



Penrith
building society

Listening and Supporting, Since 1877

TERMS AND CONDITIONS FOR INVESTMENT ACCOUNTS



TERMS AND CONDITIONS FOR PENRITH BUILDING SOCIETY INVESTMENT ACCOUNTS: INFORMATION SECTION

How to Contact Us

You can contact us by:

- visiting our office at 7 King Street, Penrith;
- telephoning us on 01768 863675;
- visiting our website www.penrithbs.co.uk
- emailing us at enquiries@penrithbs.co.uk

Please note that ways of contacting us may be restricted in relation to certain products. If so, this is mentioned in the product leaflet and terms and conditions of the particular account.

Opening an Account

To open an account with the Society, you will need to let us have:

- a completed application form;
- at least the minimum investment amount for the type of account;
- proof of your identity. We will also perform an electronic check of the details provided.

Please note that we can refuse to open an account without giving any reason. There will not be any contract between us until we have opened an account.

Identification Requirements

We are required by law to check the identity and address details of all account holders. A schedule listing the types of acceptable documents is issued with these terms and conditions. If you cannot provide any of the identification documents listed, please contact the Society on 01768 863675 for further guidance.

If you already have an account with the Society, and the details we have about you have not changed, then we may not need to check your name and/or address. Please enquire for further details.

We reserve the right to carry out any further checks on your identity if we think we need to do so in order to comply with our legal obligations. You will need to let us have additional evidence if you change your address. For further details, see the terms and conditions mentioned below.

As part of these checks, we may make searches with credit reference agencies.

Terms and Conditions

The terms and conditions that apply to all our savings accounts are set out on pages 8 to 26 of this booklet. Special conditions may apply to particular types of account. Where this is the case, these Product Specific Conditions will be detailed fully within the product leaflet for the account.

You should read the terms and conditions carefully. If there is anything contained within them you do not understand, please ask us.

You have a right to obtain a copy of the Terms and Conditions that apply to your account at any time while it is open.

Charitable Assignment

We require that, when you open an account, you agree to give to the Charities Aid Foundation any windfall benefits to which you might become entitled on any conversion or takeover. Please see the application form for further details.

This requirement does not apply to you if you have been a member of the Society continuously since before 1st October 2000 or a borrowing member at the time the account is opened.

Changing Your Mind

If you open a new account and then change your mind, then as long as you tell us by writing to us at our Principal Office within 14 days after the contract is entered into (or, if later, 14 days from the day you first receive, on paper or electronically, the terms and conditions and other information relating to it) you can:

- have your money back; or
- switch to another available account.

In this case, you will not have to

- give any period of notice;
- lose any interest on the account you are closing; or
- pay any other charges. Please also see Condition 3.2 of the terms and conditions.

Tax

The Society pays interest on all ISAs tax free. We will pay interest on all other savings accounts gross, ie. without tax deducted, you may still need to pay some tax to HMRC in respect of your savings income. For more information on how the allowance works please go to www.gov.uk and search for Personal Savings Allowance.

Tax treatment depends on your individual circumstances and may be subject to change in the future.

Joint Accounts

Unless the special conditions for a particular account specify otherwise, accounts can be opened in the names of two or more people (up to a maximum of 4). Although joint accounts can be convenient, it is very important that you understand the consequences of having an account in more than one name.

These are set out in Condition 16 of the terms and conditions in this booklet. A booklet "You and Your Joint Account" is available on request.

Data Protection and Confidentiality Your Rights

For the purposes of General Data Protection Regulation, the Penrith Building Society is the Data Controller responsible for the processing of your personal data. You have the right to request in writing a copy of the details held about you and where necessary the right to object to certain processing, the right to correct, sometimes delete and restrict the personal data the Society uses. In addition, you have the right to complain to the Society and the Information Commissioners Office, which enforces data protection laws, at <https://ico.org.uk>. As a result of the General Data Protection Regulation, we have published a Privacy Notice to make it easier for you to find out how we use and protect your information. A copy of the Privacy Notice has been provided to you, you can also view this on the Society's website www.penrithbs.co.uk or a copy can be picked up in Branch.

