ING Direct Savings Account Terms and Conditions

Valid from 1 January 2012

Please read this booklet carefully and keep it safe so you can refer to it in the future.

ING DIRECT

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Conditions for the ING Direct Savings Account

ING Direct

1 This agreement

1.1 This agreement relates to your ING Direct Savings Account, an easy-access variable rate savings account.

1.2 This agreement is between you and us and is made up of:

- these terms and conditions; and
- any further conditions set out in the letter or other documentation we send you when you open an ING Direct Savings Account with us.

1.3 If any of the terms of the letter or other documentation we send you when you open an ING Direct Savings Account with us contradict any of the conditions set out in these terms and conditions, the terms of that letter or other documentation will apply.

1.4 General law may apply to the accounts and the services that we provide to you. Except where the general law cannot be changed or excluded, if any provision of general law is not consistent with this agreement, this agreement will apply.

1.5 We may change the terms of this agreement from time to time, as explained in conditions 16 and 17.

1.6 For more information about us (ING Direct), how you can make a complaint and how we use your information, please see the section headed "Important Information" at the end of these terms and conditions.

2 Words with special meanings

In these terms and conditions the words in bold below have the following meanings.

Account number

The number that identifies a specific account you hold with us. A joint account will only have one account number.

Business day

The days on which amounts can be paid into or out of your account.

These days are any day other than Saturdays, Sundays or English bank holidays.

See also conditions 11 and 12 which tell you about the different times we need to receive instructions in order to be able to process them on the business day they are received or deemed to be received.

This is different from our opening hours (see page 2).

Customer number

The unique nine digit number which we give you when you become an ING Direct customer. If you have a joint account, each of you will have a separate customer number.

Interactive Telephone Banking Service

The automated touch-tone phone service we provide for checking your identity and allowing you access to accounts over the phone. This is accessed through our customer service number which is 0845 603 8888.

Linked account

A personal current account in your name (including a joint account but not a business account) with another mainland organisation in the UK (excluding the Channel Islands and the Isle of Man) which we link to your customer number. This means that the linked account is linked to your ING Direct Savings Account. A linked account must have a Direct Debit facility and may also be required to have a chequebook.

Memorable date

The six digit memorable date (dd/mm/yy) you choose as part of the security details for accessing your account.

Our mobile site

mobile.ingdirect.co.uk, when available, or any other mobile site (or sites) of ours which we tell you about.

Our opening hours

The times when we are open for you to contact us, which are on our website (ingdirect.co.uk) or our mobile site (mobile.ingdirect.co.uk).
Our opening hours depend on the way you contact us and may change from time to time so please check our website or our mobile site for details.

PIN

The unique six digit personal identification number (PIN) which you must use as part of the security details for operating any accounts you have with us.

Same Business Day Withdrawal Limit

The withdrawal payment limit up to or equal to which we will action a payment on the same business day that we receive your instruction (or are treated as receiving it). We may vary the amount from time to time; please see our website or our mobile site for the current limit. Please see condition 12.3 for details of when we will treat an instruction as being received the next business day and condition 12.4 for further details regarding withdrawals.

Security details

Your PIN, your memorable date and your customer number. You need to use these details in order to access your account. If you do not have them access to your account may be restricted.

We, us, our

ING Direct N.V., which is authorised as a bank in the UK.

Our website

ingdirect.co.uk or any other website (or websites) of ours which we tell you about.

3 About the ING Direct Savings Account

3.1 The ING Direct Savings Account is an easy-access variable rate savings account. You can pay money into the account in several different ways such as by electronic transfer from another UK bank account. You can take money out by transferring it electronically to another UK bank account that you have set up as a linked account or to another savings or mortgage account you hold with us in the UK. Further details about payments to and from your ING Direct Savings Account are given at conditions 11 and 12.

3.2 You may hold up to 10 ING Direct Savings Accounts with us at any time.

3.3 If any of your ING Direct Savings Accounts (including any joint accounts) were opened before 8 November 2007, and are still open, this condition 3.3 will apply for all of your ING Direct Savings Accounts, including any sole or joint accounts opened on or after that date. The most you can have in any one ING Direct Savings Account is £2,000,000 (excluding any interest added to the savings account after that limit is reached). If the total balance of any one ING Direct Savings Account is more than £2,000,000 (excluding any interest added to the savings account after that limit is reached), and provided you do not already hold 10 ING Direct Savings Accounts with us, you agree that we may open a separate ING Direct Savings Account (under the same terms and conditions) in your name and pay the excess into that account, or we may pay the excess to you instead.

3.4 If your ING Direct Savings Account was opened on or after 8 November 2007, and you do not have at least one ING Direct Savings Account open which you opened before that date, this condition 3.4 will apply for all of your ING Direct Savings Accounts. The most you can have at any time as the total of the balances of all of your ING Direct Savings Accounts is £1,000,000 (excluding any interest added to your account or accounts after that limit is reached). If all of the balances of your ING Direct Savings Account or Accounts total more than £1,000,000 (excluding any interest added to an account after that limit is reached), you agree that we may pay the excess to you.

4 Eligible customers

Our savings accounts are available to people aged 18 or over who are living permanently in the UK, not including the Channel Islands and the Isle of Man. To open an account you must have a personal UK bank or building society current account with a Direct Debit facility and, in certain circumstances, also a chequebook. Our savings accounts are not available for trusts, businesses or charities. If you stop being eligible for the account, we may close it (see condition 18).

5 Security and access

5.1 When you first open an account with us we will give you a customer number and may give you a temporary PIN. You will need to change your temporary PIN in order to activate your first ING Direct account. We tell you more about this at condition 5.3. We will also ask you to choose a memorable date. Your customer number, PIN and memorable date are your security details and you will need to use some or all of your security details each time you contact us. Further details are set out below.

5.2 Your customer number is a unique nine digit number. If you have a joint account, we will give each of you a separate customer number. You will keep the same customer number for as long as you are one of our customers. You will only have one customer number no matter how many accounts you have with us. (However, you will of course be given a separate account number for each account you have with us.)

