

## Part 1 - Cash Lifetime ISA key product information

### Lifetime ISA Issue 4

#### 0.50% tax-free p.a./AER variable

This summary box provides details of this account and any special conditions that apply. Please read it carefully together with the Beehive Money terms and conditions you have been given, which can also be found at [beehivemoney.co.uk](http://beehivemoney.co.uk). This key information sheet provides details of this account, so please read it carefully together with the Lifetime ISA key features document, Lifetime ISA terms and conditions and the online terms and conditions to be sure that this is the right account for you. If you don't understand any information, please ask for an explanation.

Account name	Lifetime ISA Issue 4	
What is the interest rate?	<b>Annual interest</b>	
	<b>% tax-free</b>	<b>% AER</b>
	0.50 %	0.50 %
	<ul style="list-style-type: none"> <li>• Interest rate correct as at 13/09/2021.</li> <li>• Interest is calculated daily and paid annually.</li> <li>• We'll pay your interest tax-free on 5th April each year.</li> <li>• Interest will be paid straight into your account.</li> </ul>	
Can Beehive Money change the interest rate?	<p>Your interest rate is variable, which means we may increase or decrease your interest rate. When we increase interest rates, we will inform you of any change at the earliest opportunity. When we decrease interest rates, we will notify you in writing 14 days in advance of the change. The basis on which we might change your interest rate is set out in our Beehive Money terms and conditions.</p> <p>You can check your current rates by logging in to your Beehive Money account.</p>	
What would the estimated balance be after 12 months based on a £1,000 deposit?	<b>Projected balance</b>	
	£1,005.00	
	<p>This projection is for illustrative purposes only and is based on the following assumptions:</p> <ul style="list-style-type: none"> <li>• An account opening date of 06/04/2022.</li> <li>• No change to the interest rate.</li> <li>• Interest being paid annually and straight into your account.</li> <li>• No withdrawals or further deposits.</li> </ul> <p>The Government will also pay a 25% bonus on your contributions which is not included in this estimate. The Lifetime ISA terms and conditions explains more about this.</p>	
How do I open and manage my account?	<p><b>Opening your account:</b></p> <ul style="list-style-type: none"> <li>• You must: <ul style="list-style-type: none"> <li>- complete the application form on our app or website.</li> <li>- be a UK resident and aged 18 – 39 years old.</li> <li>- be planning to use your account balance for your first house purchase (see section 5 for definition of first-time buyer) or at aged 60.</li> <li>- deposit a minimum of £10 into the account as your first deposit to open the account. The first deposit must be received into your account before your 40<sup>th</sup> birthday.</li> </ul> </li> <li>• If you are not a UK resident, you may still be able to open this account if you meet the Government's Lifetime ISA requirements. Please see the Lifetime ISA declaration in our application form for more details.</li> <li>• You will need to complete the application process online and provide proof of your identity and permanent address.</li> <li>• Your first payment must be from your nominated bank account.</li> <li>• You can open the account in your sole name. Joint accounts are not permitted.</li> <li>• We currently do not accept transfers in from another Lifetime ISA provider.</li> </ul> <p>Please note that because of the deposit restrictions on this account you will not be able to use your full annual ISA allowance.</p> <p><b>Managing your account:</b></p> <ul style="list-style-type: none"> <li>• You can manage your account via Beehive Money.</li> <li>• After making the initial deposit, you can pay money (up to a maximum of £4,000 a tax year) into your account from any UK bank or building society current account by Bacs, standing order, or Faster Payment.</li> <li>• Once you've opened a Lifetime ISA with us, we do not accept transfers into your Lifetime ISA from other ISAs you hold with us or other ISA providers.</li> <li>• You will not be able to send payments to your account via CHAPs electronic transfer.</li> <li>• Our Faster Payment sort code is: 60-95-93. Once you have opened your account this sort code should be used with the eight-digit account number for all Faster Payments, Bacs and standing orders.</li> <li>• Standing orders should be set up for between 1<sup>st</sup> - 25<sup>th</sup> of the month in order to avoid any over-subscription issues that may occur as a result of the month-end not falling on a working day.</li> <li>• You cannot make any more payments in after the age of 50.</li> </ul>	
Can I withdraw money?	<ul style="list-style-type: none"> <li>• You can withdraw any available funds and close your account without loss of interest.</li> <li>• <b>Withdrawals will incur a 25% Government charge, if you do not use the money for a purpose intended by the Government savings scheme. Condition 4 of the Lifetime ISA Terms and Conditions explains the circumstances in which the charge does not apply and how it is calculated. You may get back less than you paid in.</b></li> <li>• You can cancel the account in the first 30 days from the initial funding date if you need to. Condition 2 of the Lifetime ISA terms and conditions explains more about this.</li> <li>• You cannot open a new Lifetime ISA after the age of 40. You will need to keep at least £1 in your account after you turn 40 if you want to keep your Lifetime ISA benefits.</li> </ul>	
Additional information	<p>The Lifetime ISA is based on a Government savings scheme and this may change or be revoked in the future. All ISA interest is paid tax-free, which means it is exempt from income tax. Tax rules may change in the future. Any of our accounts can be withdrawn from sale at any time and without notice.</p>	