Where you have provided your consent to the Society, such as to receive marketing messages, you have the right to withdraw it at any time. You can do this by calling into the Branch, phoning us on 01768 863675 or writing to us at 7 King Street, Penrith, Cumbria, CA11 7AR.

How we use your data

- a) Penrith Building Society will only retain your personal data only for as long as necessary to administer your account in line with regulatory and legal requirements.
- b) Penrith Building Society processes your personal information to enable it to provide a service for its members and customers which may include managing your accounts, maintaining its own accounts and records, supporting staff training and development, promoting its services; undertaking market research and the provision of financial services and advice.
- c) If false and inaccurate information is provided and fraud is identified, your details will be passed to fraud prevention agencies.
- d) Penrith Building Society requires a lawful reason to process your personal data and for some processing more than one legal basis may be relevant (except where the Society relies on Consent). The Society uses the following reasons to process your personal data: Consent, Performance of a Contract, Legal Obligation and Legitimate Interests.

Keeping you up to date about products and services

The Society would occasionally like to provide you with details of products, services and other promotions which may be of interest to you. This may be by telephone, post or email. We will remind you of your right to alter your marketing preferences from time to time, or you may change them at any time by writing to the Society's head office.

Complaints

We always try to provide a first-class service. Occasionally, however, things can go wrong. If they do, we'll try to put them right.

Complaints Procedures

If you wish to complain you can make a complaint by writing to: Mrs Susan Askew, Penrith Building Society, 7 King Street, Penrith, Cumbria. CA11 7AR.
Alternatively you can contact us in person at the branch office, by telephone on 01768 863675 verbally or via the Society's website www.penrithbs.co.uk
There is no charge made for making a complaint.

We take complaints very seriously and recognise that they require a prompt and thorough investigation. The investigation will include a detailed analysis of your complaint and where applicable, an assessment of the appropriate level of redress and any further actions required to prevent reoccurrence of the issue.
We will respond in writing to your complaint within 3 working days. This will either be an acknowledgement letter providing reassurance that your complaint has been received and is being dealt with, or in the case of a quick resolution, a Summary Resolution Letter.
Upon completion of the investigation, a full and final response will be issued. However, if the complaint cannot be resolved within eight weeks we will write to you advising of the reasons why.

Summary Resolution Letter

A summary resolution letter will:

- Confirm that your complaint has been received;
- Confirm that your complaint has been investigated; and
- Accept the complaint and, where appropriate offer redress; or
- Offer redress without accepting the complaint; or
- Reject the complaint and give reasons for doing so; and
- Include a copy of the internal procedures for handling a complaint, where a copy has not already been issued.
- Inform you that you may now refer the complaint to the Financial Ombudsman Service; and
- Enclose a copy of the Financial Ombudsman Service standard explanatory leaflet.

Acknowledgement Letter

An acknowledgement letter will:

- Confirm that your complaint has been received;
- Confirm that your complaint is being investigated; and
- Include a copy of the internal procedures for handling a complaint, where a copy has not already been issued.

Final Response Letter

A Final Response will:

- Accept the complaint, and, where appropriate, offer redress; or
- Offer redress without accepting the complaint; or
- Reject the complaint and give reasons for doing so; and
- Inform you that you may now refer the complaint to the Financial Ombudsman Service; and
- Enclose a copy of the Financial Ombudsman Service standard explanatory leaflet.

Eight Week Letter

If we are not in a position to make a final response after 8 weeks we will issue you with a letter stating:

- Why we are not in a position to provide one; and
- Inform you that you may now refer the complaint to the Financial Ombudsman Service; and
- Enclose a copy of the Financial Ombudsman Service standard explanatory leaflet.