5.3 Your PIN is a unique six digit number. When you first open an account with us we may give you a temporary PIN. You must change your temporary PIN as part of the process of activating your first ING Direct account. If you have a joint account, we will give each of you a separate temporary PIN and both of you must change your temporary PIN as part of the process of activating your joint account. You will then use the new PIN you choose as part of the security details for operating the account and any other accounts you open with us.

5.4 When you first open an account with us you must choose a memorable date. This must be a six digit number (dd/mm/yy). Joint account holders must each choose a separate memorable date. Once you have chosen a memorable date for the first account you open with us, you will then use the same date for any other accounts you open with us. You can change your memorable date at any time, but it must always be a six digit number. We cannot accept your PIN or your date of birth as your memorable date.

5.5 If you have forgotten your PIN or your memorable date or both, you must follow the processes set out below:

- If you have forgotten your PIN, you must call the customer service number (0845 603 8888) to request a new PIN. We will then refer you to our Interactive Telephone Banking Service, where you will be asked to enter your memorable date. We will then post a new temporary PIN to you. While you are waiting for your new temporary PIN to arrive, you may use our Interactive Telephone Banking Service to give us instructions to transfer money. However, while you are waiting for your new temporary PIN, you cannot instruct us to set up a new linked account, or to change your personal or contact details.
- If you have forgotten your memorable date, you must call the customer service number (0845 603 8888) and we will help you to set a new memorable date.
- If you have forgotten both your PIN and your memorable date, you must call the customer service number (0845 603 8888). We may ask you to provide us with further security information. We will then help you to set a new memorable date and we will issue a new temporary PIN and post it to you. Once you receive the temporary PIN you must change it to a number of your choice.
- We will send your new temporary PIN to your main address. We cannot send it to any temporary address, in line with condition 9.19.

5.6 We will not ask you for any of your security details except as explained in this condition 5 and condition 9.1.

5.7 So that you can use our services securely, you must do all you reasonably can to keep your security details safe and in particular you must:

- not reveal your security details to anyone else, including in response to a request for this information (even if it claims to come from us) except when you are accessing our services

from our website (ingdirect.co.uk), our mobile site (mobile.ingdirect.co.uk) or by using our Interactive Telephone Banking Service;

- keep your memorable date separate from your PIN and from your customer number and account details (you should only use these on our website (ingdirect.co.uk), our mobile site (mobile.ingdirect.co.uk) and when using our Interactive Telephone Banking Service). Unless you are activating a new PIN number on our website or on our mobile site or by using our Interactive Telephone Banking Service, we will not ask you for your memorable date or PIN in full once you have activated the first account you open with ING Direct;
- not quote your PIN or memorable date when calling the customer service number;
- tell us as soon as you can by calling us on the customer service number (0845 603 8888) if you have lost any of your security details or if you know or think that someone else knows any of your security details or has stolen them or is using them without your consent;
- tell us immediately by calling us on the customer service number (0845 603 8888) if you think anyone else has used your account. You should check the statements we provide and, where available, review electronic transaction summaries and online statements and tell us about any mistakes as soon as possible;
- not let anyone else use your account, unless you have made a separate arrangement with us for this; and
- comply with any security warnings or advice we give you, including through security announcements on the Security section of our website and our mobile site.

5.8 If we have suspended any of our services for any of your accounts with us you can contact us by calling the customer service number (0845 603 8888) to ask us to make the suspended service(s) available for you to use again. We will action your request if we reasonably believe it is appropriate for us to do so.

5.9 You can call us on our customer service number (0845 603 8888) to report lost or stolen security details, unauthorised use of your account or to ask us to make a suspended account available to use again. If you are calling outside our opening hours we may ask you to call a special out of hours number.

5.10 We will do everything we reasonably can to prevent any unauthorised access to accounts and to make sure they are secure, including:

- taking reasonable steps to protect the secrecy of your PIN and memorable date;
- suspending our services immediately if we suspect that the account is not, or may not be, secure, if you have told us about any unauthorised or fraudulent use of the account or if we think that there could be unauthorised or fraudulent use of the account; and
- providing you with a new way of accessing your account, if we need to withdraw one of the existing ways you can access your account set out in condition 9.1 (note that if we do this we will not ask you for your memorable date or PIN in full).

5.11 We can stop your ability to use your security details and to access and make payments on your accounts. We can do this if we reasonably believe this is necessary for reasons relating to:

- the security of your security details; or
- suspected unauthorised or fraudulent use of your security details;

5.12 Unless it would be unlawful for us to do so or it would compromise our security measures, we will phone you if we intend to stop your ability to use your security details. If we are unable to contact you before we stop your ability to use your security details then we will tell you immediately afterwards.

5.13 So that we can check and, if necessary, address any issues, you must tell us immediately by calling the customer service number (0845 603 8888):

- if you have any problem with our Interactive Telephone Banking Service or on our website or on our mobile site;
- if you become aware of any technical incident or other fault linked to the way in which you access your account which might put the security of our services at risk; or

- if you become aware of any irregularities with any third party payment procedures on other websites or mobile sites or elsewhere which may lead to your account being used or accessed by someone without your authority.

6 Opening an account

6.1 To open an ING Direct Savings Account, you must make an opening deposit of £1 or more. We may set limits from time to time on the maximum amount of the opening deposit. The limit may vary depending on the way you open your account. We will tell you about the applicable limit at the time you open an account.

6.2 If you do not already have another savings account with us in the UK, the opening deposit must be made by debit card, Direct Debit or cheque from an account that can be set up as a linked account which you have specified in your application to open your account, unless you are opening a joint account, in which case the opening deposit must be made by cheque from such an account, unless you already have another (joint) account with us in the UK. We may on occasion require an opening deposit to be made by cheque from an account that can be set up as a linked account which you have specified in your application to open your account even if you are not opening a joint account. We explain more about paying cheques into your account at condition 11.4. We tell you which types of account can be set up as linked accounts in condition 7.

6.3 If you already have another savings account with us in the UK, if you are opening your account online or by phone the opening deposit must be transferred electronically from another account you hold with us in your name or by Direct Debit from a linked account. We may not accept opening deposits from certain types of account, for example ING Direct Fixed Rate Savings Accounts. If you are opening your account by post the opening deposit must be made by cheque from another UK bank account in your name.

