you hold. These are available at your local C&G branch or through our Helpline on **0845 602 0022**.

If within the same tax year that you register an R85 on your account you have already received a net payment of interest, it may be possible for us to refund the tax to you. This is known as retrospective. Retrospection can only be considered, however, if you have not already received a Certificate of Deduction of Tax showing the interest payment. For joint accounts, retrospection will be applied only to the appropriate account holder. If you would like retrospection to be considered, please ask when submitting your completed R85 form.

For further information, you should contact your local tax office. Tax treatment depends on individual circumstances and may change in the future.

Taxation and children's accounts

Children are entitled to income tax allowances in the same way as adults and may or may not be liable for income tax, depending on the amount of their income. If a child is not liable for income tax, his or her account may be registered for payment of interest without deduction of tax.

If the child named on the account is eligible to receive interest without deduction of tax, an R85 form should be filled in. If the child is under 16 years old, a parent or guardian must complete this form with the child's details and sign it on his or her behalf, even if the account is operated by someone else (for example, a grandparent).

Where a child's account has been registered, interest may be paid without deduction of tax until 5 April, following the child's sixteenth birthday.

Please note, however, that there are special rules if the savings have been given to the child by a parent. If gifts from a parent produce more than £100 gross income a year, the whole of the income from the gifts is normally taxed as that parent's income. In such cases, the account cannot be registered to have interest paid without tax taken off and the child cannot get back any of the tax on the income. This does not apply to gifts from others such as grandparents and applies to each parent separately. If you are unsure about anything, please check with HM Revenue and Customs.

Reporting of interest earned

At the end of each tax year, financial institutions are obliged to report to HM Revenue and Customs the details of all interest earned and, where applicable, the tax deducted for all customers resident in the UK.

We do not open C&G savings accounts for customers who do not have their permanent home in the UK and, if you move away from the UK, it is important that you notify us immediately.

HM Revenue and Customs still requires us to report details of interest earned and any tax deducted for customers who are not resident in the UK but do live in the EU or a fully reportable (FR) country.

If you move to live in one of these countries, it is important you are aware that the details reported to HM Revenue and Customs may be exchanged with the tax authorities in your new country of residence. As the list of FR countries is subject to change, if you would like to know how you might be affected, you should check with your new tax authority.

C&G Savings charges

In most cases there is no charge for standard transactions on C&G savings accounts, with the exception of accounts that specifically include a withdrawal charge. Withdrawal charges are deducted from the capital balance of the account at the same time as the transaction.

In addition we may charge customers for the following in relation to a C&G savings account:

Copy of account statement	£5
CHAPS transfer*	£20
Confirmation that money has been transferred successfully by a CHAPS payment	£5
Providing personal information held about you on our files (under the Data Protection Act)	£10

*This service is only available for the C&G Direct Transfer, C&G Instant Transfer, C&G Bonus Tracker, C&G Tracker, C&G Reserve Account, C&G Reward Saver and C&G Offset Saver.

General information

Our Service Promise

C&G Savings is a division of Lloyds TSB Bank plc dedicated to providing the products and service C&G has always been known for.

As part of our service commitment, we promise that if anything should ever go wrong, we'll investigate it quickly and fairly.

If you need to make a complaint, the steps to take are explained in the conditions of each C&G account under the heading 'What to do if things go wrong'. The steps are also explained in Our Service Promise leaflet, available from any C&G branch and our website. If we are unable to settle your complaint, you will be entitled to refer it to the Financial Ombudsman Service.

We may monitor and/or record telephone calls in case there's a need to check that your instructions have been carried out correctly and to help improve our service quality.

Our regulator

C&G Savings is a division of Lloyds TSB Bank plc. Lloyds TSB Bank plc is authorised and regulated by the Financial Services Authority (FSA). Our FSA register number is 119278. You can check the FSA's register by visiting their website at www.fsa.gov.uk or by contacting them on 0845 606 1234. Lloyds TSB Bank plc is registered in England and Wales at 25 Gresham Street, London EC2V 7HN, our company number is 2065. Our VAT registration number is 244 1555 76.