Financial Ombudsman Service (FOS)

Following our Summary Resolution Letter, Final Response Letter or Eight Week Letter you are entitled to forward the complaint to the Financial Ombudsman at:

The Financial Ombudsman Service
Exchange Tower

London

E14 9SR

Telephone: 0300 123 9 123 or 0800 0234567

E-mail: complaint.info@financial-ombudsman.org.uk

Website: www.financial-ombudsman.org.uk

You must do this within six months of the date of our response to your complaint.

Financial Services Compensation Scheme

We are part of the Financial Services Compensation Scheme. Details of this scheme, and who is covered by it, will be provided separately.

Membership Rights

Individuals holding share accounts with the Society are members of the Society and are bound by our Rules. You can get a copy of the Rules by asking at our office.

The Rules set out the rights and obligations attaching to membership. While joint account holders are all members, only the first-named can exercise any membership rights (for example, the right to vote at meetings) arising from the account. Please see the terms and conditions for more details.

A booklet "Your Rights as a Building Society Member" is available on request.

What You Can Do to Protect Your Accounts

You can help prevent misuse of your account by:

- taking care of your passbook and other account information, letting us know as soon as possible if your passbook is lost. The best way to let us know is by telephoning us on 01768 863675.
- letting us know as soon as possible of any change in your name, address, email or telephone number or if you do not receive any information that you were expecting to receive from us.
- checking your statements or passbook regularly.
- taking care when getting rid of information about your account (people who commit fraud use many methods such as "bin raiding" to get this type of information – you should take simple steps such as shredding printed material).
- co-operating with us (or the Police) in investigating transactions.
- never giving your account details or security information to anyone unless you know who they are and why they need them.

Please also see Condition 19 of this booklet.

GENERAL TERMS AND CONDITIONS FOR PENRITH BUILDING SOCIETY SAVINGS ACCOUNTS

1 Introduction

1.1 These terms and conditions (referred to as the “Conditions”) apply to all savings accounts with the Society, except to the extent that they are inconsistent with Product Specific Conditions for particular accounts (in which case, those special conditions will apply). The Conditions apply to successive operations or a series of operations of the same nature to be performed over time in respect of your accounts.

1.2 In the Conditions:

- references to “the Society”, “we”, “us” and “our” are to Penrith Building Society and include our successors and anyone to whom we transfer our rights in respect of an account;
- references to “you” and “your” are to holders of savings accounts and include your personal or other legal representatives;
- “normal business hours” means 9am to 5pm on Monday, Tuesday, Thursday and Friday, 9:30am to 5pm on Wednesday and 9am to 12.30pm on Saturdays; and
- “working day” means a day other than a Saturday, Sunday or bank holiday.
- “Nominated Account” means the personal UK bank or building society account which you have given us details of when you opened your account with us (or any replacement account which you have told us you would like us to use for this purpose which meets our requirements and which we have updated on our records as your Nominated Account). This is the account which we require to be used to send/ receive payments into/out of your account. Nominated Accounts must be held with UK banks or building societies, must be capable of receiving faster payments, CHAPS and BACS and you must be named as the account holder.

1.3 If you are a company, other form of corporation, partnership or unincorporated body (such as a club), please refer to Condition 24 for additional requirements which apply as well as the rest of these conditions.

1.4 You have the right to obtain a copy of these Conditions at any time while your account is open. You can do this by writing to us at our Principal Office or asking in person at our Principal Office or looking on our website.

2 Membership

- 2.1 If these Conditions apply to your account you will be a member of the Society (and therefore our Rules will also apply to you as a member) unless your account is a deposit account. The Product Specific Conditions will state if your account is a deposit account. These Conditions and/ or any Product Specific Conditions, will override the Rules in case of any inconsistency. A copy of the Rules is available on request at our Principal Office.
- 2.2 If you have a deposit account, you are not a member of the Society by virtue of that account. You are, however, bound by some of our Rules, namely [4(4) to (6), 5, 6(1) to (3), 8(4) and (5), 12(5) and 44]. These rules apply to deposit account holders (as if they were shareholding members), except to the extent that they are inconsistent with these Conditions.
- 2.3 All new savers from 1st October 2000 are subject to the Society's Charitable Assignment Scheme, full details of which are set out in the application form.