6.4 If you are opening a joint account, your initial deposit cheque must be from a personal current account in both your names, or you must each send us an initial deposit cheque from your individual personal current accounts, unless you already have another (joint) account with us in the UK.

6.5 Unless you already hold another savings account with us in the UK, when you ask us to open a new account for you, we are required by law to check your identity and we will not be able to complete the account opening process until we have carried out various checks. If we cannot do the checks electronically, we will ask you to provide suitable identification documents (for example, a gas or electricity bill as proof of your address and a certified copy of your UK driving licence or passport as proof of your identity). When you ask us to open the account, we will let you know which documents we will accept as proof of your address and identity.

6.6 We will not complete the account opening process and, other than the initial deposit, we will not accept any more deposits until we have satisfactorily carried out our checks. If we cannot satisfactorily carry out our checks within 21 days of receiving your first deposit, we may return your deposit (with any interest after tax that has built up and any other sums credited to the account) and reject your application to open the account. If we do this, we will return your deposit (with any interest after tax that has built up and any other sums credited to the account) either to your linked account or, to the account your opening deposit was received from. If we have not received your initial deposit and satisfactorily carried out our checks within 45 days of receiving your application to open the account, we may reject your application to open the account. In these circumstances, you will not be treated as having opened the account.

7 Linked accounts

7.1 Your ING Direct Savings Account must always have a linked account.

7.2 Except for transfers to other savings or mortgage accounts you hold with us in the UK, you can only make a withdrawal from your ING Direct Savings Account by transferring money to your linked account. You can find more information about withdrawals at condition 12 of this agreement.

7.3 A linked account can be a personal current account in your name or that you hold in joint names with anyone else at another UK bank or building society.

7.4 For an account to be a linked account, you must be able to set up Direct Debits from the account and we may require you to have a chequebook for the account with your name (or joint names, in the case of a joint current account) pre-printed on each cheque.

7.5 Where we accept an initial deposit by cheque or electronic transfer (other than a debit card payment) from a personal current account in your name or that you hold in joint names with anyone else at another UK bank or building society, we will automatically make that account your linked account.

7.6 To set up a linked account we may require you to send us a cheque from that account. We tell you more about paying cheques into your account at condition 11.4.

7.7 We have the right to check that you are the account holder of the linked account.

7.8 You must give us a Direct Debit instruction for the linked account. Your Direct Debit instruction will end if you do not use the Direct Debit facility for 60 months. You will then need to set up a new Direct Debit instruction. Apart from your first deposit, you cannot normally ask us to transfer funds from the linked account to your ING Direct Savings Account unless we have a valid Direct Debit instruction for that linked account.

8 Joint accounts

8.1 An ING Direct Savings Account can be opened as a joint account for a maximum of two people. The following terms apply for joint accounts:

8.2 Each one of you is responsible for following the terms of this agreement. If one of you breaks the terms, we can take action against either or both of you.

8.3 We may give any information about your joint account to either of you. You each agree that we can act on notices or information given by either of you.

8.4 Either of you may instruct us to:

- make payments or transfer amounts from the account; or
- close the account and then transfer the balance to a new account in only one of your names.

8.5 If either of you dies:

- we will consider the remaining customer to be entitled to all of the funds in your joint account and we will allow the remaining customer to access the funds in your joint account. We may keep your account open in the sole name of the remaining customer or we may close the account and open a new account in the sole name of the remaining customer then transfer the funds to that new account; and
- we may need to see a death certificate, grant of probate, certificate of confirmation and/or grant of representation before allowing access to any of the funds in the account.

8.6 A notice we send to one of you will count as a notice to both of you. We will send statements in your joint account name to the first address listed for your account.

8.7 You must each activate your PIN number before either of you can give us instructions.

8.8 Once both your PINs are active, either of you can give us instructions, which means that either of you will be able to withdraw money from your account without the other being involved. We do not have to confirm the instruction with the other.

8.9 If we find out that either of you is or may be declared bankrupt or that there is a dispute between the two of you, we may put a hold on the joint account and refuse to pay out any amount from it until we receive joint instructions from the account holder who has not become bankrupt and the person appointed to handle the bankrupt person's assets or, in the case of a dispute, until we have received satisfactory confirmation that the dispute between you has been resolved.

9 Communication and payment instructions

9.1 To give us instructions or get information about your account, you must use our website (ingdirect.co.uk), our customer service number (0845 603 8888) or our Interactive Telephone Banking Service. If the service is available it may also be possible to use our mobile site (mobile.ingdirect.co.uk); please see our website or our mobile site for details. You will need to provide your security details. This will normally involve the following:

- When you use our website or our mobile site, you must enter your customer number, your last name, the numbers we ask for from your PIN and your memorable date.

- When you use our Interactive Telephone Banking Service, you must enter your customer number and either three of the numbers we ask you for from your PIN, or your memorable date.
- When you call our customer service number to give a payment instruction to one of our staff, we will normally refer you to our Interactive Telephone Banking Service to enter your customer number and either three of the numbers we ask you for from your PIN, or your memorable date.

9.2 You must have a touch-tone phone to use our Interactive Telephone Banking Service. Otherwise you will have to give instructions or get information about your account using our website (ingdirect.co.uk). If available you may also be able to use our mobile site (mobile.ingdirect.co.uk).

9.3 You agree that as long as we are given either the numbers we ask for from your PIN or your memorable date (or both) as part of our security procedures, we can (without getting further confirmation from you):

- act on any instruction given on our website, our mobile site, by the Interactive Telephone Banking Service or to a member of our customer service staff to make payments into or out of an account; and
- release confidential information we hold about you and your accounts.

This condition still applies if an unauthorised person gave us that information after getting it because you did not keep your security details or other confidential information about your account secret, or you did not take all reasonable precautions to prevent unauthorised or fraudulent use of them, or because you have acted fraudulently.

If you have a joint account, we can rely on numbers from the memorable date together with numbers from the PIN of either customer.