You can change your mind

There's a 14-day period on all accounts (except Fixed Rate Bonds), from the date you open your account, in which you can change your mind about the account you open. If during this time you decide that a different C&G account suits your needs better, you can ask to switch to it, or ask us to return your balance and interest to you, and any notice periods or charges will not apply. However, all cheques must be cleared and we may ask you to complete our identification procedures before the account can be closed. For details of how to switch or close your account please see your account booklet.

Your personal information

In accordance with the Data Protection Legislation, all our customers have a right to know what personal information is held about them. Our staff will explain what to do if you wish to see your details. There is a £10 charge for providing this information.

If you have agreed, we and other Lloyds Banking Group companies may contact you about products and services available from us and also from selected companies outside of the Lloyds Banking Group that we believe may interest you or benefit you financially. If you change your mind, and would prefer not to receive such information, please contact any C&G or Lloyds TSB branch or call our Helpline on **0845 602 0022**.

Important information about compensation arrangements

We are covered by the Financial Services Compensation Scheme (FSCS). The FSCS can pay compensation to depositors if a bank is unable to meet its financial obligations. Most depositors – including most individuals and small businesses – are covered by the scheme. In respect of deposits, an eligible depositor is entitled to claim up to £50,000 (or €50,000 if at the time that is greater). For joint accounts each account holder is treated as having a claim in respect of their share so, for a joint account held by two eligible depositors, the maximum amount that could be claimed would be £50,000 each (making a total of £100,000). The £50,000 limit relates to the **combined** amount in all the eligible depositor's accounts with the bank including their share of any joint account, and not to each separate account.

For further information about the scheme (including the amounts covered and eligibility to claim) please ask at your local branch, refer to the FSCS website www.FSCS.org.uk or call 020 7892 7300.

Cheltenham & Gloucester Savings (C&G Savings) is a trading name of Lloyds TSB Bank plc. This means that if you have money deposited in a C&G Savings account and/or a Lloyds TSB branded account provided by Lloyds TSB Bank plc, any compensation claim you make under the FSCS will be in relation to Lloyds TSB Bank plc and the total you could claim would therefore be £50,000 (or £50,000 each for eligible joint accounts) as explained above.

How to contact us

Contacting us about C&G Savings services

Purpose of call	Telephone number
If you have a question about running your C&G account, or for information on other C&G Savings products and services, call our Helpline, available 8.45am to 5pm Monday to Friday:	0845 602 0022
<p>If you have an account that offers the C&G Telephone Transaction Service, you can use the automated service to add money to your account between 5am and 9pm Monday to Friday and 5am to 5pm on Saturdays. It is not available on Sundays or bank holidays.</p> <p>For withdrawals, and to hear your balance or details of recent transactions, the automated service is available 24 hours a day, seven days a week.</p> <p>Advisers are available between 8am and 8pm Monday to Friday and 8am and 5pm on Saturdays (excluding bank holidays).</p>	0845 3 000 020
If you have a hearing or speech impairment and access to a textphone, you can contact us between 8.45am and 5pm Monday to Friday on:	0845 300 4195

Keeping us up to date

Please let us know of any changes to your details eg change of name or address. You can call into any C&G or Lloyds TSB branch or write to us at: **C&G Savings, PO Box 1888, Andover SP10 9BF.**

C&G Savings Ratelines

Accounts currently available

C&G Cash ISA (Accounts opened from 8 March 2010)	0800 742 437
C&G London Account	0800 387 467
C&G Bonus Tracker	0800 169 7218
C&G Cheltenham Gold	0800 387 464
C&G Direct Transfer	0800 328 8900
C&G Reward Saver	0800 521 724
C&G Reserve Account	0800 387 466

Accounts that can no longer be opened

C&G 90-Day Account and C&G Direct 30	0800 387 468
C&G Tracker Account	0800 056 1151
C&G Instant Transfer	0800 521 746
C&G Branch 10 and C&G Guaranteed Branch Saver	0800 328 5284
C&G Cash ISA (accounts opened before 8 March 2010)	0800 783 7811

C&G savings accounts (These accounts are subject to availability)