3 Opening an Account

- 3.1 We will require evidence of identity and address before an account is opened. If we receive money without evidence of identity that is satisfactory to us, then we may return the money or retain it pending instructions from any relevant authority.
- 3.2 You will need to satisfy any requirements in the Product Specific Conditions about which customers the account is available to (for example any minimum or maximum age, Cumbria residents only etc) before we can open it.
- 3.3 Once you have opened an account, you have 14 days after the contract is entered into (or, if later, 14 days from the day you first receive, on paper or electronically, these terms and conditions and other information relating to the account) to notify us in writing at our Principal Office that you want to change your mind. If you notify us within this time, we will help you switch to another of our accounts or (assuming we have received cleared funds) give you back your money together with any interest it has earned. We will ignore any notice period and any extra charges stipulated in the Product Specific Conditions. **Please note that this Condition 3.3, and the option to change your mind, do not apply to fixed rate accounts, or to accounts where the price depends on rises and falls in financial markets outside our control that may happen during the cancellation period.**
- If you do not exercise your right to change your mind, you will continue to be bound by these terms and conditions and any Product Specific Conditions that apply to the particular account.
- 3.4 Where the Product Specific Conditions require you to have a Nominated Account, the money used to open the account must be from the Nominated Account
- 3.5 We can refuse to open an account without being obliged to give a reason.

4 Account Details

4.1 The address that you provide in the application form for the account will be the registered address for you and will remain the registered address for you until it is changed in our records.

4.2 It is your responsibility to notify us of any change of address. You should also notify us of any change of name and telephone number and email address if you have told us you want to be contacted in this way. All notifications must be in writing.

4.3 You agree to produce evidence of any new name or address, if we ask to see it. If your account has a passbook, you must send or produce it to us so that we can note the change of details.

4.4 You agree to provide us with specimen signatures, if we ask for them.

4.5 If you have more than one savings account with us, you must make sure that the registered address we have for you is the same in respect of each account.

4.6 If:

- you lose your passbook; and
 - at or about the same time you notify us of a change of address,
- then we will not issue any cheques from the account payable to anyone other than you for a period of 7 days from the date we receive the notification. This is to protect you against possible fraud.

4.7 Your account will have a unique number. Please quote this in correspondence with us. You will also need this when paying money in or withdrawing it.

4.8 You can ask us to change your Nominated Account in writing or via secure messaging through @PBS, the change will take up to 5 working days to take effect. We may ask you to produce proof of your new Nominated Account. We will be unable to accept instructions for payments to be made to the new Nominated Account until this time period has elapsed however, you may continue to make payments to your original Nominated Account during this time.

5 Minimum and Maximum Account Balances

5.1 The minimum and maximum amounts that can be held in any particular account are set out in the Product Specific Conditions.

5.2 We can close an account if the amount in it is below the minimum for that account. We will give you at least 30 days' notice before doing this. During this period, you can pay in more money to bring the balance up to the minimum. Instead of closing the account (or during any period when it is below the minimum amount) we may pay a reduced rate of interest.

