



Fund Tracker Deposit Bond 3

Designed to perform in all conditions.

Terms and Conditions

Wealth management made easier by Legal & General



1. Definitions

“**Account**” means that part of your Plan that is a cash Individual Savings Account (“ISA”) which includes any cash ISA transferred from an existing cash ISA contracted under these Generic Terms and Conditions and any relevant Addendum.

“**Account Manager, Plan Manager, Deposit Plan Manager, we, us, or our**” means Legal & General (Portfolio Management Services) Limited or such successors or assignees as we shall notify you under Clause 14.

“**Addendum**” means additional Terms and Conditions which relate to a specific offering of the Deposit Bond which apply with and in addition to these Generic terms and conditions.

“**Application**” means the properly completed application form for investment into your Plan and includes an application for an ISA transfer.

“**Balance**” means a Deposit into this Plan for any specific offering of the Deposit Bond as detailed in the relevant Addendum less any withdrawals and/or adjustments.

“**Brochure**” means the document describing the important characteristics of the Plan to which your application relates, including its aims and associated risks.

“**Business Day**” means a day (other than Saturday or Sunday) on which commercial banks are open for business in London.

“**Deposit**” means the amount you invest in a specific offering of the Deposit Bond, which is your subscription plus any Early Application Interest.

“**Deposit Account**” means one or more deposit accounts established by the Plan Manager, with the Deposit Taker in respect of the Deposit together with deposits made by the other investors in an offering.

A separate deposit account or deposit accounts will be established for each offering of the Deposit Bond.

“**Deposit Plan**” means that part of your Plan that is not an ISA contracted under these Generic Terms and Conditions and any relevant Addendum.

“**Deposit Taker**” means the licensed deposit taker detailed in the relevant Addendum.

“**Early Application Interest**” means the interest you will earn on monies received by us from you with your Application before the end of the Plan Opening Period, which is calculated on a daily basis at the rate shown in the relevant Addendum.

“**Early Withdrawal Adjustment**” means an adjustment made to your Plan should you make a withdrawal/transfer/close your Plan before the Maturity Date and which is calculated by the Deposit Taker in accordance with the relevant Addendum.

“**Early Withdrawal Amount**” means the amount you will receive should you close your Plan prior to the Maturity Date. Early Withdrawal Amount = Balance (or part thereof for a partial withdrawal) – Early Withdrawal Adjustment. The remaining Balance will then be adjusted accordingly.

“**Early Withdrawal Deadline**” means 5.00pm on both the 7th and 20th day of each month or where this is not a Business Day, then the previous Business Day.

“**Extraordinary Event**” means a significant event as detailed in the relevant Addendum.

“**Income Interest**” means any interest paid between the Start Date and the Maturity Date as detailed in the relevant Addendum.

“**Maturity Date**” means the date on which a specific offering of the Deposit Bond is due to mature, as detailed in the relevant Addendum.

“**Maturity Interest**” means the interest payable at the Maturity Date as detailed in the relevant Addendum and payable in accordance with Clause 4.

“**Plan**” means either your Account and/or Deposit Plan.

“**Plan Opening Period**” means the period during which we may accept Applications to make subscriptions into the Plan or a specific offering of the Deposit Bond as detailed in the relevant Addendum.

“**Related Company**” means any company which is a subsidiary or holding company of the Account Manager or which is a subsidiary of any such holding company and for which purposes the expressions ‘subsidiary’ and ‘holding company’ have the same meanings as in section 736 of the Companies Act 1985.

“**Start Date**” means the date on which your Deposit is invested by the Plan Manager in the Deposit Account and your Deposit Bond commences, as detailed in the relevant Addendum.

“**Terms and Conditions**” means these terms and those in any relevant Addendum.

“**Written**” or “**in Writing**” means an instruction including your original signature.

“**You**” means the individual(s) or Trustee or Corporate Body making the application and opening a Plan.

2. Introduction

These Terms and Conditions apply to your Plan.

- (a) You should read these terms along with the other information contained in our literature including the Brochure and the Application.
- (b) The Plan Manager is authorised and regulated by the Financial Services Authority.
- (c) Under these Terms and Conditions (and any relevant Addendum), the Plan Manager deals with your deposit as bare trustee. This means that whilst the Plan Manager is the legal owner of the Deposit Account and the deposits of all investors held in the Deposit Account, the money is held by the Plan Manager for the absolute benefit of you and other investors.
- (d) The Deposit Taker is authorised and regulated by the Financial Services Authority to accept deposits.