Account information				Additions			Withdrawals		
Account name	Access	Type of account	Minimum opening balance	By post	C&G Branch	By Phone	By post	C&G Branch	By Phone
Bonus Tracker	No-notice	Telephone	£1,000	✓	✓	✓			✓
Reward Saver	No-notice	Telephone	£1,000	✓	✓	✓	✓		✓
Reserve Account	No-notice	Telephone	£10,000	✓	✓	✓			✓
Fixed Rate Bonds	Emergency access only	Postal	£500	✓	✓		✓		
London Account	No-notice	Postal	£100	✓	✓		✓		
Direct Transfer Account	No-notice	Telephone	£100	✓	✓	✓			✓
Cash ISA	No-notice	Branch/Postal	£1	✓	✓		✓	✓	
Fixed Rate ISA (Postal)	Emergency access only	Postal	£100	✓	✓		✓		
Young Investor	Instant	Branch	£1		✓			✓	
Cheltenham Gold	Instant	Branch	£1	✓	✓		✓	✓	

Maximum holding of £3 million per customer. Cash additions and withdrawals made at C&G branches are subject to a maximum of £1,000 per day and cheque withdrawals to a maximum of £100,000 per day.

Additions can be made to all C&G accounts by electronic transfer (see page 8 for details).

Important notes

- Withdrawals/additions made by phone are to or from your nominated current account
 - Minimum age 18
 - Tracks the Bank of England base rate
 - A bonus rate of interest is payable for the first six months
- Tiered interest rates
 - The fewer withdrawals you make the higher the interest rate
 - Withdrawals/additions made by phone are to or from your nominated current account
 - Minimum age 18
 - A bonus rate of interest is payable for the first six months
- Available only to existing C&G savings customers who have a C&G savings account that they have held for six months or longer
 - Withdrawals/additions made by phone are to or from your nominated current account
 - Three free withdrawals can be made each year. Further withdrawals are subject to a charge equivalent to 45 days' gross interest on the amount withdrawn
 - For accounts opened from 8 June 2009, a bonus rate of interest is payable for the first nine months
 - Minimum age 18
- Additions can only be made while Bond remains available to new customers
 - Matures into another C&G Fixed Rate Bond
 - Emergency withdrawal facility subject to charge equivalent to 120 days' gross interest on the amount withdrawn
- We send cheques by first class post to the correspondence address
- Withdrawals/additions made by phone are to or from your nominated current account
 - Minimum age 18
- Minimum age 16
 - Interest paid is exempt from income tax provided you comply with relevant legislation
- Additions can only be made up to your subscription limit and until the closing date stated in the separate information accompanying the Fixed Rate ISA booklet
 - Matures into the postal version of the variable-rate C&G Cash ISA
 - Emergency withdrawals subject to a charge equivalent to 120 days' gross interest on the amount withdrawn
 - Minimum age 16
 - Interest paid is exempt from income tax provided you comply with relevant legislation
- Available to under 16 year olds but must be operated by an adult aged 18 years or over
 - Passbook operated
 - Matures into C&G Cheltenham Gold
 - An annual interest rate guaranteed to be no lower than 1% below the Bank of England base rate
- Passbook operated

To find out more...

- Visit any C&G branch
- Log-on at cheltglos.co.uk
- Call the C&G Savings Helpline on 0845 602 0022 (open 8.45am – 5pm Monday to Friday)

Textphone services

If you have a hearing or speech impairment and access to a textphone, to contact us please call **0845 300 4195** (lines are open 8.45am – 5pm, Monday to Friday).

Braille, large print and audio

If you would like us to provide this leaflet in Braille, large print or on audio, please call the C&G Savings Helpline on **0845 602 0022**, or contact any C&G branch and we will be happy to arrange it.

C&G Cheltenham & Gloucester

Cheltenham & Gloucester Savings is a division of Lloyds TSB Bank plc.
Registered Office: 25 Gresham Street, London EC2V 7HN. Registered in England and Wales no. 2065.

Lloyds TSB Bank plc is authorised and regulated by the Financial Services Authority.
We are members of the Financial Services Compensation Scheme and the Financial Ombudsman Service.
Telephone calls may be monitored or recorded.