

BMW Savings



Guaranteed BMW  
Performance Bond

**Guaranteed BMW Performance Bond (Issue 6).**  
Rewarding performance, without doubt.

# Performance

Offer available on a limited basis – invest today.



**BMW performance and reliability for your money.**

Some things in life are certain. The outstanding performance and reliability of a BMW, for example. And now you can enjoy that same certainty with your money, by saving with the Guaranteed BMW Performance Bond (Issue 6).

# Performance



### **How you benefit**

The Guaranteed BMW Performance Bond (Issue 6) gives you all the rewards and security of BMW performance, meaning a guarantee of healthy returns on your investment.

How can you be sure of good returns on your money? It's quite simple. You invest anything between £500 and £1,000,000 in the Guaranteed BMW Performance Bond (Issue 6), and leave it to grow.

From the outset, we'll give you a fixed interest rate until 8 May 2009 and a 100% capital guarantee – so you know exactly what you'll get back at the end of the term.

You also have the choice of enjoying the security and rewards of BMW performance as either a Bond or a Cash ISA.

### **For investment performance with certainty, apply for the Guaranteed BMW Performance Bond (Issue 6) today.**

Visit [www.bmwsavings.co.uk](http://www.bmwsavings.co.uk), call **0845 607 6130** or complete the application form enclosed.

Our lines are open 8am–8pm Monday to Thursday, 8am–6.30pm Friday, and 9am–5pm Saturday.



# Guaranteed BMW Performance Bond.

## How it works.

- The Guaranteed BMW Performance Bond (Issue 6) gives you a guaranteed interest rate of 5.35% gross/AER† until 8 May 2009.\*
- 100% capital guarantee – so you never get back less than you invest at the end of the term.
- You can choose to receive interest monthly.\*\*
- Additional deposits are not allowed on the Bond version before the maturity date.
- Withdrawals are permitted subject to 45 days loss of gross interest.
- Funds are limited so the offer may be withdrawn at any time.

Product features	Bond
Interest rate	5.35% gross/AER†
Minimum balance	£500
Maximum balance	£1,000,000
Interest payment**	On maturity
Maturity Date*	8 May 2009
Matures to	BMW eSaver account

\* On maturity the Guaranteed BMW Performance Bond (Issue 6) will automatically transfer to a new BMW eSaver account.

\*\* There is a monthly interest option available as long as you have a minimum balance of £5,000, subject to an interest rate reduction of 0.25% (Bond version only).

† 'AER' means "Annual Equivalent Rate" and is a notional rate that illustrates the contractual interest rate (excluding any bonus interest payable) as if paid and compounded on an annual basis. 'Gross' means the contractual rate of interest payable before the deduction of income tax.



### **What interest rate will I receive?**

Any funds invested into this account will receive interest fixed at 5.35% gross/AER<sup>†</sup> until 8 May 2009\*.

This interest rate is earned from the second working day after your account is opened (subject to your cheque clearing), so you should invest now to benefit as soon as possible.

Interest can be paid in the following ways:

- Credited to the account (annual interest only).
- Paid to a third-party bank or building society account (Bond version only).

Monthly interest is available (Bond version only) subject to a minimum balance of £5,000 and an interest rate reduction of 0.25%.

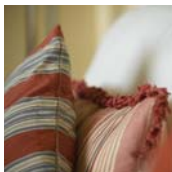
### **How much can I invest?**

You can invest any amount between £500 and £1,000,000 in the Bond.

### **What happens when the Bond matures?**

On maturity, the money in your Guaranteed BMW Performance Bond (Issue 6) will automatically transfer to the BMW eSaver account, and BMW eSaver account Terms and Conditions will apply.

Details of the BMW eSaver account are available on request from BMW Savings on **0845 607 6130**.



# Special Considerations when applying for a Guaranteed BMW Performance Cash ISA

keyfacts®



The Financial Services Authority is the independent financial services regulator. It requires us, BMW Savings in association with Newcastle Building Society, to give you this important information to help you to decide whether our Cash ISA is right for you.