3. Investing in Your Plan

- (a) We may accept a duly completed Application and payment from you, or in the case of an ISA transfer the payment from the other ISA manager, subject to these Terms and Conditions. We reserve the right to reject an Application if our requirements are not met.
- (b) Providing your Application has been accepted then the Deposit will be invested in the relevant Deposit Account on the Start Date subject to the clearance of funds. It will be opened in accordance with the details set out in your Application.
- (c) You may only invest by lump sum payment. Acceptable payment methods are detailed in your Application.
- (d) Details of the minimum and maximum investment amounts are provided in the Brochure. There is no maximum amount for transfers from existing cash ISAs.
- (e) Where an Application is made for an Account other than in Writing, the Plan Manager will make a written declaration confirming all the details provided by you in the Application and send a copy to you. You will have 30 days to notify any corrections to the Account Manager from the date the copy declaration is sent to you. Any revised declaration will take effect from the date of the original declaration by the Account Manager on your behalf. If a revised declaration is received after 30 days have elapsed, that declaration will only take effect from the date it is received at the address in Clause 19. Faxed or email Applications will not be accepted unless by prior agreement with the Plan Manager.
- (f) If, 30 days after acceptance, we are still waiting to receive any information reasonably required to verify your identity, we will assume that the Plan is to be closed. As a result the Deposit will be withdrawn on the first Early Withdrawal Deadline after the expiry of the 30 day period and you will receive the Early Withdrawal Amount on the date of the withdrawal. Payments will normally be returned to the original source of the contribution. If this relates to an ISA, your annual ISA entitlement relating to any ISA contribution will be lost.

4. Managing Your Plan

- (a) During the Plan Opening Period your subscription will be held by the Plan Manager in a designated client money account. The Plan Manager will pay into your Plan the Early Application Interest immediately prior to the Start Date.
- (b) The Deposit will be invested by the Plan Manager in the relevant Deposit Account on the Start Date.
- (c) The Deposit will be held on deposit by the Deposit Taker in the Deposit Account until the Maturity Date unless terminated earlier in accordance with these Terms and Conditions.
- (d) Any Income Interest is paid as detailed in the relevant Addendum. The income will be paid into the bank or building society account as detailed in your Application or any account held by you that you subsequently inform us about in Writing.

- (e) By the end of the second Business Day after the Maturity Date the Account Manager will pay the Balance plus Maturity Interest into your Plan less any deduction for tax as detailed in Clause 10.

For Deposit Plans: Around the Maturity Date, we will write to you outlining the options available to you. We will hold the proceeds of your Deposit Plan in an interest-bearing client account for a reasonable period until we receive your instructions. All interest earned will belong to you. If we do not hear from you within a reasonable time, we will return the proceeds of your Deposit Plan to your nominated bank or building society account.

For Accounts: Around the Maturity Date, we will write to you outlining the options available to you. We will hold the proceeds of your Account in an interest-bearing client account for a reasonable period until we receive your instructions. All interest earned will belong to you. If we do not hear from you within a reasonable time, we reserve the right to transfer the proceeds of your Account to a non interest-bearing account and/or return the proceeds of your Account to your nominated bank or building society account.

- (f) The Plan Manager will be responsible for administering all subscriptions and repayments under your Plan, including any early withdrawal.
- (g) We will send you a statement for your Plan yearly. Details of the exact statement dates are available on request from the address in Clause 19. Please note that there is no annual report or accounts (or any other information issued other than your statement). There are no shareholders', securities holders' or unit holders' mailing or voting rights applicable to your Plan.
- (h) If an Extraordinary Event occurs, the details given in the relevant Addendum and/or fund that the Plan is linked to may be subject to change.
- (i) The Account Manager will tell you if your Account has, or will become, void because they have failed to satisfy the provisions of the ISA regulations.

Investments by Pension Scheme Trustees

- (j) Where a pension scheme trustee ("First Trustee") purchases a Deposit Plan and the scheme member subsequently transfers to another pension scheme ("Second Scheme"), we will seek to allow the transfer of the Deposit Plan from the First Trustee to the trustee of the Second Scheme by means of a simple re-registration agreement. This agreement will allow the First Trustee to relinquish all interests in the Deposit Plan and for the Plan Manager to allow the Deposit Plan to be re-registered in the name of the trustee of the Second Scheme who will take over the Deposit Plan on exactly the same terms as the First Trustee. The terms of the original investment cannot be changed in any way on transfer.