9.4 You must have a suitable mobile device to access our mobile site.

9.5 The ability to transact through our mobile site will be more limited than on our website; details are available on our website (ingdirect.co.uk) and our mobile site (mobile.ingdirect.co.uk).

9.6 Once we have acted on an instruction, you cannot cancel it.

9.7 We may refuse to carry out a payment instruction. Before we act on a payment instruction, we may also (but do not have to) get further confirmation from you or take more steps to check whether you authorised it. For example, we may ask you to provide more information to verify your identity. We may refuse or delay carrying out a payment instruction if for example:

- there is not enough money in your account to make a payment out;
- we need to comply with legal requirements, such as regulations to tackle money laundering or a court order;
- the payment instruction is not clear or if you have not given us enough details to carry out the payment instruction;
- we believe that the payment instruction may have been given by you or someone using any of your security details in order to obtain money or any other service illegally or fraudulently; or
- making the payment would mean you exceed any daily or other limit or restriction on the payments that can be made into or out of your account.

9.8 Unless it would be unlawful for us to do so, we will contact you as soon as possible to tell you if we have refused or delayed carrying out a payment instruction and to tell you the reasons for our refusal or delay and what you can do to correct any factual errors which led to our refusal or delay. We will contact you either by phone or, if we cannot contact you by phone, by post.

9.9 We may in some cases agree to accept instructions given by a person who has 'power of attorney' (legal authority to act for you). We will only accept instructions from an attorney if we are satisfied that this complies with our procedures for accepting instructions from attorneys from time to time. We will not accept instructions from attorneys appointed on a temporary basis, for example while you are on holiday.

9.10 You can usually use your account by using our website (or our mobile site for some services).

However, routine maintenance, demand on the systems and other circumstances may mean that this is not always possible or that particular services are slow or not available.

9.11 Unless we agree otherwise in writing, we cannot accept payment instructions or requests for information about your account by post or e-mail. This is because it is not secure for you to send your memorable date, PIN or other security details by post or e-mail. Condition 9.1 contains important conditions on how you can contact us to give payment instructions or get information about your account.

9.12 Except for giving us payment instructions or to get information about your account, you can contact us by phone or by post (ING Direct, Freepost NATW1784, Reading, Berkshire, RG6 1BR or any other address we give you for contacting us).

9.13 If our contact details change, we will tell you. If you write to us to give us notice (for example, to let us know that your circumstances have changed for tax purposes), the notice will not be valid until we have received it. If you send us any original, valuable or important documents, we recommend that you send them by special delivery.

9.14 We may record or monitor your phone calls to us:

- to make sure we follow your instructions accurately, and act as a record of those instructions in the event of a dispute between us;
- to ensure that you have a record of any calls you make to tell us that you have lost your security details or that you think someone else has stolen them or is using them without your consent, or to ask us to make any suspended services available for you to use again;
- to help us maintain the quality of our service; and
- for security and training purposes.

9.15 We will contact you using the most recent e-mail address, postal address or phone number you have given us (including for SMS messages where appropriate). Any notice we send to the most recent address we have for you will be binding on you.

9.16 We will never send any confidential information to you, or request confidential information from you, by e-mail.

9.17 We will never request any confidential information from you via SMS but we may send limited information to you via SMS if you have requested this.

9.18 If your contact details change, or if you change your name, you must tell us by calling the customer service number (0845 603 8888). If you do not tell us about a change of address and, as a result, post is returned to us, we may restrict access to the account until we receive satisfactory proof of your new address.

9.19 You may ask us to use a temporary postal address by calling the customer service number. However, we can decide whether or not we will accept that address. If we accept a temporary postal address:

- we may choose what information and documents to send to that address (in any case we will not send anything other than statements or non-confidential information there) and which to send to your main address;
- you must let us know, by calling the customer service number, when you no longer need us to use that address; and
- until you tell us that you no longer need that address, you will have to accept (and follow) any notice we send you at that address.

9.20 When you call the customer service number, you will normally be referred to our Interactive Telephone Banking Service. You will then have to enter certain numbers from your PIN or your memorable date.

10 Transaction limits

10.1 We will allow up to 10 transactions (that is, payments into your account or withdrawals, or both) on your account on each day.

10.2 We may restrict the circumstances in which you can use the Faster Payments Service and/or apply restrictions to the number of transactions and/or the transaction amount that can be made in

any daily, weekly or monthly period using the Faster Payments Service. Details of any restrictions will be available on our website (ingdirect.co.uk) or our mobile site (mobile.ingdirect.co.uk) or can be obtained by calling our customer service number (0845 603 8888).

11 Payments into your account

11.1 Payment options

11.1.1 Apart from your first deposit, once you have activated your account you can make more payments into it by:

- setting up a Regular Savings Plan (RSP) transfer;
- transferring money from your linked account by Direct Debit;
- arranging with another bank or building society to make a payment (for example, by electronic transfer);
- transferring money from another savings account you hold with us; or
- sending us a cheque from a UK bank account.

When making payments other than by cheque, debit card or Direct Debit you will have to give the bank or building society making the payment our sort code (40-61-98) and the ING Direct account number for the account you want the payment to be made to.

11.1.2 The minimum amount you can pay into your ING Direct Savings Account at any one time is £1. We may set maximum limits from time to time on opening deposits (see condition 6.1).

11.1.3 You can only make payments into your account in pounds Sterling.

11.2 Refusing a payment

We may in some cases refuse to accept a payment into your account. See condition 9.7 for details.

11.3 Direct Debits, standing orders and other electronic transfers

11.3.1 If we receive an instruction to collect a payment electronically from an account with another bank or building society after 6pm or on a day that is not a business day, we will treat it as though we received it on the following business day.

11.3.2 Payments from another savings account you hold with us to your ING Direct Savings Account instructed between midnight and 1am will be treated as having been made on the previous day.

11.3.3 When we receive an electronic payment for your account, we will show the funds in your account, pay interest on them and make the funds available for you to use immediately.

11.3.4 Sometimes after we have received payments made by electronic transfer or cheque, the paying bank may ask us to return that money (for example, if a Direct Debit payment is recalled).