5.3 The overall maximum holding by any one person in respect of all savings accounts with the Society is £200,000.

6 Paying Money into Your Account

- 6.1** Unless the Product Specific Conditions for a particular account specify otherwise, you can generally pay money into your account at our office during our normal opening hours or by bank transfer or post. However, for security reasons we do not recommend that cash is sent by post. Please see Condition 7.2 regarding when interest becomes payable.
- 6.2** Unless the Product Specific Conditions specify otherwise, money may also be paid into your account by electronic transfer (CHAPS or Faster Payments) or standing order. It is your responsibility to ensure that all the account details are provided correctly. The payer will need to quote the Society's bank account details and a reference including your account name and account number. If your account name and account number are not quoted the payment will be returned.
- 6.3** For security reasons, we reserve the right to refuse to accept large sums of money in notes or coins.
- 6.4** If you wish to pay money into your account by standing order you will need to set this up direct with your bank.
- 6.5** We cannot accept payments by direct debit.
- 6.6** Cheques made payable to the Society will only be accepted for payment into an account if they contain additional details (such as the name(s) of the account holder(s) or the account number), so that it is clear who the money is intended for. You should note that cheques normally become out of date after six months.
- 6.7** When paying in money by cash, you will need to produce your passbook or provide your account number.
- 6.8** The central clearing cycle for cheques (and automated payments, including those over the telephone or internet) is three working days. Our normal practice is to allow withdrawals against a debit card transaction after 4 working days or for a cheque, 6 working days after it has been paid in. Interest on a cheque or a debit card transaction paid in will be calculated from the day of receipt. For more details, please see conditions 7.2 and 10 of these terms and conditions.
- 6.9** Money paid into your account by cash or electronic transfer (being faster payment, BACS or CHAPs) will be available for withdrawal as soon as we receive it, subject to Condition 9. Money paid into your account by cheque or debit card will be available subject to the Society's clearance period as detailed in 6.8 above. Any sums received by us outside normal business hours or on a non-working day will be treated as having been received when we are next open for business on a working day. Please see Condition 10 regarding cheques.
- 6.10** Where the Product Specific Conditions require you to use a Nominated Account, payments into your account can only be made from the Nominated Account using the methods permitted under this Condition 6 and the Product Specific Conditions.

6.11 Payments into your account can only be made in £ sterling. If you are using a debit card to credit your account, the minimum value we will accept is £10 and this can only be taken from the account holders debit card.

7 Interest

7.1 We will tell you the interest rate that applies to your account (and when it is paid or credited) when you open it. This information is also available:

- in our Interest Rates leaflet;
- on our website;
- by asking our staff at our principal office;
- by looking at notices in our principal office; and
- by calling our office on 01768 863675.

7.2 On our accounts we generally:

- calculate interest on a sum deposited in cash, by debit card, cheque or electronic transfer from the day we receive it. Any sums received by us outside normal business hours or on a non-working day will be treated as having been received when we are next open for business on a working day.
- calculate interest on a sum withdrawn up to and including the day before the day you make the withdrawal.
- give you the choice of having the interest added to the account, paid into another account with us, or paid into your Nominated Account.

However, this may vary depending on the type of account. You should check the Product Specific Conditions for particular accounts. Further details of how and when interest is payable is contained in literature relating to particular accounts.

7.3 Subject to any Product Specific Conditions that apply to particular accounts (for example fixed rate accounts), we can change interest rates as set out in Conditions 7.5 to 7.7 below.

7.4 We may change interest rates at any time, if we reasonably believe that the change is needed, for any of the following reasons (which may relate to circumstances existing at the time or those that are expected to apply in the near future):

- to respond to changes in the law or the decision of a court or ombudsman;
- to respond to changes in the Bank of England base rate
- to respond to mortgage or interest rate changes generally (including the interest rates paid on similar accounts by other providers of financial services);
- to meet relevant regulatory requirements;

- to respond to new (or changes to) statements or codes of practice or industry guidance designed to enhance consumer protection;
- to respond to changes to our costs incurred in providing the account, including administration costs and costs of providing services or facilities;
- To enable us to manage margins between interest rates charged to our borrowers and interest rates paid to our investors, or the providers of funds to us, taking into account the interests of our business, the interests of our Members as a whole and your rights and interests as an account holder.