You should read this document carefully so that you understand this account, and then keep it safe for future reference.

This section and Section B of the Terms and Conditions highlight the additional information which you should consider when applying for a Cash ISA version of the account.

The Society subscribes to the 'Not in Writing' scheme of HM Revenue and Customs. As part of the scheme we are required to confirm your ISA declaration.

The ISA investments will be, and must remain in, the beneficial ownership of the investor and must not be used as security for a loan. Your Account can be cancelled within 14 calendar days of opening without penalty or affecting your annual ISA allowance.

Interest Rate	5.35% gross/AER†
Minimum balance	£500
Maximum balance	£3,600 plus any previous years ISA subscriptions
Access	Withdrawals subject to 45 days loss of gross interest
Interest Payment	On maturity
Maturity Date	8 May 2009
Matures to	BMW eSaver ISA

† 'AER' means "Annual Equivalent Rate" and is a notional rate that illustrates the contractual interest rate (excluding any bonus interest payable) as if paid and compounded on an annual basis.

## **Making use of your ISA allowance**

An ISA gives you the option to use your tax free savings allowance. The overall annual subscription limit is currently £7,200.

There are two types of ISA:

### **Stocks and Shares ISAs**

A Stocks and Shares ISA enables you to invest up to £7,200 each tax year

### **Cash ISAs**

A Cash ISA enables you to invest up to £3,600 each tax year.

The Newcastle Building Society is an approved ISA Manager, managing Cash ISAs.

You do not have to hold both ISA elements. You can invest in both a Cash ISA and a Stocks and Shares ISA providing you do not exceed the maximum allowance of £7,200 for each tax year. You can not subscribe to more than one Cash ISA or more than one Stocks and Shares ISA in the same tax year.

You can transfer your current year subscriptions from a Cash ISA to a Stocks and Shares ISA. The subscriptions into the Cash ISA are then treated as if they were made to the Stocks and Shares ISA, allowing you to subscribe to a Cash ISA following the transfer.

**This Cash ISA option does not satisfy the minimum standards for a deposit-based stakeholder account.**

To take advantage of your previous years ISA subscriptions you can transfer your ISA(s) from other ISA providers to BMW Savings, in association with Newcastle Building Society.

**How do I transfer my existing ISA(s) to BMW Savings?**

Transferring your ISA from your existing provider to us is easy. All you need to do is provide us with the following information:

- Signed Confirmation that you wish to transfer your ISA(s) from your existing provider(s).
- The name and address of your current ISA provider(s).
- Your ISA number(s).

When making an ISA transfer please complete a Customer Acceptance Transfer Form. A Customer Acceptance Transfer Form will allow you to give us the information we require and can also be used when transferring subscriptions from previous years and investing funds in the current tax year.

Once we have received your request we will write to your existing provider(s) to request your funds. Should your existing provider(s) have any queries, or should you incur any charges for transferring, you will need to contact them directly to resolve these issues.

Your ISA will then be transferred to Newcastle Building Society (who are an ISA Manager and provide and administer BMW Savings products). Your ISA **MUST** be transferred directly between your existing provider and BMW Savings. You cannot close your existing ISA yourself and then open a Guaranteed BMW Performance Cash ISA.

**What happens when the ISA matures?**

When your Guaranteed BMW Performance Cash ISA matures it will automatically transfer to the BMW eSaver ISA, where BMW eSaver ISA Terms and Conditions will apply.

Details of the BMW eSaver account are available on request from BMW Savings on **0845 607 6130**.

# Guaranteed BMW Performance Bond and Cash ISA (Issue 6).

How do I apply?

Opening a Guaranteed BMW Performance Bond (Issue 6) couldn't be easier.

You can apply online, by phone or by post, following the simple steps below:

1. Decide if you would like to invest in either the Guaranteed BMW Performance Bond or Cash ISA and carefully read the relevant Terms and Conditions.
2. Decide how much you'd like to invest.
3. Make your application online, by phone or by post.