11.3.5 If the paying bank recalls the payment, we will remove this amount from your account balance together with, where appropriate, any interest we have paid on that amount.

11.3.6 You can receive electronic payments into your account. Information regarding this is available on our website (ingdirect.co.uk) or our mobile site (mobile.ingdirect.co.uk).

11.4 Cheques

11.4.1 Any cheque that you send us for paying into your ING Direct Savings Account must be made out to you (using your name, or in the case of a joint account one or both of your names, as stated on your ING Direct Savings Account). You must write your customer number and your ING Direct Savings Account number (if we have already given you your account number) on the back of the cheque.

11.4.2 When we receive any cheque made out to you that you have asked us to pay into your ING Direct Savings Account, we will:

- have it sent to the bank the cheque is issued by for them to pay it;
- show the cheque in your account on the business day that we receive it. If we receive a cheque after 2pm or on a day that is not a business day, we will treat it as though we received it on the following business day;
- start paying interest on the cheque from the third business day after we show the amount of the cheque in your account; and
- make the amount of the cheque available for you to use from the seventh business day after we show the amount of the cheque in your account.

11.4.3 If the cheque is returned to us unpaid at any time up to the end of the sixth business day after we show the amount of the cheque in your account, we will take the money back from your account without your consent. We will tell you if this happens.

11.4.4 From the end of the sixth working day after we show the amount of the cheque in your account, if the cheque is returned to us unpaid then unless you have acted fraudulently we cannot take the money back from your account without your consent.

12 Withdrawals from your account

12.1 Withdrawal options

12.1.1 You can make withdrawals by electronically transferring money from your account by using our website (ingdirect.co.uk), our mobile site (mobile.ingdirect.co.uk) for some withdrawals (please see our website or our mobile site for details) or by calling our customer service number (0845 603 8888) or by using our Interactive Telephone Banking Service, during our opening hours.

12.1.2 You can tell us when you want the withdrawal payment (of all or part of the funds in the account) to be made, but you must allow for the time it takes for the money to be transferred, as set out in conditions 12.4 and 12.5.

12.1.3 You can transfer any amount from £1 up to the balance available to you.

12.1.4 You can only withdraw money by asking us to transfer money to:

- a linked account; or
- another savings or mortgage account you hold with us in the UK.

12.2 Refusal of withdrawals

We may in some cases refuse to accept an instruction to make a withdrawal from your account. See condition 9.7 for details.

12.3 Cut-off times for instructions

12.3.1 When we receive an instruction to make a withdrawal to an account at another bank or building society after 6pm or on a day that is not a business day, we will treat the instruction as having been received on the next business day. This includes where you ask us to make a withdrawal because you are closing your account and are telling us where to send the closing balance. For more details about closing your account, please see condition 18.

The timescales for making withdrawals given in this condition assume that we have received your instruction before 6pm on a business day.

12.3.2 When we receive an instruction between midnight and 1am to make a withdrawal to another savings account you hold with us in the UK, we will treat the instruction as having been received on the previous day. This includes where you ask us to make a withdrawal because you are closing your account and are telling us to send the closing balance to another savings account you hold with us in the UK. For more details about closing your account, please see condition 18.

12.4 Transfers to linked accounts

When we receive an instruction from you to transfer money from your ING Direct Savings Account to a linked account, the following will apply:

- if your payment instruction does not state that the payment should be made on a later date we will usually take the amount of the payment from your account on the business day we receive your payment instruction if it is equal to or below our Same Business Day Withdrawal Limit (see our website or our mobile site for details).
- interest will continue to be payable on the amount of the payment until it is taken from your account.
- depending on the amount of the payment and whether or not it is prior to the cut-off time (as above) your balance may still include the amount of the payment; if so you will see a message on our website or our mobile site if applicable reminding you that a payment is pending and the remaining balance;
- if your payment instruction states that the payment should be made at a later date we will transfer the money from your account on that later date or, if the later date is not a business day, on the next business day;
- if the amount of the payment is equal to or less than our Same Business Day Withdrawal Limit (see our website or our mobile site for details) then the payment will leave your ING Direct Savings Account on the business day we receive the payment instruction (or the business day we are treating your instruction as having been received) and will usually reach the linked account on the same day. This is subject to the bank the linked account is held with accepting the payment and timescale and the exact time it takes will vary. We will tell you how long the payment is expected to take when you give us the instruction to make the withdrawal;
- if the amount of the payment exceeds our Same Business Day Withdrawal Limit (see our website or our mobile site for details) we will take the amount of the payment from your account on the business day after the day when we receive your payment instruction (or are treating your instruction as received) and it will usually arrive in the linked account that day. For example, if we receive an instruction to take a payment from your account on Tuesday, it will usually arrive in the linked account on Wednesday. This is subject to the bank the linked account is held with accepting the payment and timescale and the exact time it takes will vary. We will tell you how long the payment is expected to take when you give us the instruction to make the withdrawal and;
- where you instruct us to make a payment on a later date you can only cancel it up to the end of the business day immediately before the payment is to be made.

12.5 Transfers to ING Direct accounts

When we receive an instruction from you to transfer money from your ING Direct Savings Account to another savings or mortgage account that you hold with us in the UK, the following will apply:

- if your instruction does not state that the payment should be made on a later date we will take the money from your account on the day we receive the instruction and it will reach the other account immediately;
- if your instruction states that the payment should be made at a later date we will take the money from your account on that later date (or, if the later date is not a business day, on the next business day) and it will reach the other account immediately; and
- where you have given us an instruction to make a payment at a later date, you can only cancel the instruction up to the end of the business day before the payment is to be made.

12.6 Refunds

We will refund the amount of any payment from your account and pay you the amount of any interest that you would have earned if the payment had not been made if:

- we did not make the payment correctly or if the payment never arrived, unless any of the details that you gave us when asking us to make the payment were incorrect or we can show that the payment was received by the bank that the account the payment is being made to is held with; or
- you tell us as soon as possible after a payment has left your account that the payment was not authorised by you and following reasonable investigation, we are satisfied that the payment was not authorised by you.