We will pay your Lifetime ISA free of UK income tax. Your tax treatment will depend on your individual circumstances and may be subject to change in the future. The tax treatment of ISAs may also change. AER stands for Annual Equivalent Rate. It shows what the interest rate would be if the interest was re-invested in the account each year.

#### Protecting your money

The Financial Services Compensation Scheme (FSCS) is there to protect your money if your financial services provider goes out of business; you'll normally get your money back within seven days. All of our savings accounts are FSCS protected up to £85,000 per depositor. FSCS is funded by the financial services industry and is free to consumers. To find out more, ask at your local branch or go to [FSCS.org.uk](http://FSCS.org.uk)



Beehive Money is a trading name of the Nottingham Building Society which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Registered No. 200785. Nottingham Building Society, Nottingham House, 3 Fulforth Street, Nottingham NG1 3DL

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# Part 2 - Lifetime ISA Terms and Conditions

These Lifetime ISA Terms and Conditions (the Conditions) must be read with our Key Product Information in Part 1 and our Online Savings Account Terms and Conditions.

Before opening an account we recommend that, for your own benefit and protection, you read all of the Conditions together with the Key Product Information and our Online Savings Terms and Conditions as you will be legally bound by them and we intend to rely on them. If you don't understand any point, please ask for further information.

## 1 In these Conditions:

- **'Government Bonus'** means the 25% Government bonus paid on all savings up to the Lifetime ISA subscription limit. You can find the current Lifetime ISA subscription limit on our website.
- **'Withdrawal Charge'** means the Government Withdrawal Charge which is payable if you withdraw your money. This Withdrawal Charge is 25%. How the charge is calculated, and the circumstances in which the charge does not apply are described in Condition 4.

## 2 Cancellation

- 2.1 If you change your mind about opening an account and tell us within 30 days of receiving your Lifetime ISA confirmation email, we will give you your money back subject to the following provisions:
- (i) Based on calendar days.
  - (ii) The latest date to tell us is the thirty-first day from the date you received your Lifetime ISA confirmation email.
  - (iii) You must tell us by secure message, live chat or letter. We will treat the date you send the request as the date you tell us.
- 2.2 Your cancelled Lifetime ISA will not count as a Lifetime ISA/ISA subscription for that year. You will be treated as though you have not opened and subscribed to the Lifetime ISA. We will return the amount deposited. No Withdrawal Charge will apply.
- 2.3 Any interest you have earned during this period will be paid with no tax deducted. It is your responsibility to pay any tax which you owe, based on your individual circumstances.
- 2.4 If you do not exercise your right to change your mind, you will continue to be bound by the Conditions.

