

Guide to Fixed Term Deposits from Close Brothers Savings



What is a fixed term deposit?

A Fixed Term Deposit with Close Brothers Savings, is an interest bearing bank deposit. Both the interest rate payable on funds deposited and the term of the deposit are fixed. Funds placed in a fixed term deposit with Close Brothers Savings can therefore not be withdrawn prior to the stated maturity date except under very limited exceptional circumstances.

As an asset class, fixed term deposits are attractive for many depositors as fixed interest means rates of return can be determined at account opening.

Why Close Brothers?

- With competitive interest rates, your deposits are covered by the Financial Services Compensation Scheme up to the depositor protection limit.
- We offer a range of fixed terms between 1 and 5 years.
- Flexible interest options - choose either an Income or Growth product for each fixed term.
- There is no charge to hold a fixed term deposit on our Self-Directed service, however, charges may apply if you make other types of investment in the future.
- Current rates and available deposit products are conveniently searchable via the 'Search Investments' tool on the online self-directed portal or can be found on our website.

Please note that you can save from a minimum of £10,000 up to a maximum of £1 million per deposit.

For each fixed term product available, we offer an income and growth option. This provides flexibility on annual interest payments. If you invest in an income fixed term deposit, interest is accrued and paid out to you annually into either your income account or bank account, nominated at registration.

For growth products, annual interest payments are added to the principal deposit amount.

Funds placed in a fixed term deposit with Close Brothers Savings are covered by the Financial Services Compensation Scheme – the UK's deposit protection scheme, which means your eligible deposits with Close Brothers Limited are protected up to the depositor protection compensation limit.

For more information on the depositor protection limit and the Financial Services Compensation Scheme in general, please visit www.fscs.org.uk.

IMPORTANT

It is important to know when your fixed term deposit matures so that you can take action as quickly as possible.

When you invest in a fixed term deposit on the self-directed portal, look out for the contract note that you will receive in your document library. This is your confirmation that the purchase has completed and will provide you with key details, like the amount you have invested and the maturity date. Check it carefully and if there are any mistakes, or if you do not receive a contract note, please make sure you call the Investor Support Team as quickly as possible.

Fixed Term Deposits

Some frequently asked questions

Before you invest

Q Which accounts can I hold my deposit in?

You can hold your deposit in either your SIPP account or your investment account.

Q Can I withdraw from my fixed term deposit?

Withdrawals cannot be made until maturity, except in a very limited number of circumstances.

Q Is my deposit covered by the Financial Services Compensation Scheme?

Your eligible deposits with Close Brothers Limited (and the associated trading styles of Close Brothers Treasury and Close Brothers Savings) are protected up to a total of £85,000 by the Financial Services Compensation Scheme ('FSCS'), the UK's deposit protection scheme. This limit is applied to the total of any deposits you have with the following: Close Brothers Savings and Close Brothers Treasury. Any total deposits you hold above the £85,000 limit between these brands are not covered.

Q If I invest in a fixed term deposit online, who am I investing with?

All of the fixed term deposits that are offered via the Close Brothers self-directed online service are provided and held with Close Brothers Savings (a trading style of Close Brothers Limited).

Q What are the costs to hold a fixed term deposit?

There is no cost to hold a fixed term deposit on the service but charges may apply to other investments you make in the future.

Q How much can I hold in a fixed term deposit?

You can save from a minimum of £10,000 to a maximum of £1 million per deposit. No additional deposits or withdrawals are allowed during the term of the deposit and you should be comfortable that you will not need to access your cash until the end of the fixed term.

Q Is there a limit to how many fixed term deposits I can hold?

No. You can hold as many fixed term deposits as you choose.

Q Can my fixed term deposit be held in joint names?

Unfortunately, fixed term deposits offered through the Close Brothers online service can only be held in a single name.

Q What is the difference between an income fixed term deposit and a growth fixed term deposit?

If you choose to invest in a growth fixed term deposit any interest accrued is paid back into the deposit annually and will accrue interest at the same rate as the original capital invested.

If you invest in an income fixed term deposit interest is accrued and paid out to you annually into either your income account or bank account, nominated at registration.

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At Maturity

Q What happens to my deposit at maturity?

At maturity, the deposit and any accumulated interest will be paid into your income account for reinvestment or withdrawal. You will see the funds in your account once the transaction has been processed. This typically takes a few hours, but can take up to a maximum of 24 hours.

Q Can I arrange for the payment to be made by cheque?

No, the only way that funds can be withdrawn from your self-directed online account is via a verified UK bank account.

Q If I withdraw, how long will it take for the funds to be in my bank account?

We arrange for the cash amount to be sent to your bank within 1 working day of the request. Depending on the speed that your bank processes your payment, you can expect to have the funds cleared in your bank account within 3-5 working days.

Q How do I reinvest the proceeds from my maturing fixed term deposit?

Use the 'Action' links next to any of your accounts listed on the summary screen. Select 'Buy' and follow the steps to select from a wide range of investments.

Q What else can I invest in through my self-directed account?

Your self-directed account gives you access to a wide range of investment types, including funds, fixed term deposits, shares and exchange traded funds. Our research tools can help you filter the investments by many factors to help you decide on the right investment for you.

Our experienced Investment Team also puts together several market commentaries and articles which can be found in the online Literature Library. Please be aware that all investments carry differing levels and types of risk. The value of investments can go down as well as up and you may get back less than invested.

Q Where can I see the latest rates of fixed term deposits that you offer if I want to reinvest?

The latest rates can be viewed on our website at www.closebrothersam.com/campaigns/ftd/home. Products are a limited offer, subject to availability and may be withdrawn at any time without prior notice. The interest rate you will receive will be fixed when your Fixed Term Deposit is opened.