We will only refund the amount of any unauthorised or incorrectly made payment or pay any interest that would have been earned if the payment had not been made if you tell us that the payment was incorrect or unauthorised within 13 months after the date on which the payment was made or to be made.

13 Confirming transactions on your account

13.1 When you give instructions for transactions on our website or our mobile site you should check our website (ingdirect.co.uk) or our mobile site (mobile.ingdirect.co.uk) as appropriate for confirmation that we have received the instruction.

13.2 If you carry out a transaction by calling the customer service number or using our Interactive Telephone Banking Service, we will confirm it on the call.

13.3 We will not give you separate written confirmation when we receive funds into your account. These amounts will appear on your statements and electronic transaction summaries.

14 Statements

14.1 An electronic transaction summary including details of payments into and withdrawals out of your account is available to you via our website (ingdirect.co.uk) and this will show payments and withdrawals as soon as they have happened. You can print off a copy of your electronic transaction summary or, if you would like us to post you a paper summary of transactions, you can call our customer service number (0845 603 8888). Limited summaries may be available on our mobile site (mobile.ingdirect.co.uk); please see our website or our mobile site for details.

14.2 Even if there have been no payments into or withdrawals out of your account we will send you a paper statement or if we have agreed to give you statements only via our website (ingdirect.co.uk) an online statement once every three months. If you would like us to send you a copy of your three monthly statement, you can call our customer service number (0845 603 8888).

14.3 If you opened your account by post, we will post your three monthly statements to you (unless you ask us to make them available only via our website (ingdirect.co.uk)). If you opened your account on our website, we will make your three monthly statements available online (unless you ask us to post them to you). If you opened your account by phone you can choose to receive your statements either by post or online. If we make your three monthly statements available online, we will send you an e-mail to tell you when your latest statement is available. If you choose to receive your three monthly statements online, each statement will only be available online for one year.

14.4 For the purpose of your statements and electronic transaction summaries, a day runs from 1am to 1am and transactions made between 12 midnight and 1am will be shown as being made the previous day.

14.5 You must check your statements and electronic transaction summaries carefully and tell us as soon as possible if any items appear to be incorrect.

15 Fees and charges

There are currently no fees or charges for the ING Direct Savings Account. However, we may introduce or vary charges in line with condition 16. Please note that your internet or telephone provider may make a charge for their services for you contacting us by telephone or using our website or our mobile site.

16 Changing the terms of this agreement (other than interest rates)

16.1 This condition tells you about changes to the terms of the agreement between us except changes to interest rates, which we tell you about in condition 17.6.

16.2 We may change any of the terms of this agreement for any valid reason by giving you at least two months' advance notice of the change by post or e-mail. This includes changing or introducing any fees and charges but does not include changes to interest rates, which we tell you about at condition 17.6.

16.3 Where we give you advance notice of a change to any of the terms of this agreement, if you do not like the change you can close your account at any time within the notice period. This is in addition to your general right to close your account set out in condition 18. If you do not ask us to close your account within the notice period, we can assume that you have accepted the change.

17 Interest and changes to interest rates

17.1 The interest rate on the ING Direct Savings Account is variable. We will work out interest each day on the total balance in your account at the end of the day. We will add the interest to your account on the last day of each month.

17.2 We will pay net interest (interest with tax being taken off) on any account unless you have instructed us otherwise and:

- appropriately completed an online R85 registration on our website (ingdirect.co.uk) for that account; or
- sent us an appropriately filled-in form R85 (available on the HM Revenue & Customs website at www.hmrc.gov.uk) for that account; or
- called our customer service number (0845 603 8888) to give us a declaration about your tax status for that account.

For a joint account, both account holders must complete an online R85 registration, fill in a form R85 or phone us to make a tax declaration before we pay gross interest (interest without tax being taken off) on the account.

17.3 If you phone us to make a tax declaration, or complete an online R85 registration or send us a form R85 for an account, you must make separate declarations, or complete separate online R85 registrations or send us separate forms R85 in line with condition 17.2 for each account you hold with us.

17.4 Any interest due to you will be paid as gross interest (interest without tax being taken off) for the period from the first day of the month in which we receive your online R85 registration, or your form R85 or your tax declaration by phone. We will not add the difference between gross interest and net interest paid in previous months to your account.

17.5 If you receive gross interest (interest without tax being taken off) on any account, you must tell us immediately by calling our customer service number (0845 603 8888) if your circumstances change so that you need to pay tax on the interest on that account.

17.6 Changes to interest rates

17.6.1 We may change the interest rate on your account from time to time. Except where condition 17.6.3 applies, we will always inform you with reasonable advance notice of any change to the interest rate and give you at least the minimum period of notice required by law or regulation.

17.6.2 When we give you advance notice of a change to the interest rate on your account, if you do not like the change you can close your account at any time within the notice period. This is in addition to your general right to close your account set out in condition 18. If you do not ask us to close your account within the notice period, we can assume that you have accepted the change.

17.6.3 We may change the interest rate on your account immediately without prior notice if the change is to your advantage. We will then inform you of the change as soon as possible.

18 Closing your account

18.1 You may ask us to close your account at any time, but you must phone us with this instruction. When we receive your instruction to close your account after 6pm or on a day that is not a business day, we will treat your instruction as having been received on the next business day.

18.2 We may close your account by giving you at least two months' notice in writing (sent by e-mail or post). We do not have to give you a reason.

18.3 We may close your account immediately in exceptional circumstances. Examples of these circumstances are if:

- we reasonably believe that you are no longer eligible to hold the account;
- we reasonably believe your conduct, relating to the account, is very unreasonable;
- you have not met our reasonable conditions relating to identification;

- you or someone else using the account is doing so illegally or fraudulently;
- you have given us false information;
- it is not appropriate for a person authorised to give instructions on your account to run it; or
- you have repeatedly or seriously (or both) broken the terms of this agreement.