5. Cancellation

- (a) You may withdraw your application for the Plan in writing at any time up to and including the Start Date and receive a full refund of your subscription with any early application interest. We will make payment by direct credit.
- (b) Alternatively, you can cancel your Plan within 14 days of receiving your cancellation notice which will be issued following receipt of your Application and subscription. We will terminate your Plan as detailed in (a) above. Your Plan will continue if we do not receive your cancellation notice within the 14 days.
- (c) If you exercise the right to cancel an ISA transfer, you will permanently lose your ISA entitlement relating to that transfer.
- (d) Except for ISA transfers in exceptional circumstances, cancellation payments will be returned to the original source of the subscription.

6. Cash Held

- (a) Except when stated in these Terms and Conditions, interest will not be paid on any money held by us on your behalf that is not invested in the Deposit Account.
- (b) All money belonging to clients is held in a separate client account, which is identified as a trust account. All clients' money is segregated from the funds belonging to the Plan Manager. We will hold money we receive from you for investment in our client account until we make payment to the Deposit Taker to be invested in the Deposit Account.

7. Title

- (a) The deposit made by the Plan Manager with the Deposit Taker in respect of the Deposit Account will be held for you together with other investors in the Deposit Account on trust in the name of the Plan Manager.
- (b) The deposit may not be used as security to borrow money.
- (c) Although your investment will be recorded and separately identified by the Plan Manager, your entitlement may not be identifiable by separate documents or certificates of title. Therefore in the event of default by the Deposit Taker or the Plan Manager, any shortfall may be shared pro rata among all investors affected.
- (d) During the continuance of your Plan, you will remain the beneficial owner of a proportion of the Deposit Account that relates to the Deposit and of any cash held on your behalf by us before the Start Date or after the Maturity Date.

8. Early Withdrawal, Plan Closure and Transfers out

- (a) You may withdraw all or part of your investment from any specific offering under the Deposit Bond or completely close your Plan by giving notice to that effect to the Plan Manager.

The notice must be in Writing. You must be aware that the amount you will receive on withdrawal before the Maturity Date may be considerably less than the amount of the Deposit. Any partial withdrawal instruction must make it clear whether a particular amount, net of the withdrawal adjustment, is required, or a set proportion of the original Deposit.

- (b) You may transfer all or part of your Account relating to any specific offering under the Deposit Bond before the Maturity Date, as permitted by the ISA Regulations, to another ISA manager. We can take up to 30 days to process this transfer. You must be aware that the amount you will receive on transfer before the Maturity Date may be considerably less than the amount of the Deposit.
- (c) Notice of withdrawal, transfer or closure must be received by the Plan Manager by the Early Withdrawal Deadline in order for a transfer, withdrawal or closure to be made on the following Business Day. Requests received after this point will be actioned on the Business Day following the next Early Withdrawal Deadline.
- (d) The minimum partial withdrawal or transfer is £500 provided a value of at least £500 remains invested in the Plan.
- (e) If your transfer or withdrawal is made or the Plan closed prior to the Maturity Date, the Plan Manager will request the Deposit Taker to pay the Early Withdrawal Amount from the Deposit Account.
- (f) For any withdrawal, the Plan Manager will pay the Early Withdrawal Amount to you within 10 Business Days of the withdrawal from or closure of your Plan. Payments will be paid into the bank or building society account as detailed in your Application or any account held by you that you subsequently inform us about in Writing.
- (g) For any transfer in relation to an Account, the Account Manager will pay the Early Withdrawal Amount directly to the new ISA manager.
- (h) The Plan Manager may close your Plan at any time by giving three months' notice to you to that effect if we are no longer able to act as Plan Manager.

9. Death

For Deposit Plans held in more than one name, the Deposit Plan will continue in the name(s) of the surviving investors.

- (a) In the event of your death as a single named investor, before the Maturity Date, and following receipt of the evidence we require, your personal representatives may elect to either close your Plan (and receive the Early Withdrawal Amount) or transfer your Plan into the name of the personal representatives or a beneficiary of your estate. Any Account will, in accordance with the ISA Regulations, terminate. If a transfer to your personal representative or beneficiary has been requested, we will open a Deposit Plan in the name of your personal representative or beneficiary with the proceeds of your Plan.