## 3 Operation of the account

- 3.1 You may not make payments into the Lifetime ISA once you have reached the age of 50 unless this payment relates to a returned withdrawal after a failed first time residential purchase (this will not count towards a Government Bonus).
- 3.2 Once you've opened a Lifetime ISA with us, we do not accept transfers in to your Lifetime ISA from other ISAs you hold with us or other ISA providers.
- 3.3 Any instruction to make a Faster Payment will generally be treated by us as being received by us at the time we actually receive your consent to make the Faster Payment. However, if you give us an instruction to make a Faster Payments after 4pm (UK time) on a working day, we will treat your instruction as being received by us on the next working day.
- 3.4 Faster Payments will reach the payee's account no later than the next working day provided the instruction was received on a working day and before 4pm (UK time). You cannot cancel a withdrawal instruction relating to a Faster Payment once it has been given to us.

## 4 Withdrawals

- 4.1 You can only apply to withdraw up to your cleared balance. We will not process any withdrawal which exceeds this.
- 4.2 If you withdraw money from your Lifetime ISA you will have to pay a Withdrawal Charge unless:
- (i) You die;
  - (ii) You are diagnosed with a terminal illness and are expected to have less than 12 months left to live (we will ask for written evidence of this from a UK registered medical practitioner or equivalent if you live overseas);
  - (iii) You use your Lifetime ISA to buy your first home (please see the criteria in Condition 5); or
  - (iv) You are 60 years old or older.
- 4.3 **Where the Withdrawal Charge applies, you will incur a 25% Government charge.**
- 4.4 **This means that, where the 25% Withdrawal Charge applies, as well as paying back the Government Bonus payments, you will also lose some of your own savings and receive back less than you invested.**
- 4.5 The calculation of the Withdrawal Charge depends on the circumstances in which the amount was first withdrawn:
- If the Withdrawal Charge applies because you have withdrawn money from your Lifetime ISA outside of the circumstances described in Condition 4.2 then the Withdrawal Charge is 25%.

See examples 1 and 2 below for how this is calculated for a 25% Withdrawal Charge.

If the Withdrawal Charge applies because

- (i) you withdrew funds from your Lifetime ISA to buy your first home and the purchase did not complete as described in Condition 5.4; and
- (ii) the funds withdrawn are not returned to a cash Lifetime ISA with The Nottingham as required by the ISA regulations,

the Withdrawal Charge will be calculated as one third of the withdrawn amount. Despite the different calculation, the end result is the same (see Example 3 below).

Example 1:

Mr Jones decides to withdraw £5,000 from his Lifetime ISA. The Withdrawal Charge is 25% of £5,000 = £1,250. Mr Jones receives £3,750 after deduction of the Withdrawal Charge.

The Nottingham retains the sum of £1,250 to be paid to HMRC.

Example 2:

Miss McDonald needs to receive £3,000 from her Lifetime ISA on 5 May 2018 to buy a car. The gross amount that needs to be deducted from her account is £4,000. The Withdrawal Charge is 25% of £4,000 = £1,000. Miss McDonald receives £3,000 after deduction of the Withdrawal Charge.

The Nottingham retains the sum of £1,000 to be paid to HMRC.

Example 3:

Mr Smith withdraws £4,000 from his Lifetime ISA on 10 April 2021 without charge to put towards the costs of purchasing his first residential property. The withdrawn amount was sent direct to Mr Smith's conveyancer by The Nottingham. His house purchase subsequently falls through but Mr Smith's conveyancer does not return the funds into his Lifetime ISA. The balance remaining in his account is £2,000.

Because the funds are not returned a Withdrawal Charge is payable and HMRC notify The Nottingham of their intention to deduct the charge from the balance in the account.

In order for Mr Smith to receive £4,000 net, a total of £5,333.33 should have been withdrawn from the account (25% of £5,333.33 = £1,333.33, leaving £4,000 net).

The Nottingham must pay £1,333.33 to HMRC and recover this from Mr Smith.

