



Our changes made clear.

Important information
about your banking and
savings accounts.

 BANK OF SCOTLAND

A simple guide to the changes.

This easy-to-follow leaflet explains some important changes to your banking and savings accounts. Please take a few minutes to read it so you can understand how the changes may affect you.

Using the contents table you can see which of the changes affect your account(s). Each change has a simple 'What this means for you' section, showing what will be different after the changes have been made.

Please make sure you also read both the enclosed **'Terms and conditions and other important information'** leaflets which detail all the changes to your banking and savings accounts. These come into effect on 20th March 2011.

Please keep this leaflet in case you want to check any details about the changes.

What happens next?

You don't have to do anything as the changes will happen automatically. Most of them will start happening from **20th March 2011**.

What will stay the same?

Most of the changes won't affect the way your day-to-day banking works. Your account numbers, sort codes, debit cards, Cashpoint® machine cards, direct debits, standing orders and regular payments will stay exactly the same.

We'll also continue to reward you with £5 each month you pay in £1,000 if you have a Reward Current Account or Ultimate Reward Current Account.

Bank of Scotland Flexible Plus Current Account.

The changes described in this booklet on page 3-4 only apply to the Flexible Current Account. If you have a Flexible Plus Current Account, this is not affected.

If you are unsure which account you hold with us please look on your statement or call us on 0800 032 4654.



Here's where to find the changes affecting you.

Look for your accounts in the arrows at the top of the table. Then follow the dots that show the changes that apply to your account and go to the relevant page for details.

Choose your banking accounts

Ultimate Reward Current Account	Reward Current Account	Current Account	Student Current Account	Cardcash	Expresscash	Easycash	Flexible Current Account	All banking accounts
---------------------------------	------------------------	-----------------	-------------------------	----------	-------------	----------	--------------------------	----------------------

Choose your savings accounts

Monthly Saver	Bonus Gold	Instant Saver	All savings accounts
---------------	------------	---------------	----------------------

Cheque clearance times	●	●	●	●	●	●	●	●	●	●	●	●	●	Page 5
Transferring interest to another account								●			●	●	●	Page 6
Payment dates for unarranged overdraft fees				●	●		●	●						Page 7
Weekend banking: interest payments				●	●	●		●			●	●	●	Page 9
Weekend banking: interest on your savings accounts											●	●	●	Page 10
Special interest rate on Instant Saver	●											●		Page 11
Payment dates for Ultimate Reward Current Account fees	●													Page 12
Bonus Gold account changes											●			Page 13
Monthly Saver account changes											●			Page 14
Financial Services Compensation Scheme	●	●	●	●	●	●	●	●	●	●	●	●	●	Page 15

Cheque clearance times.

When you pay a cheque into your banking or savings account at the branch counter, or Depositpoint, you will be able to take out your cash in four working days.

If you pay a cheque in at a Cashpoint® machine you will need to add an extra day.

What this means for you

- Cheques paid in at a branch counter or Depositpoint will be available to take out in four working days on your banking and savings accounts.
- Cheques paid in at a Cashpoint® machine will take five working days across all your accounts.
- Please bear in mind these new cheque clearance times do not include the day you pay in the cheque.

A working day is Monday to Friday (not including bank holidays).

Transferring interest to another account.

If you have arranged for interest on your banking or savings accounts to be transferred to an account you have with another bank or building society, it will now arrive up to four working days later.

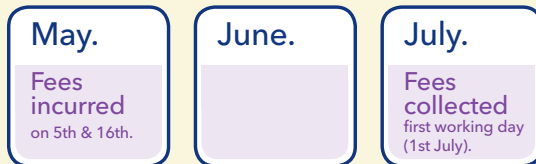
What this means for you

- If you rely on this interest to pay regular bills or standing orders, please check the dates to allow for the extra days.
- If you'd like more information or to discuss what this change means for you, please call us on **0800 032 4654** and we'll be happy to help.

Payment dates for unarranged overdraft fees.

If you're 18 or over and you go over your arranged overdraft limit, or if you don't have an arranged overdraft and a payment takes you overdrawn, we may charge a paid item fee or unpaid item fee.

From 20th March 2011, we'll add these fees together and collect them all at the same time. For example, if you incur an unpaid item fee on 5th May and 16th May, we'll collect both fees together on 1st July.