When we make any such change, we will act reasonably, and we will only make the change if we believe it is fair in the circumstances. Any change we make to interest rates will be proportionate to the circumstances giving rise to the change.

7.5 We can also change the rate of interest for any valid reason (other than a reason mentioned above) where we reasonably believe the change is fair in the circumstances, taking into account the interests of our business, the interests of our Members as a whole, and your rights and interests as an account holder. Any change we make to interest rates under this Condition will be proportionate to the reason giving rise to the change.

7.6 Changes may include the introduction or alteration of “bands” under which:

- interest is not paid where the amount in the account is below a certain level; and/or
- different rates apply depending on the amount in the account.

7.7 Where the change is an increase in the interest rate, we will tell you about it:

- by placing notices in our Principal Office, on our website and in the Cumberland and Westmorland Herald newspaper within three working days of the change; or
- within 30 days of the change, by letter, or other personal notice dependant on your contact preferences stated at account opening.

7.8 Where the change is a reduction in the interest rate, we will give you written notification of the change 14 days before it comes into effect.

This does not apply to:

- interest rate tiers applicable to balances below the minimum operating balance for the account (provided we have clearly told you about the minimum balance requirements);
- fixed rate accounts
- if the change is not material.

For this purpose, a change is ‘material’ if your account has a balance of £100 or more at the time the decision is taken to change the interest rate.

Where the reduction is not material, we will tell you about it in one of the ways mentioned in condition 7.7

7.9 If your account has a balance of £100 or more at the time the decision is taken to reduce the interest rate, notification will be provided either:

- at least 14 days before the rate change. You will then have a period of 30 days from the date of notification during which you may close or switch your account without having to give any period of notice or having to lose any interest or pay additional charges; or
- the notification will be provided at least 14 days plus the period of notice applicable to the account (or 30 days if longer than the notice period) before the rate change. In this case the normal notice period for making withdrawals from or closing the account will apply.

7.10 The information on our website will be updated within three working days of an interest rate change.

8 Account Charges

8.1 The only charges we make to your account are:

- If any cheque paid into your account is returned by the bank a charge of £10 may be debited.
- If, in exceptional circumstances, funds are transferred from your account with the Society directly to your account with another UK financial institution, a charge of £15.00 will be made.

8.2 Charges incurred under 8.1 above, will be debited to your account. We will notify you before we do this.

8.3 If we introduce or increase a charge relating to the day-to-day running of your account, we will give you at least 30 days' notice by letter or other personal notice, before the charge comes into effect. If we do introduce a charge it will be for any of the following reasons:

- to respond to changes to our costs associated with providing relevant products or services, including our administrative costs;
- to respond to changes in the law or the decisions of a court or ombudsman;
- to meet relevant regulatory requirements; or
- to respond to new (or changes to) statements or codes of practice or industry guidance designed to enhance consumer protection.

When we make any such change, we will act reasonably, and we will only make the change if we believe it is fair in the circumstances. Any change we make to our charges will be proportionate to the circumstances giving rise to the change.

8.4 Changes may include the abolition or alteration of existing charges or the introduction of new charges.

8.5 Where we make a change to existing charges, or introduce new charges, in respect of electronic payments into or electronic withdrawals from your account, we will give you at least two months' notice before the change comes into effect. At any time up to the date the change comes into effect, you have the right to switch the account or close it without having to lose any interest or pay any additional charges.

9 Withdrawals

9.1 Withdrawals may be made during our normal business hours on working days, subject to any Product Specific Conditions for the account and to our withdrawal limits which are set out in our account brochures and these Terms & Conditions.