- 4.6 If the Withdrawal Charge applies, this will be deducted from the amount withdrawn before we pay the amount withdrawn according to your instructions. This means that your cleared balance must include the Withdrawal Charge payable. We will not process any withdrawal which exceeds your cleared balance (taking the Withdrawal Charge into account).
  - 4.7 If the Withdrawal Charge becomes payable after the funds have been withdrawn then we will deduct the Withdrawal Charge from any balance remaining within the account. If the remaining balance is not sufficient to pay the Withdrawal Charge then you must pay us the difference. We will contact you to make arrangements for payment.
  - 4.8 Lifetime ISAs do not offer flexible withdrawal. If you make a withdrawal the Withdrawal Charge will be applied unless the exceptions in Condition 4.2 apply.
- ## 5 Making a withdrawal to buy your first home
- 5.1 You can use the money you save in your Lifetime ISA to buy your first home if you meet the following conditions:
    - (i) You have held your Lifetime ISA for at least 12 months since the first payment into the Lifetime ISA;
    - (ii) The value of the property must not exceed £450,000 (whether or not you are purchasing with another person);
    - (iii) The property must be purchased in the UK with a mortgage, but not a buy to let mortgage unless you, or your spouse or civil partner, are a UK Crown employee serving overseas and intend to use the property as your main residence in future;
    - (iv) You must occupy the property as your main residence immediately on completion, or:
      - (A) if you or your spouse/civil partner are a UK Crown employee serving overseas, you must intend to in the future; or
      - (B) if the property is not fit to live in at the time of completion, you must intend to occupy it immediately on it becoming suitable for habitation; and
    - (v) You must not own, or have owned, a property previously, including a home outside of the UK. If you've inherited a property, or owned a share of one, you will not be classed as a first-time buyer.
  - 5.2 You can make more than one withdrawal in relation to your house purchase i.e. phased withdrawals during the buying process. No minimum amount will apply to these withdrawals.
  - 5.3 You will need to tell your conveyancer that you are using all or part of your Lifetime ISA to buy the property and they will ask you to provide them with a declaration. Your conveyancer also has to provide us with a declaration and you must make sure they do this as part of the buying process. Once we receive the paperwork we will pay the amount requested to the conveyancer within 30 days. No Withdrawal Charge will apply.
  - 5.4 If your purchase does not complete within 90 days of the withdrawal, your conveyancer must tell us and return the amount withdrawn to a cash Lifetime ISA with The Nottingham within 10 working days, unless your conveyancer applies for an extension under the ISA regulations.
  - 5.5 If we reasonably believe that the information provided to us by the conveyancer is untrue or incomplete we will not permit the withdrawal and we will contact you on the latest telephone number that we hold for you to inform you. If we cannot reach you by telephone, we will contact you by secure message or by post at your last known address.
  - 5.6 If you start saving for a home but your circumstances change and you intend to use your Lifetime ISA for saving towards retirement instead, you will need to decide whether this is the best option for you.

## 6 Help to Buy: ISAs

- 6.1 You can hold both a Lifetime ISA and a Help to Buy: ISA, but can only use the bonus from one of these to buy your first home.

## 7 Government Bonus

- 7.1 We will claim the Government Bonus from HMRC on your behalf. HMRC will calculate the Government Bonus based on the contributions you have made each month and pay each Government Bonus within 4-9 weeks. The Government Bonus is paid on all contributions you make before you reach the age of 50.
- 7.2 If HMRC rejects our claim for a Government Bonus payment on your behalf, they will tell us why. We will inform you within 14 days of HMRC telling us about the rejected claim. You can apply to HMRC within 90 days asking them to reassess the decision. If you are successful, HMRC will ask us to reapply for the Government Bonus and we will do this on your behalf.
- 7.3 If a Government Bonus is wrongly paid to you, or a Withdrawal Charge is not paid by you when it should have been, HMRC can claim this amount from you. If instructed by HMRC, we are required to pay them the amount that is due directly from an account you hold with Beehive Money.
- 7.4 If you think that you have wrongly paid a Withdrawal Charge, you may apply to HMRC for a refund of the Withdrawal Charge. You must make this application within 4 years of paying the Withdrawal Charge.