## Online

Visit [www.bmwsavings.co.uk](http://www.bmwsavings.co.uk) to complete the online application form.

Please be aware that in order to open a Guaranteed BMW Performance Bond or Cash ISA, you'll need to provide us with your bank account details, so you may find it useful to have them to hand. Your application should take approximately 10 minutes to complete.

Should you wish to proceed with your application, click the link to apply online and complete the online Application Form/Customer Acceptance Form\* following the on-screen instructions. You will be asked to accept the Terms and Conditions of your chosen account during this application process.

You may be required to provide proof of identity and residency in order to assist with your application. It would be useful to have your Passport number to hand when you apply.

We will contact you once your account has been opened to confirm your account details.

\* The Customer Acceptance Form should be completed to confirm your personal details and agree to the BMW Performance Bond (Issue 6) Cash ISA Terms and Conditions. Newcastle Building Society subscribes to HM Revenue and Customs 'Not in Writing' scheme. As part of the scheme we are required to confirm your ISA declaration.



### Phone

Simply call us on **0845 607 6130** to complete your application over the phone. Our lines are open 8am–8pm Monday to Thursday, 8am–6.30pm Friday and 9am–5pm Saturday.

### Post

Complete and sign either the Application Form if you have chosen the Bond version or Customer Acceptance Form\* if you have chosen the Cash ISA version.

Return the completed Application Form/Customer Acceptance Form to the address below.

**BMW Savings**  
**Freepost RLYC-YTHL-ELYK**  
**PO Box 1131**  
**Newcastle upon Tyne**  
**NE99 1WN**

Please note, you should send your completed application along with the following documentation:

- A personal cheque for the initial investment. For security reasons you are advised to make the cheque payable as follows:  
NBS, Re: BMW, Re: Your Name, account number or application number (if known). E.g. NBS, Re: BMW, Re: Mr Smith, account number XXXXXXXX. In addition, please remember to draw a line through any unused space on the cheque.
- Proof of identity and residency (see Application Form/Customer Acceptance Form for further details).

Once your account(s) has been opened, we'll write to you to confirm your account number and the amount invested.



# Terms and Conditions

## Section A

General Conditions for the Account.

## Section B

Special Conditions for the Cash ISA.

Where there is a conflict between the General Conditions contained in Section A and the Special Conditions for your Cash ISA contained in Section B, it is the Special Conditions in Section B which will prevail.

## Section A – General Conditions

### 1. Definitions

**“Account”** means the Bond or Cash ISA you take with Newcastle Building Society on these Terms and Conditions.

**“Accountholder”** means the person(s) in whose name the Account is held; in the case of joint Accountholders it means either or both of you depending on the circumstances.

**“Application Form”** means the Application Form you complete when you open a Guaranteed BMW Performance Bond (Issue 6).

**“AER”** means the “Annual Equivalent Rate” and is a notional rate which illustrates the contractual interest rate (excluding any bonus interest payable) as if paid and compounded on an annual basis.

**“Business Day”** means any day except Saturdays, Sundays and English Bank Holidays.

**“Customer Acceptance Form”** means the form you complete when you open a Cash ISA.

**“Gross”** interest is the contractual rate of interest payable before the deduction of income tax.

**“Initial Investment”** means the amount you initially invest in the Account.

**“ISA Regulations”** means the Individual Savings Account Regulations 1998 including any future changes.

**“Maturity Date”** means the date on which the Guaranteed BMW Performance Bond or Cash ISA (Issue 6) matures, as detailed in the Product Features Table.

**“Net”** is the rate of interest which would be payable after allowing for the deduction of income tax at the specified rate.

**“The Newcastle”** means Newcastle Building Society and **“the Society”** will also be construed accordingly.

**“The Guaranteed BMW Performance Bond (Issue 6)”** means the Guaranteed BMW Performance Bond Account set out in these Terms and Conditions.