18.4 If we close your account, it will not affect any legal rights or obligations which may already have arisen or which may arise as a result of this agreement. If we close your account:

- we will transfer any funds we hold for you, plus any interest built up in the account (after taking off tax which applies and any amounts you owe us) to your linked account, or, if we have not completed the account opening process and you paid your opening deposit by debit card, to the account your opening deposit was received from or to your linked account (see condition 6.6); and
- you must pay us any amounts you still owe us, or which you become due to pay us, after we have closed your account or accounts.

18.5 If you die, unless the account is a joint account, once we receive the appropriate notification that you have died we will close your account and transfer the funds in the account to the account nominated in the claim form submitted by your personal representatives or the executor of your estate. We tell you what happens if a joint account holder dies at condition 8.

18.6 You can cancel this agreement by calling the customer service number (0845 603 8888). If you do this we will close the account and we will transfer the balance and any interest (after tax and any amounts you owe us) to your linked account or, if you paid your opening deposit by debit card, to the account your opening deposit was received from. This is in addition to your right to close the account under condition 18.1. The cancellation period is 14 days beginning on the day we open your account or (if later) the day you receive a copy of this agreement and any other information about the account that we are required to give you. If you do not exercise your right to cancel, you will be subject to the terms of the agreement until your account is closed.

19 Liability

19.1 Unless you have acted fraudulently you will not be responsible for an instruction someone else made using your security details or other confidential information relating to your account if:

- it is given after we have received notice from you that someone else knows the relevant information or that you think someone has used your account without your permission; or
- someone else knows the relevant information as a result of our actions or negligence.

19.2 We will be responsible to you for any direct loss which you suffer as a result of us failing to meet our obligations under this agreement.

19.3 Subject to conditions 19.4 and 20, we will be responsible to you for the amount of any withdrawal made from your account and pay you the interest you would have earned if that withdrawal had not been made where you (or if the account is a joint account, the joint account holder) did not ask us to make the withdrawal.

19.4 We will not be liable for:

- indirect loss;
- loss of business, opportunity or profit;
- the amount of any payments made from your account either incorrectly or without your authorisation where you have not informed us promptly or within 13 months after the date of the payment that the payment was not authorised or was incorrect;
- any loss caused by:
  - your failure to keep your security details or other confidential information about your account secure;
  - your failure to take all reasonable precautions to prevent unauthorised or fraudulent use of your PIN, memorable date or other confidential information about your account; or
  - your acting fraudulently;

- any loss you suffer as a result of our refusing or delaying a payment instruction, provided we have acted reasonably and in accordance with this agreement;
- anything beyond our reasonable control (including an event or series of events that disrupts our service or causes your instructions to be delayed or not acted on);
- any direct loss which you suffer as a result of using our services on an internet browser or mobile internet browser which is not approved by us as detailed on the 'technical' page of our website (ingdirect.co.uk) or on our mobile site (mobile.ingdirect.co.uk); or
- the security and reliability of instructions you give us by visiting our website or our mobile site if you have not installed or maintained adequate protection on your computer against, for example, viruses and spyware.

19.5 Nothing in this agreement will restrict or remove any legal duty or responsibility we may have towards you if we are unable to restrict or remove it by general law.

20 Compensating us for loss

20.1 You agree to compensate us fully for any loss we suffer if a claim is made against us, or a claim we make is defended, because of:

- something you have done (which you should not have done) or failed to do (which you were supposed to do) in connection with the products or services we provide to you; or
- you breaking this agreement.

This means that you are promising to pay us an amount which represents a reasonable assessment of our losses, liabilities, costs and payments (which would not have arisen otherwise) resulting directly from this sort of claim or defence or from you breaking this agreement. This includes the reasonable costs incurred by us in investigating and managing the matter as well as our reasonable legal costs.

20.2 The protection which you give us under condition 20.1 will not apply if we deliberately or negligently caused the loss, liability or damage or as far as the protection is not consistent with relevant laws or regulations.

21 Dormant accounts

21.1 If you, or anyone who you hold a joint savings account with, do not use your PIN and other security details to access any of your savings accounts with us for three years, we may restrict access to all of the savings accounts you hold with us. However, you will be able to ask us to remove the restrictions by contacting us at any time.

21.2 If there have been no payments into or out of your account for 15 or more years (or any other period specified by law) then we may transfer the money in your account to a 'reclaim fund'. A reclaim fund is a separate organisation authorised to accept unclaimed money in 'dormant' bank accounts. You will be entitled to claim your money and any interest payable on it back from the reclaim fund and we will provide you with information to help you to do so.

21.3 Please ask us if you would like more information on dormant accounts.

22 Transferring rights and obligations

22.1 Unless this agreement says otherwise, you may not transfer your legal rights in your account, or in any income from the account, to anyone else. For example, you cannot give anyone any rights over your account as security for a loan or other debts, unless this agreement allows you to.

22.2 We may transfer any of our rights and obligations under this agreement to any other person or business. If we transfer any of our obligations, we will make the other person or business take on equivalent obligations towards you. We will satisfy ourselves that they are competent to carry out those obligations properly.

22.3 If we transfer our rights and obligations under this agreement to another person or business, we may (but do not have to) give you at least 30 days' notice. If we give you notice, and you continue to use your account or any service we provide under this agreement (or allow any other person to do so) from the date the notice period ends you agree that:

- your existing and future obligations to us under this agreement will become obligations to the person we transfer our rights and obligations to;

- the person we transfer our rights and obligations to will take on all our existing and future obligations to you under this agreement; and
- references to we, us, our in this agreement will each mean the person we transfer our rights and obligations to.

23 Legal action against you

If we receive formal notice of a fine, a court order or a court judgment against you (or, if you have a joint account, any other account holder), we may refuse to allow withdrawals or transfers from your account until the fine is paid or the legal process comes to an end. You are responsible for an amount which represents a reasonable assessment of any losses, costs or expenses we have as a direct result of any dispute or legal action with someone else involving your account.