## 8 Account limits

- 8.1 You must not subscribe to more than one Lifetime ISA in any one tax year.
- 8.2 You can deposit up to £4,000 each tax year before you reach the age of 50.
- 8.3 Any deposits into your Lifetime ISA must not exceed the overall ISA allowance that the Government sets each year. You can find the current overall ISA allowance on our website. You can split your ISA allowance however you like between a cash ISA, a stocks and shares ISA, a Lifetime ISA and an innovative finance ISA, as long as you do not subscribe to more than one of each type in the same tax year and do not go over the maximum overall limit or maximum limit for Lifetime ISAs and Help to Buy: ISAs.
- 8.4 Subject to any limits or rules imposed by HMRC, you can put all your annual ISA allowance into one of our cash ISA products or split it across a cash Lifetime ISA and one of our cash ISA products provided that the amount you pay in does not exceed your annual ISA allowance when added together across all your ISA products.
- 8.5 The maximum balance any one saver can hold across all of their accounts with Beehive Money is £250,000. This limit can only be exceeded with any interest and Government Bonus added to your account(s).
- 8.6 Payments which do not comply with the minimum and maximum limits will be returned immediately and will not incur a Withdrawal Charge.

## 9 General ISA Terms and Conditions

- 9.1 We will operate your account in accordance with Government legislation and HMRC regulations and guidance.
- 9.2 The Lifetime ISA must be in your own name and not be held for the benefit of anyone else, including being used as security for a loan.
- 9.3 We will satisfy ourselves that anyone we delegate our functions or responsibilities under the Conditions to is competent to carry them out.
- 9.4 If you fail to satisfy the provisions of the ISA regulations or become bankrupt, we may have to void your Lifetime ISA. If this happens we will notify you. You may have to pay tax on the interest earned.
- 9.5 You can transfer your Lifetime ISA, with all rights and obligations, to another Lifetime ISA manager. To do so, please contact your new Lifetime ISA manager. When we receive transfer instructions from them we will transfer your account within the time stipulated by you or 30 working days in accordance with the ISA regulations relating to transfers. Your savings will remain tax-free as long as the transfer is made in accordance with the ISA regulations and no Withdrawal Charge will be charged.
- 9.6 If you wish to transfer your Lifetime ISA to a different type of ISA, the Withdrawal Charge may apply to the amount transferred unless you are over the age of 60 or terminally ill and are expected to have less than 12 months left to live (see Condition 4.2). You will also not be able to pay into another Lifetime ISA during the same tax year.

# BEEHIVE MONEY

The 25% bonus is provided by the Government. The Lifetime ISA can be opened by customers aged 18 up to 40 years of age that reside in the UK to either save for their retirement or their first house purchase. The product has a 25% Withdrawal Charge for any withdrawals that are not an eligible life event (first house, aged over 60, terminal illness and deceased). Investors can pay in up to £4,000 per financial year into their Lifetime ISA and the Government will pay a 25% bonus on a monthly basis from 6th April 2018. Customers cannot pay into their Lifetime ISA from the age of 50+ or earn the 25% bonus. If you save in a Lifetime ISA instead of enrolling or contributing to a pension scheme, you may lose valuable employer contributions. Entitlement to any means tested benefits may be affected. The 25% Withdrawal Charge is on everything (deposits made, bonus and interest). For full terms and conditions please visit [thenottingham.com](http://thenottingham.com) for our Keyfacts document and summary box.

### Protecting Your Money

The Financial Services Compensation Scheme (FSCS) is there to protect your money if your financial services provider goes out of business; you'll normally get your money back within seven days. All of our savings accounts are FSCS protected up to £85,000 per depositor. FSCS is funded by the financial services industry, and is free to consumers. To find out more, ask at your local branch or go to [www.FSCS.org.uk](http://www.FSCS.org.uk)

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