Fixed Rate Bonds

principality.co.uk

Summary Box

What is the interest rate?

Interest is calculated each day on the money in the account and paid:

- annually (each year), on the anniversary of the account opening; or
- monthly, starting one month after the date your bond opened, and then each month after that

(See the meanings of 'Gross' and 'AER' below this summary box)

Term of bond	Gross* interest each year	Gross* monthly interest each year	AER†
1 Year (Issue 561)	4.80%	4.70%	4.80%
2 Year (Issue 565)	4.75%	4.65%	4.75%
3 Year (Issue 563)	4.70%	4.60%	4.70%
5 Year (Issue 564)	4.65%	4.55%	4.65%

Can Principality change the interest rate?

No, the rate is fixed for the term until the bond matures (when the account comes to an end).

What would the estimated balance be at the end of the fixed term based on a £1,000 deposit?

This is based on you choosing to have interest paid annually and added to your bond, and you not making any further payments into the account.

Term of bond	Deposit at account opening	Balance at term end	Interest earned
1 Year (Issue 561)	£1,000.00	£1,048.00	£48.00
2 Year (Issue 565)	£1,000.00	£1,097.26	£97.26
3 Year (Issue 563)	£1,000.00	£1,147.73	£147.73
5 Year (Issue 564)	£1,000.00	£1,255.15	£255.15

This example is for guidance only, to show you what a future balance could look like. It does not consider your individual circumstances.

Summary Box continued

How do I open and manage my account?

- There is no minimum age to open this account. If you are under 14, it must be opened as a trust account.
- You must be a UK resident (see your Fixed Rate Bond account terms).
- You can open the account in branch, at an agency or online. If you want to open this account with funds transferred from a Principality fixed term account that has matured, you can do this online, in branch, at an agency or by post.
- You must keep at least £500 (the minimum balance) in the account.
- If your bond reaches £2,000,000 you cannot pay any more money in.
- You must make the first payment into your bond within five business days of opening. If you don't, we may close the account.
- You can keep making payments into your bond while we are still offering this bond to customers.
- Your bond will mature at the end of your term, on the anniversary of the account opening.
- You can manage your account in branch, at an agency, by post, or by using a secure online profile with Principality.

Can I withdraw money?

- No, you cannot make withdrawals or close your bond before it matures.
- We will write to you before your bond matures to find out what you want to do with your money.
- If we don't receive any instructions from you before your bond matures, we will move your money to our Instant Access Account or the nearest equivalent we offer at the time.

Additional information

- Service charges and costs may apply to your bond. These are set out in our Tariff of Charges.
- If the total amount of interest you earn is more than your tax-free Personal Savings Allowance, you may have to pay tax directly to HM Revenue & Customs (HMRC).
  For more information, visit gov.uk and search Personal Savings Allowance.
- **Children are not exempt from paying tax.** If the total amount of interest earned by a child is more than their tax-free Personal Savings Allowance, they may have to pay tax directly to HM Revenue & Customs (HMRC). If a child earns more than the limit specified by HMRC during a tax year from money given by a parent, the parent may also have to pay tax. For more information visit gov.uk and search 'interest on savings for children'.
- In certain circumstances we may refuse an instruction for using an account.
  These circumstances are set out in our Savings Terms and Conditions.
- The interest rates quoted above were correct on 12/11/2026.

Please turn over for Account Terms

Meanings of Interest terms

* **Gross** interest is the rate of interest before income tax is deducted at the rate set by law.

† **AER** stands for Annual Equivalent Rate and illustrates what the interest rate would be if interest were paid once each year on the whole balance, including previous interest payments.

Principality Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, reference number 155998.
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Account Terms

These account terms, along with the summary box and our Savings Terms and Conditions, apply to your Fixed Rate Bond.

If there is any difference between these account terms and the Savings Terms and Conditions, these account terms will apply.

Opening your bond

To open and use your bond, you must either be:

- a UK resident, meaning that you have your permanent home in the UK (except the Channel Islands or the Isle of Man); or
- a Crown employee (employed by the Government and serving overseas), or married to or in a civil partnership with a Crown employee.

You'll need proof of your address and identity.

Your bond will open on the date we receive your correctly completed application.

The account can have up to four joint account holders. You can add new account holders once the account is open.

You can open the account in your own name online. The account cannot be opened online by someone acting on your behalf, (for example a trustee or someone who has power of attorney to act for you.)

This bond has limited availability. We can stop accepting new applications at any time.

Putting money into your bond

The first payment into your bond must be at least £500. If we do not receive the payment within five business days of the account opening, we may close it.

You can make payments into your bond by cash, cheque or electronic payment from another UK bank or building society account, or a Principality account in your name, if allowed by that account.

If we stop offering the bond you open to customers, you cannot make further payments into it.

You must keep at least £500 (the minimum balance) in your bond. If the bond reaches £2,000,000, you cannot pay any more money in.

The bond has a fixed interest rate, so it won't change before the end of the fixed term.

We work out the interest on the money in the account daily. You can choose to have the interest paid every month or once a year (annually).

If you choose to have interest paid annually, it will be paid on the anniversary of your bond opening.

Annual interest can be:

- paid into your bond;
- paid into another Principality account in your name; or
- paid be electronic payment into another UK bank or building society account in your name, if the interest is £5 or more.

Monthly interest will be paid on the same day each month, starting one month after your bond is opened.

Monthly interest can be paid into another Principality savings account in your name or, if the interest is £5 or more, by electronic payment to another UK bank or building society account in your name.

Taking money out of your bond

This is a fixed term bond, so you can't take money out of the account until the end of the fixed term.

When your bond matures

Your bond will come to an end (mature) at the end of the fixed term.

We'll contact you before the end of the fixed term to find out what you want to do with your money.

If we don't hear from you before your bond matures, we will move all of the money in your bond into our Instant Access Account or the nearest equivalent we offer at the time.

Closing your bond

As this is a fixed term bond, you can't close the account until the end of the fixed term.

For information about when we can close your bond, see the Closing your savings account section of the Savings Terms and Conditions.

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