**“The Guaranteed BMW Performance Cash ISA (Issue 6)”** means the Guaranteed BMW Performance Cash ISA set out in these Terms and Conditions.

**“Start Date”** means the date on which your Initial Investment is placed into the Account.

### 2. Applications

**2.1** To open an Account you must send your Initial Investment and a completed Application Form/Customer Acceptance Form to BMW Savings. When an investment is made by cheque it will earn interest from the second working day after receipt. Any cheque should, for security reasons, always be made payable to NBS, Re: BMW, Re: Your Name, account number or application number (if known). E.g. NBS, Re: BMW, Re: Mr Smith, account number XXXXXX. In addition, please remember to draw a line through any unused space on the cheque.

**2.2** The Newcastle reserves the right to reject any Application Form/Customer Acceptance Form at its discretion. If an Application Form/Customer Acceptance Form is rejected any funds paid into the Account will be returned within 14 calendar days of receipt. During this period interest will be paid at a rate equal to the BMW eSaver Account interest rate less 1.00%.

**2.3** This Account is not available for businesses, clubs, charities or other organisations and cannot be held in trust. We do not believe these Accounts are suitable for operation under a power of attorney and applications submitted on this basis will be rejected.

**2.4** The minimum and maximum investments in the Account are stated in the Product Features Table.

### 3. Joint Accounts

The Account can be held in either single or joint names.

If your Account is a Joint Account, these conditions apply to all of you together and any of you separately. In the event of the death of any Accountholder, the Account will remain open in the name of the remaining Accountholder. In the event of divorce or separation, the Newcastle (providing it is made aware of the situation in writing) will not permit withdrawals to be made from the Account unless signed instructions are received from both Accountholders.

#### 4. Interest

The interest on your Account is fixed and will be paid in accordance with your interest instructions. Interest can be paid either annually or monthly in the following ways:

- Credited to Account (annual interest only).
- Paid to a third party bank or building society account (Bond version only).

Annual interest will be paid on maturity, 8 May 2009. Monthly interest is available (Bond version only) subject to a minimum balance of £5,000 and an interest rate reduction of 0.25%. Monthly interest will be paid on the last working day of each month.

#### 5. Withdrawals

Withdrawals are permitted subject to 45 days loss of interest.

#### 6. Additional Funds

No additional Investments are permitted after your Initial Investment.

#### 7. Death of Accountholder

Where an Account is closed prior to the Maturity Date following the death of the Accountholder, the total accrued interest to the date of closure of the Account will be payable.

#### 8. Rules

The Account is a share account and Accountholders are deemed to be members of the Newcastle. As a member of the Newcastle you are subject to the rules of the Newcastle, a copy of which may be obtained on request.

#### 9. Notice to Close

Under normal circumstances we will not close your Account without giving you 30 days' notice.

#### 10. Tax

All returns on the Account will be paid after the deduction of income tax at the appropriate rate (currently 20%\*) or, subject to the required certification, gross.

Individuals who are non-tax payers, and who have not registered to receive their interest without tax deducted, can claim a repayment of tax from HM Revenue and Customs.

Individuals whose interest falls within the basic rate band (currently 20%\*) will have no more tax to pay on their interest.

Individuals who are higher rate taxpayers will have to pay the extra tax due on their interest (the difference between tax deducted at the appropriate rate – currently 20%\* – and the higher rate – currently 40%\*).

#### 11. Maturity

On the Maturity Date the Guaranteed BMW Performance Bond (Issue 6) will be automatically transferred to the BMW eSaver Account and BMW eSaver Terms and Conditions will apply.

Details of the BMW eSaver are available upon request.

