

Your guide to ISAs



Time to take advantage of your ISA allowance with NatWest



NatWest

Take advantage of your ISA allowance with NatWest

Your ISA allowance is a great way to save or invest because any interest you earn from savings, or any gains you make from investing, are free from UK tax.

We offer 3 types of cash ISAs for saving, and 2 types of stocks & shares ISAs for investing.

Cash ISAs:

- Instant access Cash ISA
- Fixed Rate ISA
- Help to Buy: ISA

Stocks & shares ISAs:

- NatWest Invest ISA
- Junior ISA



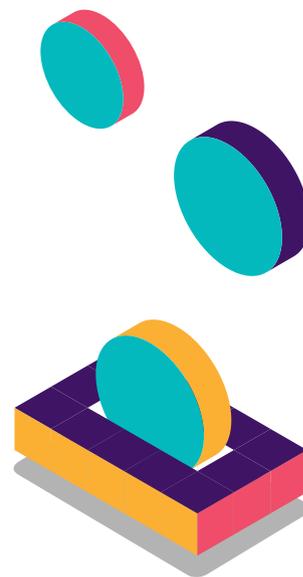
How ISAs work

ISAs: The Basics

There are four main types of ISAs available and we offer two of them:

- 1) Cash ISAs. Savings accounts where all interest earned is tax-free. This includes Help to Buy: ISA and although money paid into a Help to Buy: ISA counts towards your annual allowance, there are separate rules on how much you can pay in each month (see page 9 for details).
- 2) Stocks & shares ISAs. You can invest your ISA allowance in the stock market. They give you the potential opportunity to earn better returns than cash ISAs over the long term, but as with any investment there is also a risk of losing money too.
- 3) Innovative Finance ISAs. These are peer to peer lending ISAs. We do not offer this type of ISA.
- 4) Lifetime ISA. A type of ISA for either savings towards your first home or retirement. We do not offer this type of ISA.

Finally there are also Junior ISAs for under-18s. See page 15 for details about our NatWest Junior ISA.



Get started at natwest.com/isa or come into branch.

The benefits of ISAs

				
Tax-free interest/gains	A new allowance every year	Flexibility	Transfer to suit you	It doesn't affect your tax return
<p>You don't pay tax on:</p> <ul style="list-style-type: none"> – interest you earn on cash in an ISA – income or capital gains you earn from investments in an ISA 	<p>The tax year runs from 6 April to 5 April the following year, and you get a new ISA allowance each tax year. The current annual ISA allowance is £20,000. (There is a different allowance for Junior ISAs, see page 15 for more information.)</p>	<p>You can put your allowance into any of the different types of ISA. How you split it is up to you, provided you don't pay into more than one of each type of ISA and don't exceed the allowance.</p>	<p>You can transfer your ISA(s) from one provider to another. So, you could transfer an ISA from elsewhere to a NatWest ISA. If you want to transfer the current tax year savings you must transfer all of it. Just complete a transfer request and we'll do the rest.</p>	<p>If you complete a tax return, you don't need to declare any interest, income or capital gains on it.</p>



Frequently Asked Questions:

Who can open an ISA?

You must be:

16 or over for a cash ISA

18 or over for a stocks and shares or innovative finance ISA

18 or over but under 40 for a Lifetime ISA

resident in the UK

a Crown servant (eg diplomatic or overseas civil service) or their spouse or civil partner if you don't live in the UK

You can get a Junior ISA for children under 18.

Can I open an ISA for someone else?

No, you can't hold an ISA on behalf of someone else.

Can I open an ISA in joint names?

No, an ISA is an Individual Savings Account; however the good news is you can each have your own ISA.

Possible ways to use your ISA allowance

Example

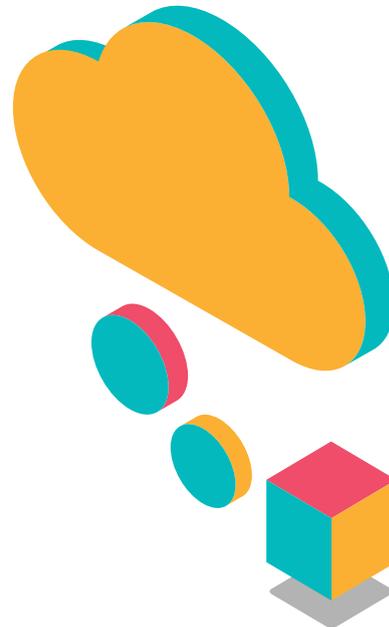
1

You could save £8,000 in a cash ISA, £10,000 in a stocks and shares ISA and £2,000 in an innovative finance ISA in one tax year.