What this means for you

- You will have more time to make sure you have enough money in your account to cover your fees when they're due.
- It's easier to remember when you have to pay any paid item fees or unpaid item fees as we collect them all on the first working day of the month.
- We'll still tell you about these fees in advance, so you know the fee amount and when we're going to collect them.

Changes apply to:

Student

Cardcash

Easycash

Flexible

Unarranged overdraft fees explained.

We will charge an **unpaid item fee** when you try to make a payment from your account (for example, by direct debit) but we decline this payment as you do not have enough money in your account or you've reached your arranged overdraft limit.

If you have a Student Current Account, or a Flexible Current Account, we may also charge a **paid item fee** when you make a payment (for example, by direct debit) from your account that takes you over your arranged overdraft limit or increases your unarranged overdraft.

Weekend banking.

Changes apply to:

Student

Cardcash
(If you're under 18)

Expresscash

Flexible

All Savings

Interest payments.

We're changing when we pay interest on any cash you pay in or take out over the weekend or on a bank holiday.

What this means for you

- If you pay cash into your account at the branch counter, or Depositpoint on a Saturday, Sunday or bank holiday, you will start earning interest on the next working day.
- However, if you take cash out of your account over the weekend or on a bank holiday, you will continue to earn interest until the next working day.

Sat.

Pay cash
into your
account

Take
cash out

Sun.

Continue
to earn
interest

Mon.

Start
earning
interest

Stop
earning
interest

Interest on your savings accounts.

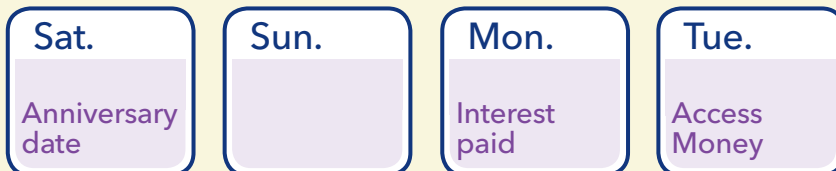
Some of our savings accounts only pay interest once a month or year, on an agreed date. If that date falls on a weekend or bank holiday, interest will be paid on the next working day.

What this means for you

- You will continue to earn interest over the weekend.
- Your interest will be added to your account on the next working day.
- You will be able to access your interest the day after that. If you have a fixed rate savings account and your account is due to mature at the same time, you can access your savings on this day too.

These changes don't affect variable ISAs.

Fixed rate savings accounts.



Special interest rate on Instant Saver.

Earlier this year we launched Bank of Scotland Exclusives, which offers current account customers who pay in £1,000 or more each month, or have an Ultimate Reward Current Account, an extra 0.20% AER interest for 12 months on many of our savings accounts.

Now that this is available, we've decided to remove the special savings rate you get on your Instant Saver for being an Ultimate Reward Current Account customer.

What this means for you

- We will no longer offer you an extra 1% AER on your Instant Saver account.
- To ensure you get the best rate possible on your Instant Saver, we've already registered you for Bank of Scotland Exclusives so you will automatically get the extra 0.20% AER interest for 12 months from March 2011.
- We'll also add this extra rate to any other qualifying variable savings accounts you hold with us. You can see which accounts qualify on page 39 of your 'Terms and conditions and other important information' leaflet.
- If you close your Ultimate Reward Current Account or savings accounts within the 12-month period you will no longer receive the additional rate.
- Since we launched the Instant Saver account we've introduced new accounts that could be better for you. Visit your local branch or call **0800 032 4654** and we'll be happy to help you choose an account that suits your savings needs.

Payment dates for Ultimate Reward Current Account fees.

The date we collect your monthly Ultimate Reward Current Account fee will change to the first working day of each month. Your benefits will continue as normal during this period but you may see a slight change to your payment on 1st April.

If you pay your monthly fee on the 1st of the month:

There won't be any change to the fee amount you pay in April.

If you currently pay your monthly fee:

February 2011	March 2011	April 2011	May 2011
Between the 2nd - 21st of each month:			
You pay your £12.50 fee on the usual date.	You pay your £12.50 fee on the usual date.	You will pay a one-off slightly lower fee on 1st April. This is because you've already paid for some days in your March payment.	You pay your £12.50 fee on the first working day (3rd). From then on, we'll collect your £12.50 fee on the first working day of each month.
Between the 22nd - 31st of each month:			
You pay your £12.50 fee on the usual date.	Nothing to pay.	You will pay a one-off slightly higher fee on 1st April. This fee includes your £12.50 fee for March plus the extra days' fee from the end of February.	You pay your £12.50 fee on the first working day (3rd). From then on, we'll collect your £12.50 fee on the first working day of each month.