9.2 No withdrawal will be allowed:

- if it would cause the account to be overdrawn (but if the account does become overdrawn you must immediately pay us back the amount by which it is overdrawn); or
- from a passbook account, unless you produce the passbook at the time of withdrawal, subject to the Product Specific Conditions
- Where the withdrawal is from an account which requires there to be a Nominated Account in place unless the withdrawal is made to the Nominated Account

9.3 We may refuse to allow a withdrawal if:

- We are not satisfied that we have the proper written authority for the withdrawal, in accordance with the mandate you have given us, or you have not produced your passbook in accordance with condition 9.2 A signed withdrawal form will be required in order to make a withdrawal.
- You have not given us evidence of your identity, if we have asked for this.
- We need to carry out further checks in order to comply with our anti-money laundering, financial crime or other legal requirements.
- We reasonably believe that there may be fraudulent activity or other financial crime affecting the account.
- We are required to do so by any law, regulation or court order.
- There is a dispute (which we reasonably believe may be genuine) about the ownership, or entitlement to, the money in the account.
- We reasonably believe that processing the payment would breach the requirements of these Conditions and the Product Specific Conditions.
- The amount of the withdrawal exceeds the withdrawal limits set out in the Conditions, as amended from time to time.
- There are insufficient cleared funds in the account to make the payment and/or to cover any charge for making the payment.

- You are subject to a bankruptcy, liquidation, receivership or administration order, or some other order relating to your bankruptcy or insolvency, or you have entered into a voluntary agreement with your creditors.
- We intend to exercise our right of set-off under Condition 23.
- You have lost your passbook (where applicable) and Condition 19.2 applies.

9.4 We may also refuse to allow a withdrawal, or restrict the amount that can be withdrawn, for the following reasons

- Due to circumstances beyond our reasonable control, as explained in Condition 22 or
- Circumstances exist which lead us reasonably to believe our financial stability is under threat (such as where rumours cause actual or potential abnormal levels of cash withdrawals)

In either of these cases

- We will act proportionately to the circumstances in question.
- We will notify you of the restriction by notices on our website and in our branch.
- We will take all reasonable steps to ensure that the restrictions are lifted as soon as practical and to minimise the inconvenience to you.
- We will take into account the interests of the Society's membership as a whole
- We will, if practical, give advance notice, and
- We may consider exceptions to the restrictions if we are reasonably satisfied that extreme substantial hardship would otherwise be caused. If this applies, written request must be submitted to the Society's Executives for consideration.

9.5 Where the restrictions on withdrawals affects accounts generally, we will notify the restriction by notices on our website and in our branch. If the restriction affects your account only, we will write to you to notify you. You can contact us to discuss any restriction in person at our branch, or by telephoning us on 01768 863675

9.6 If a withdrawal is made by a cheque in favour of someone other than you, we will not stop payment of the cheque unless we have clear evidence of fraud, or that the cheque has been lost, stolen or destroyed.

9.7 Please also note that:

- we do not permit withdrawals to be made by direct debit or standing order.
- if a large cash withdrawal is required a minimum of 48hours' notice is required. For this purpose, a large cash withdrawal is deemed to be more than £500. A large cash withdrawal is limited to a maximum of £5,000.

- A secondary form of identification may also be requested for large withdrawals
- At the discretion of the Society and only in exceptional circumstances, funds may be transferred directly to a customer's account with another UK financial institution. A charge is applied for these transactions.

9.8 If it appears to us that you are suffering from mental disorder or mental infirmity such that you are not capable of managing your affairs, we may agree to allow any person who appears to have care of you or to be managing your affairs to make withdrawals from your account. We may not allow this:

- in England and Wales, until we have given written notice to the Court of Protection and the Court has given written notice that it does not object (although we may exercise our discretion in cases of exceptional urgency);
- in Scotland, until approval has been given by a factor, curator or tutor (if you have one);
- in Northern Ireland, until approval has been given by a receiver, committee, guardian or controller (if you have one).

In all cases we may require the person who appears to have care of you or to be managing your affairs to give us an indemnity against any claims against us as a result of our allowing withdrawals. In certain cases, we may require the person to apply to the Court for authority to make withdrawals.