Example

2

You could save £20,000 in just one ISA, e.g. save it all in a cash ISA or a stocks & shares ISA.



Cash ISAs – in detail



Instant access Cash ISA

Put in and take out money whenever you like.

Get a variable rate of interest

Save

- from £1 up to £20,000 for the 2017/2018 tax year that ends on 5th April 2018
- and from £1 up to £20,000 for the 2018/2019 tax year that starts on 6th April 2018
(Less any money you've put into a different type of ISA in the same tax year.)

Pay money in easily

- with our mobile banking app
- online
- by phone
- in branch

Save regularly by setting up a standing order

Interest paid monthly

If you take money out of your NatWest Cash ISA, you can't put any back in if it will exceed your annual allowance.



Find out more at natwest.com/cashisa

Fixed Rate ISA

Leave your money untouched for a fixed term and know what you'll get at the end of it. You'll have peace of mind knowing your interest rate won't change during your chosen term.



Get a fixed rate of interest

- with a choice of one or two-year terms



Save

- from £1,000 up to £20,000 for the 2017/2018 tax year that ends on 5th April 2018
- And from £1,000 up to £20,000 for the 2018/2019 tax year that starts on 6th April 2018
(Less any money you've put into a different type of ISA in the same tax year.)



Pay in a lump sum before the start date

- you can't add more later

We will contact you 14 days prior to your term ending, so you can then decide what next to do with your savings.

You can't take out part of your savings during the fixed term. You can close your Fixed Rate ISA but there'll be an Early Closure Charge. The maximum charge is equivalent to 90 days' tax-free interest – however you'll never get back less than you put in. So if you've earned less than 90 days' tax-free interest the charge will be equivalent to the interest earned up to that point.



Find out more at natwest.com/frisa

Help to Buy: ISA

Get a maximum bonus of up to £3,000 towards your first home.



Backed by
HM Government

-  **Get a variable rate of interest** and a 25% UK Government bonus, up to a maximum of £3,000 on savings – between £1,600 (a 25% bonus of £400) and £12,000 (a bonus of £3,000)



Save

- up to £1,200 in the first month
- up to £200 every month after that

To be eligible you must be saving for your first home, aged 16 or over and a UK resident

Your bonus:



Is paid towards the completion cost of your house and not the deposit



Must be claimed within 12 months of closing your Help to Buy: ISA – ask your conveyancer (ie solicitor) to apply for it for you



Is paid on a maximum property price of £450,000 in London and £250,000 elsewhere in the UK

Can be used for shared and joint ownership properties – property price is based on the full sale price of the property and not on the price of the share being bought



Find out more at natwest.com/h2bisa

You can save in a Help to Buy: ISA and a regular NatWest cash ISA in the same tax year

We're one of the few providers who allow you to do this.

Just make sure they're both with NatWest and between them your savings don't exceed the annual ISA allowance of £20,000 for the 2017/2018 tax year, and £20,000 again for the 2018/2019 tax year.

For example, if you put £2,000 in a Help to Buy: ISA during the 2017/2018 tax year, the maximum you could put in another NatWest cash ISA is £18,000.



Your personal savings allowance

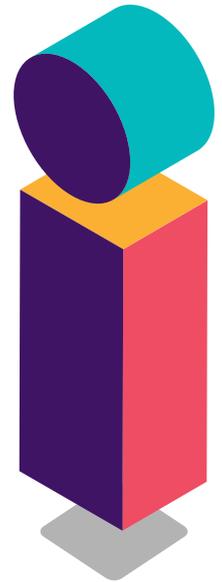
How does it work?

Your personal savings allowance is on top of the annual ISA allowance. It allows most UK taxpayers to earn tax-free interest on their savings. If you're a basic rate taxpayer, the first £1,000 of interest will be tax-free. For higher rate taxpayers the allowance is £500 and won't apply to additional rate taxpayers.

Should I save in a cash ISA?

Here's why you might want to start with one.

- Interest is tax-free with an ISA, no matter how much you earn
- You don't need to declare the interest on your tax return
- You can transfer from one ISA to another
- You can transfer the balances to your spouse or civil partner if you die, so they'll continue to earn interest tax-free
- You can save in both a Help to Buy: ISA and a cash ISA in the same tax year with NatWest



**BEST
DIRECT CASH
ISA PROVIDER**

NATWEST

Stocks and Shares ISAs – in detail



NatWest Invest ISA

NatWest Invest is all about making investing easy – invest online in minutes. Choose to make your own investment decisions, or if you're not sure what's best for you we can help with our fully automated advice service.