## Section B – Special Conditions

### 1. Special conditions for the Guaranteed BMW Performance Cash ISA (Issue 6)

- 1.1 The Account can only be held in single names.
- 1.2 Interest will be credited on 8 May 2009.
- 1.3 BMW Savings, in association with Newcastle Building Society, will notify the Accountholder in the event of any failure to satisfy the provisions of the ISA regulations and where the ISA has/or will become void i.e. No longer exempt from tax.
- 1.4 At the request of the Accountholder this Cash ISA, including full rights and obligations, may be transferred to another ISA Manager or be withdrawn in full (subject to 45 days loss of interest). Where a transfer or withdrawal request has been made, BMW Savings, in association with Newcastle Building Society, will endeavour to complete the transaction within the time period specified by you and in any event will take no longer than 30 days in total.
- 1.5 The ISA investment will be, and must remain in, the beneficial ownership of the investor and must not be used as security for a loan.
- 1.6 Where an Account is closed prior to the Maturity Date following the death of an Accountholder, gross interest will be calculated on a daily basis from the start date until the date of death of the Accountholder.

From the date of death until the date of closure of the Account interest will be paid less tax.

\* The rate of tax is subject to legislation and may vary in the future.

- 1.7** To open an Account you must send your Initial Investment and a completed Customer Acceptance Form to BMW Savings.
- 1.8** The Newcastle Building Society subscribes to HM Revenue and Customs 'Not in Writing' scheme. As part of this scheme we are required to confirm your ISA declaration. The enclosed Customer Acceptance Form should be completed to confirm your personal details and agree to this Account's Terms and Conditions.
- 1.9** On the Maturity Date the Guaranteed BMW Performance Cash ISA (Issue 6) will be automatically transferred to the BMW eSaver ISA and BMW eSaver ISA Terms and Conditions will apply. Details of the BMW eSaver ISA are available upon request.

- 6.** I understand that the Newcastle will require anyone who opens a share account (who is not then an exempt customer) to agree to assign to charity the right to any windfall benefits which that person may become entitled to.

The terms of the agreement will be decided by the Newcastle and may be different from the terms in paragraphs 1 to 5, above. This paragraph will no longer apply if the Newcastle publishes a notice in the press of a decision by the Newcastle that it will no longer require new share holding members to enter into such agreements.

These notes apply to paragraphs 1 to 6, previously detailed:

- a)** The "Account" is the share account which you are applying to open by completing this form.
- b)** The "conversion announcement date" means the date on which the Newcastle makes a public announcement of a proposal to transfer its business to a successor.
- c)** The "current terms" means terms which are the same as, or similar to, the terms set out in paragraphs 2 to 5 previously detailed.
- d)** You are an "exempt customer" when you open the Account if:
- i) you have held shares in the Newcastle (other than permanent interest bearing shares) at all times since 31 March 1999; or you are a borrowing member of the Newcastle; or
  - ii) you have already entered into an agreement with the Newcastle binding you to the current terms; or
  - iii) you belong to one of the groups of the other people who, in the Newcastle's opinion, do not need to be asked to agree to the current terms.

A list of these groups is available from the Newcastle at any time. The Newcastle may alter the number and composition of the groups from time to time, but no alteration will apply retrospectively.

- e)** A person "opens" an account either by opening a new account or by having an existing account transferred into his or her name (whether as sole or joint holder).
- f)** The "selected charity" means the Community Foundation or, if it is at any time no longer a registered charity, any other charity or charities selected by it to receive assignment of windfall benefits.

## Agreement to Assign Windfalls to Charity

- 1.** Paragraphs 2 to 6, below, will apply to me unless I am an exempt customer (of the Newcastle) at the time when the Account is opened.
- 2.** I agree with the Newcastle that, if the right to any windfall benefits is granted to me after the Account is opened, I will assign those windfall benefits to the selected charity unless either of the following applies:
  - The period between my Account being opened and the conversion announcement date is more than five years (or, if applicable, the shorter period).
  - On the conversion announcement date, I am a borrowing member of the Newcastle.
- 3.** I authorise the Newcastle and the successor to pass any windfall benefits direct to the selected charity (or to any other charity which the selected charity may nominate to receive those benefits), without notice to me.
- 4.** I authorise that the Newcastle has promised to transfer to the selected charity the benefit of the agreement which I have given under paragraph 2, above; neither the Newcastle nor the selected charity will release me from that agreement; and any power of the Newcastle to change the terms of its contract with me will not apply to any of the terms set out in this section of the application form.
- 5.** I authorise the Newcastle to give the selected charity any information about me or any Account which I have with the Newcastle (now or in the future) but only if the selected charity reasonably needs it regarding the agreement I have given under paragraph 2, above.