Bonus Gold account changes.

We're making some changes to our Bonus Gold account, to give you easier access to your money and make things simpler for you. From 20th March 2011, you will be able to take out or transfer money without giving us notice and still earn interest.

From **4th May 2011**, we're changing the way we reward you. Instead of an annual bonus, you will receive a higher interest rate each month if you take money out no more than three times a month.

What this means for you

- You can take out or transfer money from your Bonus Gold account at any time, without giving us notice or losing interest.
- You will receive a higher interest rate each month you take money out three times or less. Over the year, this will add up to be the same as your current interest rate and bonus.
- Your interest will be paid once a month. As part of the change, we may make a one-off interest and bonus payment to your account on 3rd May 2011, to bring your bonus payments up to date.

Monthly Saver account changes.

From **4th May 2011** we'll continue to reward you if you make no more than one withdrawal a year. However, we're changing the way we pay you this reward. Instead of an annual bonus, you will receive a higher interest rate.

What this means for you

- If you make no more than one withdrawal a year, the higher interest rate will work out to be the same as your current interest rate and bonus.
- If you take out money more often, you will receive a lower interest rate.
- As part of the change, we'll make a one-off interest payment plus any bonus you qualify for on 3rd May 2011. This will bring your interest and bonus payments up to date.

Financial Services Compensation Scheme.

Your protection under the Financial Services Compensation Scheme (FSCS) won't change now that Bank of Scotland is part of Lloyds Banking Group.

This is because we will still exist as a separate bank within Lloyds Banking Group. So for example, if you have a banking or savings account with both Bank of Scotland and Lloyds TSB, you will still have the same level of cover.

This is currently £50,000 for Bank of Scotland accounts and £50,000 for any Lloyds TSB accounts you have. Further details can be found below.

Important information about compensation arrangements.

We are covered by the Financial Services Compensation Scheme (FSCS). The FSCS can pay compensation to depositors if a bank is unable to meet its financial obligations. Most depositors – including most individuals and small businesses – are covered by the scheme.

In respect of deposits, an eligible depositor is entitled to claim up to £50,000. For joint accounts each account holder is treated as having a claim in respect of their share so, for a joint account held by two eligible depositors, the maximum amount that could be claimed would be £50,000 each (making a total of £100,000). The £50,000 limit relates to the **combined** amount in all the eligible depositor's accounts with the bank including their share of any joint account, and not to each separate account.

For further information about the scheme (including the amounts covered and eligibility to claim) please ask at your local branch, refer to the FSCS website www.FSCS.org.uk or call 020 7892 7300 or 0800 678 1100.

Deposits with us are held with Bank of Scotland plc. Accounts with Bank of Scotland plc include accounts with its divisions and trading names: Halifax, Intelligent Finance (IF), Birmingham Midshires (BM Savings), Bank of Scotland, Bank of Scotland Private Banking, Bank of Scotland Germany, Bank of Scotland The Netherlands, Bank of Scotland Treasury, St James's Place Bank and St James's Place Private Bank. Some savings accounts under the AA Savings, Saga and Charities Aid Foundation brand names are also deposits with Bank of Scotland plc. An eligible depositor's £50,000 limit relates to the combined amount in accounts under all of these names.

If you are unsure whether your account is held with Bank of Scotland plc, please check your account literature.

What happens next?