Three easy steps:



1. Log in/Register

Log in or register
for Online Banking



2. Choose how you want to invest

Do it yourself – select how much
you want to invest, which fund to
invest in and how to use your ISA
allowance, or get our advice



3. Make your investment

Complete your application

What is NatWest Invest?

-  **Invest using some or all of your ISA allowance.**
Tax-efficient growth on your money when you invest using your stocks and shares ISA allowance.
-  **Five ready-made investment funds ranging from low to high risk.**
Discover the fund that best matches your attitude to risk and investment goals.
-  **Start investing from just £50.**
Get going with just a £50 lump sum or build up gradually with a monthly standing order of £50 or more.
-  **Clear charges.**
We'll show you what charges you'll pay in pounds and pence.
-  **24/7 online access.**
Manage and keep track of how your investment is doing.

Charges:

No matter what fund you choose you pay the same low fees:

Fee type	% fee	£ fee Example of an investment valued at £10,000
Ongoing fund charge This covers the cost for managing your investment.	0.60% pa	£60pa
Platform charge This covers the cost of administration and online access to your NatWest Invest account.	0.35% pa	£35pa
Total annual cost The total annual cost will be based on the value of your investment.	0.95% pa	£95pa

Eligibility Criteria:

To start with NatWest Invest you need to be:

- aged between 18 and 84
- permanently living in the UK
- registered with Online Banking

The value of investments can go down as well as up, so you could get back less than you invest.

Tax reliefs referred to are those applying under current legislation, which may change. The availability and value of any tax reliefs will depend on your individual circumstances.



Find out more at natwest.com/natwestinvest

Junior ISA

A Junior Stocks and Shares ISA is a way of investing for your children in a tax-efficient fund. You can invest up to £4,128 for the 2017/18 tax year, and up to £4,260 for the 2018/19 tax year. The funds in the account are in the name of your child – but they can't withdraw any funds until they reach the age of 18. When they reach 18 years of age the Junior Stocks and Shares ISA will convert to an adult ISA, with the child being the owner.

The Natwest Junior ISA is open to children under the age of 16.

If your child already holds a Child Trust Fund, they can't also open a Junior ISA, but the Child Trust Fund can be transferred to a Junior ISA.

If you are applying for a child who is over the age of 13, please be aware that the NatWest Junior Stocks and Shares ISA is an investment, that typically should be held for a minimum of five years. Alternatively you may wish to consider investing in a Junior Cash ISA for your child. Please note NatWest does not currently offer a Junior Cash ISA.

The Junior ISA investment is linked to shares so the value of the account could fall as well as rise, and your child may get back less than has been invested.

Junior Stocks and Shares ISAs are tax efficient. There is no UK capital gains tax and no UK income tax to pay on the income on investments within a Junior ISA. This tax treatment applies under current legislation. The tax treatment of Junior ISAs may change in future.

Why Invest in a Junior ISA?

- The potential for higher returns – The NatWest Junior ISA invests in stocks and shares. It offers the potential for better returns than a Junior Cash ISA over the long term. Unlike a Junior Cash ISA, the NatWest Junior ISA can go down in value as well as up. The growth or income it generates each year can also fluctuate, unlike Junior Cash ISAs which receive a set rate of interest.
- Charges – There are no upfront charges, and the ongoing charge is capped at 1.5% per year.
- Top up the investment – why not save regularly with a Direct Debit? Or, you and your friends or relatives can make additional investments from as little as £1 a time, up to the limit for the current tax year. Please note top-ups must be in rounded pounds.



Ready to get yours?

For more information or to open one of our ISAs:



Go to natwest.com/isa



Use our mobile banking app to open a Cash ISA



Visit us in branch



Call us on **0800 854 581** (Minicom **0800 404 6161**)
Lines are open 24/7.

We might record your call.

Under current legislation, specific tax treatment applies. Interest payable or tax treatment may be subject to change. It all depends on your individual circumstances. Tax-free interest means that interest payable is exempt from UK income tax.

To have a NatWest cash ISA you must be 16 or over, resident in the UK and not have subscribed to any other cash ISA in the same tax year (except a NatWest Help to Buy: ISA), which runs from 6 April to 5 April in the next year.

Our mobile app is available to NatWest Online Banking customers with a UK or international mobile number in specific countries. Standard data download charges may apply.

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