- g)** A “shorter period” is applicable if, when the Newcastle opens your Account, you belong to one of the groups of people who, in the Newcastle’s opinion, do not need to be asked to agree the usual five-year period. A list of these groups, stating the period applicable to them, is available from the Newcastle at any time. The Newcastle may alter the number and composition of the groups and the period applicable to them from time to time, but no alteration will apply retrospectively.
- h)** The “successor” is any company or other corporate body to which the Newcastle transfers its business under Section 97 of the Building Societies Act 1986 (or under any provision which amends or replaces it).
- i)** A “windfall benefit” is a benefit which a person has the right to receive as a share holding member of the Newcastle, under the terms of any future transfer of the Newcastle’s business to a successor (i.e. on a conversion or take over), other than:
- i) The replacement of savings in a share account with the Newcastle with savings in a deposit account with the successor, or
  - ii) Any benefit which the Newcastle has decided may be kept by a person who has a number of accounts and was an exempt customer when opening one or more (but not all) of them. A list setting out the conditions which determine whether, and to what extent, such a person may keep a benefit is available from the Newcastle at any time. These conditions may be altered by the Newcastle from time to time, but no alteration will apply retrospectively.
  - iii) Where more than one of you is signing this form, paragraph 1 and (if applicable) paragraphs 2 to 6, previously detailed, apply to each of you separately.
- j)** If the Newcastle no longer exists following a merger with another building society, paragraphs 2 to 6, previously detailed, will still apply between you and the other society.

## Accessibility

We are committed to ensuring that all of our products and services are easily and equally accessible to all. With this in mind we are able to provide this brochure in larger print, Braille or audiocassette format\*. If you would like more details, or would like to register to receive correspondence in an alternative format please contact us on 0845 607 6130.

\* Each individual case will be considered separately upon request.

## Handling customer complaints

We always aim to provide you with the highest quality financial services to meet your expectations. Unfortunately, mistakes are occasionally made but we encourage you to let us know so that we can explain things and put them right.

A leaflet entitled ‘Our Complaints Procedure’ provides full details of how we handle complaints. A copy of this leaflet is available by calling 0845 607 6130.



Newcastle Building Society is an active member of the Building Societies Association. Shares and Deposits in the Society are Trustee Investments.

The Newcastle Building Society is a participant of the Financial Services Compensation Scheme established under the Financial Services and Markets Act 2000. Payments under the Scheme are limited to 100% of the first £35,000 of an investor’s total shares and/or deposits in a society. Most investors are covered, including individuals and small firms. A small number of categories of shares and deposits are not covered (for example deferred shares – permanent interest bearing shares).

Although most shares and deposits are denominated in sterling, all other currencies are covered. Further details are available on request.



BMW Savings is a trading name of  
BMW Financial Services (GB) Limited.

Registered Office: Europa House, Bartley Way, Hook,  
Hampshire RG27 9UF. Registered in England & Wales.  
Registered Company Number 01288537.

BMW Savings products are provided and administered  
by Newcastle Building Society which is authorised and  
regulated by the Financial Services Authority (FSA) and  
is entered in the Financial Services Authority register  
under number 156058.

Newcastle Building Society Principal Office: Portland House,  
New Bridge Street, Newcastle upon Tyne NE1 8AL.  
Tel: 0845 607 6130.

We may monitor and record telephone calls for training  
and security purposes. Calls to the 0845 number from  
BT landlines cost up to 5p per minute. Calls from other  
networks may vary.

We fully support the Banking Code and copies are  
available on request.

All information is correct at the time of going to print  
and is subject to change without notice (March 2008).