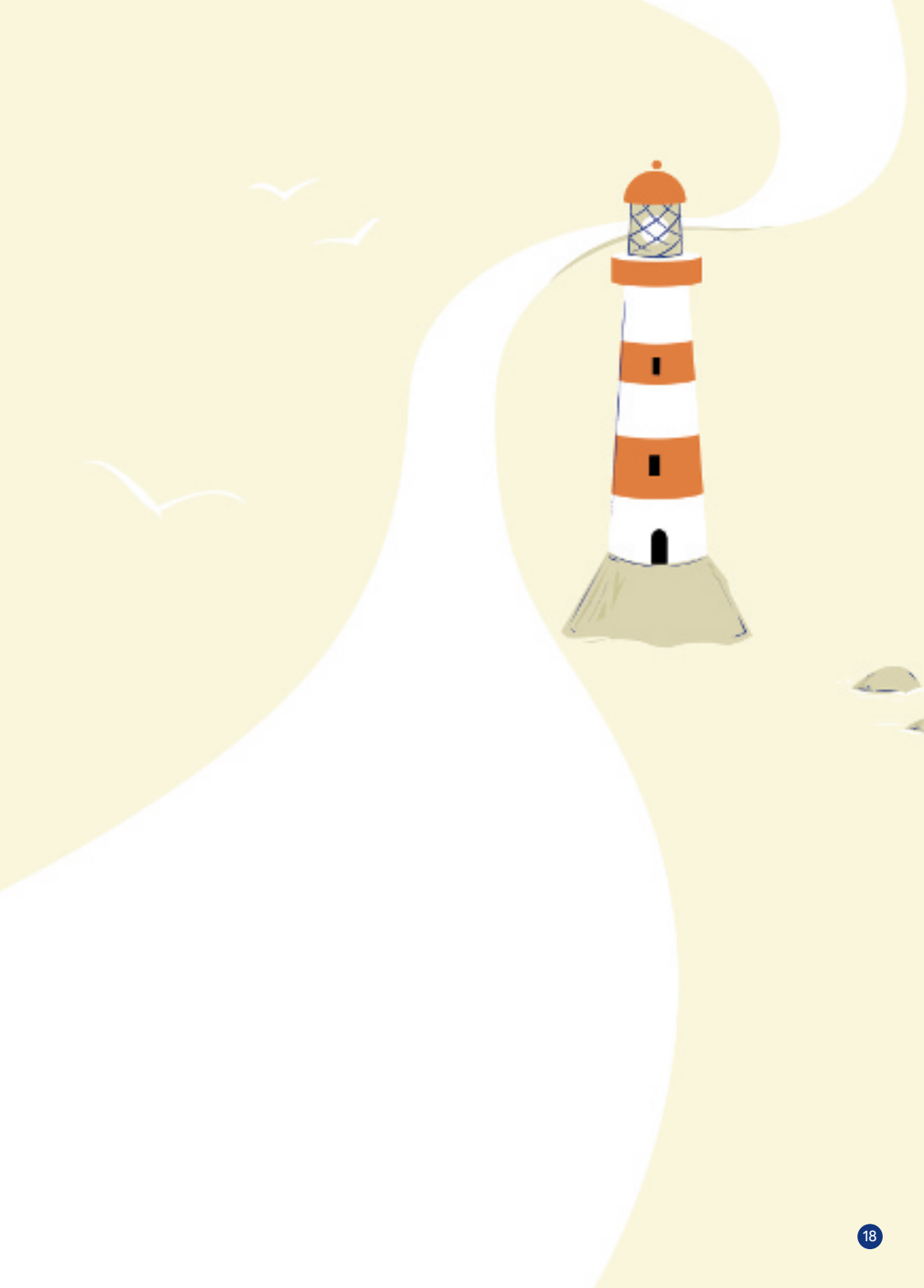
You don't have to do anything as the changes will happen automatically. Most of them will start happening from **20th March 2011**.

Please make sure you also read both the enclosed '**Terms and conditions and other important information**' leaflets which detail all the changes to your banking and savings accounts.

Any questions?

Thank you for taking the time to read this leaflet. If you have any questions or need any further help, please call us free on **0800 032 4654**, visit your local branch or see **www.bankofscotland.co.uk/changes**





Contact us if you have any further questions.

You don't have to do anything as the changes will happen automatically. Most of them will start happening from **20th March 2011**.

It's easy to get in touch



If you need any more help, please
call us 0800 032 4654

If you're calling from outside the UK please call us on
+44 (0) 113 245 0060. Lines are open Monday to Sunday 24 hours



Click
www.bankofscotland.co.uk/changes



Or visit your local branch
where we'll be happy to help

We want to help our customers in any way we can. If you have a hearing or speech impairment, you can use Typetalk whenever you contact us, or you can use Textphone on 0800 032 4901 (lines open 9am to 5pm, Monday to Friday). For visually impaired customers, we can provide documents in large print, Braille, on audio-cassette or CD. Please speak to a colleague if you'd like to know more.

Bank of Scotland plc.
Registered in Scotland No. SC327000.
Registered Office: The Mound, Edinburgh EH1 1YZ.

Authorised and regulated by the Financial Services Authority, except for lending, where we are licensed by the Office of Fair Trading. We also subscribe to The Lending Code. Details can be obtained from www.lendingstandardsboard.org.uk

SGBCBS

Reference code - for internal use only