24 Claims on your account and bankruptcy

24.1 If another person makes a claim for any of the funds in your account (for example, if someone takes legal action to recover funds they believe belong to them), if we know or believe that there is a dispute involving someone else about who owns or controls funds in the account or if a bankruptcy petition (or any equivalent insolvency process, including in Scotland a petition for sequestration) is presented against you, we may:

- put a hold on your account and refuse to pay out any funds until we are satisfied that the dispute has ended or the bankruptcy petition or equivalent insolvency process has been recalled;
- send the funds to the person who we have good reason to believe is legally entitled to them, or transfer the funds to the linked account;
- continue to rely on the current records we hold about you;
- apply for a court order; or
- take any other action we feel is necessary to protect us.

24.2 If we have acted reasonably, we will not be liable to you for taking any of those steps.

25 General

25.1 If we decide not to enforce any condition of this agreement for you, this may be a temporary measure or a special case. We may enforce it strictly again at any time.

25.2 If you die or become unable to manage your account, all payments made from your account will be valid and binding on you and your estate if they were made before we received written notice of your death or inability.

25.3 This agreement is in English and we will communicate with you in English.

25.4 Other costs or taxes may apply to your account as well as any mentioned in this agreement. If any taxes apply as a result of you entering into this agreement, you must pay them yourself.

25.5 Unless we say differently in these conditions, no other person has any rights under these conditions other than you and us.

25.6 If anything which is outside our control (such as technical failures, power cuts or industrial action) prevents us from providing you with any of the account services referred to in these conditions, we will do our best to solve the problem as quickly as we can. We will not have to provide you with the services affected in the meantime.

26 Law

26.1 If you live in England or Wales, English law applies to this agreement and to any communications we have with you before you open an account with us and the courts of England and Wales may deal with any claim, dispute or difference arising from this agreement.

26.2 If you live in Scotland, Scots law applies to this agreement and to any communications we have with you before you open an account with us and the Scottish courts may deal with any claim, dispute or difference arising from this agreement.

26.3 If you live in Northern Ireland, Northern Irish law applies to this agreement and to any communications we have with you before you open an account with us and the Northern Irish courts may deal with any claim, dispute or difference arising from this agreement.

Important information

Your personal information

How we use your information and who we share it with

- You can get more details of how we use your information on our website (ingdirect.co.uk) or on our mobile site (mobile.ingdirect.co.uk).
  If you would like written details, please ask us.
- We may pass details to fraud-prevention agencies for them to hold and use for the purposes of detecting or preventing fraud.
- We may also share your information with:
  - our agents and others who provide a service to us and you; and
  - any person or business (and their advisers) who might take over our rights or obligations under our agreement with you, to allow them to prepare for taking these over. After that, we may allow that person or business to use and share your information in the same way.
- To provide the service you have asked for, we may share your information with organisations working under our instruction outside the European Economic Area (which currently includes the European Union, Iceland, Liechtenstein and Norway). We will not do this unless we are satisfied that your information will be processed as securely as if we were processing it.
- We will not pass your information to anyone outside our organisation (except for the purposes described above) unless:
  - we have your permission;
  - we have to do so or are allowed to do so by law;
  - we have a duty to the public to reveal the information; or
  - our interests mean we must give the information.
- We may use your information to produce statistics and carry out research about fraud and our products.
- We may also use your information for testing our systems.
- We may use your information to tell you about other products and services you may be interested in. We can give you details by letter, phone, mobile phone (including text messages) or e-mail.

Your rights

- You can receive a copy of the information we hold about you if you write and ask us for a copy. You may need to pay a fee.
- You can stop us contacting you about other products and services. You can contact us at any time in the future if you want us to stop.
- You can receive details of the fraud-prevention agencies we get information from, and which record information about you, if you write and ask us for these details.

Complaints

We are committed to giving you a service of the highest standard. If things do go wrong, we want to correct the matter as quickly as we can. If you have a complaint, please contact us. You can do this by phoning our customer service number (0845 603 8888), e-mailing us at info@ingdirect.co.uk, or writing to us at:

ING Direct
Freepost NATW1784
Reading
Berkshire
RG6 1BR.

You must not send us your PIN or memorable date, or other information you consider confidential, by e-mail or post.

We will try to resolve your complaint on the phone or as soon as we reasonably can. If it is likely to take longer, we will take your details and arrange for your complaint to be fully investigated and researched as soon as possible. When we receive your complaint, we will confirm this in writing within five business days and send you a final response within eight weeks.

For full details of our complaints procedure, please see our website (ingdirect.co.uk), contact us at the address shown above, or phone the customer service number (0845 603 8888). If you are not satisfied with our final response, you can send your complaint to:

Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London
E14 9SR.

Or you can call them on 0845 080 1800 or 0300 123 9123.

Industry guidance and codes of practice

We follow all applicable industry guidance and codes of practice.

About ING Direct

ING Direct N.V. is a limited liability company incorporated under the law of The Netherlands and registered with the Trade Registry of the Chamber of Commerce and Industry of Amsterdam, The Netherlands under number 34.13.76.38. Registered in England and Wales at Companies House with branch reference number: BR7357.

Authorised and regulated by De Nederlandsche Bank (the Dutch Central Bank) and subject to limited regulation by the Financial Services Authority. Details on the extent of our regulation by the Financial Services Authority are available from us on request.

Financial Services Authority firm reference number 229688.

Important information about compensation arrangements

We are part of ING Direct N.V. which is based in The Netherlands. Most depositors are covered by the Dutch Central Bank's Deposit Guarantee Scheme, (known as the Deposit Guarantee Scheme) which is also based in The Netherlands.

This means that if our bank is unable to meet its financial obligations, our eligible UK depositors would be entitled to claim the sterling equivalent of up to €100,000 per depositor from the Dutch Central Bank's Deposit Guarantee Scheme.

For information as to the amount in pounds sterling, which is updated at least monthly, please refer to the www.ingdirect.co.uk/savings/ section of our website or call us.

For further information about the Dutch Central Bank's Deposit Guarantee Scheme (including the amounts covered and eligibility to claim) please contact us at the address shown above, or phone the customer service number (0845 603 8888) or refer to The Dutch Central Bank at www.dnb.nl/en/home/index.jsp.

All ING Direct savings customers who are eligible to have a savings account with us in the UK will be covered by the Dutch Central Bank's Deposit Guarantee Scheme.