- (b) Receipt of the evidence required to enable the Plan Manager to make payment must be received by the Plan Manager by the Early Withdrawal Deadline in order for the Account to be closed on the next Business Day. If such evidence is received after this point the Account will be closed on the Business Day following the next Early Withdrawal Deadline.
- (c) If your Plan closes prior to the Maturity Date, the Plan Manager will request the Deposit Taker to pay the Early Withdrawal Amount from the relevant Deposit Account.
- (d) The Plan Manager will pay the Early Withdrawal Amount to your personal representatives within five Business Days of the closure of your Plan. These Terms and Conditions are binding on your personal representatives.

10. Tax

- (a) In respect of a Deposit Plan, unless (c) below applies, any Early Application Interest, Income Interest and Maturity Interest will be paid after the deduction of income tax at the basic rate of UK Income Tax (currently 20%) and each will form part of your taxable income in the tax year in which they are paid.
- (b) The deduction satisfies the UK Income Tax liability for a basic rate tax payer. Higher rate tax payers will have further tax to pay and if you are in receipt of age allowance the payments could impact your entitlement. If you pay tax at less than the basic rate, you may be able to reclaim some or all of the tax deducted from HM Revenue & Customs by using the tax voucher we will issue with your payment. We cannot pay interest gross to individuals eligible to complete a form R85.
- (c) No tax is currently payable on any Early Application Interest, Income Interest and Maturity Interest arising from investments held in an Account or for a pension scheme and certain other corporate and trustee investments in a Deposit Plan where we have evidence that interest can be paid gross.
- (d) Any tax is deducted by the Deposit Taker.
- (e) Please note that tax law is subject to change.

11. Remuneration

We will be paid a maximum commission of 7% of the Deposit amount by the Deposit Taker or by a company in the same group as the Deposit Taker and this has affected the terms available from the Deposit Taker which in turn is reflected in the terms available for your Plan. This will have no effect on the amounts due to you under Clause 4 or Clause 8 of these Terms and Conditions. This remuneration to us will be used to meet distribution costs (including commission paid to the financial adviser who has introduced you to us) as well as our ongoing expenses. You should inform us of any change in your adviser to enable us to keep our records up to date.

12. Conflicts of interest

During your investment conflicts of interest may arise between you and us, our employees, our associated companies or our representatives. To ensure we treat investors consistently and fairly, we are required to have a policy on how to identify and manage these conflicts.

A summary of our policy is detailed below. A copy of the full policy is available on request from the address in Clause 19.

We:

- (a) will consider the interests of all of our customers and treat them fairly;
- (b) will manage conflicts of interest fairly to ensure that all customers are treated consistently and to prevent any conflict of interest from giving rise to a material risk of damage to the interests of our customers;
- (c) have in place procedures to ensure that staff identify and report any new conflicts;
- (d) will keep a written record of any conflicts or potential conflicts;
- (e) if appropriate, will disclose any relevant conflict to a customer before undertaking business with that customer;
- (f) will carry out an annual review to identify any new conflicts; and
- (g) will ensure new business developments identify any new conflicts of interest.

This policy applies to any company to whom we delegate any of our functions.

13. Delegation

We may delegate any of our duties under these Terms and Conditions to any Related Company or other agent and may provide them with information about you and your Plan. However, we will remain liable to you for the performance of any delegated matters. We shall satisfy ourselves that any person to whom we delegate any of our functions under these Terms and Conditions is competent to carry out those functions.

14. Assignment

We may appoint another company to be the Plan Manager of your Plan under these Terms and Conditions providing one month's notice has been given to you.

15. Disclosure of Information

The Plan Manager may disclose any information arising in connection with a transaction under these Terms and Conditions to any relevant authority or as required by such authority (whether or not pursuant to compulsion of law or regulation) and shall not be under any liability for any disclosure which we make in good faith.

16. Liabilities

- (a) The Plan Manager nor any Related Company shall not be responsible for any loss incurred except as a result of our fraud, negligence or breach of contract.
- (b) In the event of any failure, interruption or delay in the performance of its obligations resulting from any breakdown, failure or malfunction of any telecommunications or computer services or systems, or any event not reasonably within its control, neither the Plan Manager nor any Related Company shall be liable or have any responsibility of any kind for any loss or damage you incur or suffer as a result.

17. Changes to the Terms

- (a) We may amend these Terms and Conditions by giving you at least 30 days notice, in writing. This might be necessary to conform with or anticipate any changes in applicable laws, rules and regulations and for example:
 - i) to provide for the introduction of new or improved systems, methods of operation, services or facilities;
 - ii) to take account of a ruling by a Court, Ombudsmen, regulator or similar body;
 - iii) to reflect market conditions;
 - iv) to make them clearer or more favourable to you;
 - v) to correct any mistake that might be discovered in due course; or
 - vi) to reflect an Extraordinary Event further detailed in Clause 4 (h).
- (b) The amendments listed in Clause 17 (a) (i) to (vi) will only be made after we have satisfied ourselves that the overall effect of the amendments mean that you receive comparable terms and returns for the Plan under the revised Terms and Conditions.

18. Why do I need to prove my Identity?

To protect you and us from financial crime, we may need to confirm your identity from time to time. We may do this by using reference agencies to search sources of information about you (an identity search). This will not affect your credit rating. If this identity search fails, we may ask you for documents to confirm your identity.

In certain circumstances, we may need to contact you to obtain more information regarding your investment.

19. Notices or Requests

- (a) We will send any notices or other correspondence to the address you have given us in your application form, or to a new permanent residential address of yours provided you have notified us in Writing of the change.
- (b) You should send any notices, instructions, or requests for further information, to us at:

For postal instructions:
Legal & General Retail Investments
Customer Services
PO Box 1004
Cardiff
CF24 0YS

or

For couriered instructions:
Legal & General Retail Investments
Customer Services
4th Floor
Brunel House
2 Fitzalan Road
Cardiff
CF24 0EB

We will notify you, if by failure to satisfy the provisions of the ISA Regulations, your Account has, or will, become void.

20. Complaints and policies

We have a procedure for handling any complaints relating to the operation of your Account, a copy of which is available on request at the address in Clause 19. In the event you are not satisfied, you also have a right of complaint direct to the Financial Ombudsman Service.

Should your complaint relate to any aspect of the service that is provided by the Deposit Taker, we will refer your complaint to the Deposit Taker to deal with.

You can also request copies of the following policies:

- a) Investments held in joint names;
- b) Investments from Overseas;
- c) Locating customers without an address.

21. Informing us of changes

You agree to inform us, without delay, of any change in your circumstances or status, including in particular any change of address, name, bank account or residency status. Where we do not have an up to date address for you, we may make enquiries to identify your new address and reclaim the cost of tracing. To this end, we may need to share your details with trusted external parties.

22. Third Parties

Our relationship is with you and we will not recognise the interest or claim of any other person unless we are required to do so by law.

23. Law and Jurisdiction

- (a) This document is based on our understanding of current English law and HM Revenue & Customs practice, both of which may change in the future.
- (b) These Terms and Conditions will be governed by and construed in accordance with laws of England.
- (c) We will always communicate with you in English.
- (d) All communications from us will normally be by letter or telephone.

24. Entire Terms

These Terms and Conditions, any relevant addenda, the Brochure and the completed Application constitute the entire terms on which the Plan is provided to you.

Addendum – Legal & General Fund Tracker Deposit Bond 3

“AER” means the Annual Equivalent Rate and illustrates what the interest rate would be if interest was paid and compounded once each year. As every advertisement for a savings product which quotes an interest rate will contain an AER, you will be able to compare more easily what return you can expect from your savings over time.

“Deposit Taker” means Investec Bank plc or its successors or assignees. Investec Bank plc is incorporated in England and Wales.

“Early Application Interest” means a fixed rate equivalent to 0.87% per annum gross/AER paid until 23 April 2010.

“Early Withdrawal Adjustment” means an amount calculated by the Deposit Taker by reference to the Balance, subject to an adjustment determined at the relevant time based on the prevailing market conditions, such as, but not limited to, interest rates and the level of the Fund.

“Extraordinary Event” means a significant event which results in the Fund being no longer appropriate for the Deposit Plan to be linked to it. Such events include, but are not limited to, a fundamental change to the investment objective or the Fund being subject to a merger.

“Fund” means the Legal & General Money Builder (Investec) Fund standard units.

“Income Interest” is nil.

“Maturity Date” means 29 April 2015.

“Maturity Interest”

Option 1 means 100% of the growth in the Fund at the end of the fixed term of five years, up to a maximum of 50% of the original investment.

Option 2 means 10% gross/1.92% AER or 60% of the growth in the Fund, whichever is the greater at the end of the fixed term of five years.

Such growth will be calculated as the percentage by which the End Value exceeds the Start Value, where the Start Value is the closing level of the Fund on 29 April 2010 and the End Value is the average of the closing values of the Fund on the 29th of each month from 29 April 2014 to 29 April 2015 (inclusive) or where not a business day the next business day.

“Plan Opening Period” means 1 February to 9 April 2010.

“Start Date” means 29 April 2010.

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