10 Uncleared Funds

10.1 Subject to any Product Specific Conditions for particular accounts, and to Condition 9, we will allow withdrawals against a debit card payment after 4 working days or cheque 6 working days after it has been deposited with us, provided we have not received notice that it has not been cleared. If the debit card payment or cheque is subsequently not cleared, then you will have to repay us the amount of the withdrawal to the extent that there is not enough other money in the account to cover it. However, we will not take money from your account, or require you to repay us, in respect of a debit card payment or cheque that has not cleared unless:

- you agree otherwise;
- you are knowingly a party to a fraud in respect of the cheque; or
- the money is reclaimed from your account before close of business at 5pm on the sixth working day after it was deposited with us.

If a cheque that is deposited by you is not cleared, we will tell you about this by writing to you.

10.2 For the purpose of Condition 10.1, the day of deposit of the cheque is the day it is paid at the branch counter or the day we receive the cheque by post, except that in each case if the time of payment in or receipt by post (as the case may be) is not before 5pm on a working day, then the day of deposit is the next following working day.

11 Unauthorised Payment Transactions

- 11.1** To dispute a payment transaction that you do not recognise, or you do not believe that you carried out and to claim a refund you will need to contact us as soon as possible, but no later than 13 months from the date the transaction was debited from your account. To notify us of a disputed transaction you should report it in person or via phone to our Principal Office on 01768 863675 (during office hours).
- 11.2** If you notify us of an unauthorised payment transaction, we may investigate the circumstances if, for example, we have reason to suspect fraud or that the payment was in fact authorised, or that you have deliberately or with gross negligence failed to comply with your obligations in relation to any personalised security features relating to your account.
- 11.3** If we do need to investigate under Condition 11.2, you must co-operate with us and the Police, if we need to involve them.
- 11.4** If you have acted fraudulently or you have authorised another person to use your account, you will be liable for all losses incurred as a result of the transactions.
- 11.5** If you have deliberately or with gross negligence failed to comply with your obligations in relation to any personalised security features relating to your account, you may be liable for all losses relating to transactions up to the date you notify us in accordance with Condition 11.8.
- 11.6** Subject to Conditions 11.1 and 11.5 inclusive and 12.1, we will refund to your account the amount of an unauthorised transaction.
- 11.7** If we make a refund and then discover that you did authorise the transaction or are otherwise liable, we may reverse the refund. We will notify you before we do this.
- 11.8** You must notify us as soon as possible if you become aware of any unauthorised transaction on your account or you suspect that any personalised security features relating to your account have been lost, stolen or liable to misuse.

12 Mistakes, delays and liability for losses

- 12.1** If we fail to carry out a payment transaction to a Nominated Account or other account in your name, correctly in accordance with these Conditions, then we will be liable to you as set out in Condition 12.3, unless;
- you did not give us the correct payment details. It is your responsibility to make sure that they are correct. If you provide us with the wrong account number or sort code, we will not be liable if the transaction is not carried out or is wrongly carried out. We will use reasonable endeavours to recover any money that has been sent wrongly, but we may charge you any costs we reasonably incur in trying to do this; or

- you fail to notify us when you become aware of the mistake or failure without undue delay and in any event within 13 months after the transaction was incorrectly carried out or was due to have been carried out.

12.2 We will not be liable to you if we can show that the payee's bank or building society received the correct payment.

12.3 Subject to the other provisions of these Conditions, we are liable for losses due to a delay or error by us in carrying out your instructions to make or stop a payment, or for unauthorised payments, but our liability will be limited to:

- (a) the amount of such payment; and
- (b) the amount of any interest you do not receive or any interest and charges you have to pay directly as a result of such delay or error;

12.4 We will not have any liability to you under Condition 12.3 if any of the circumstances mentioned in Condition 22 caused the delay or error.

13 Closing Your Account

13.1 You can close your account at any time, subject to any Product Specific Conditions that apply to particular accounts and to normal administration requirements.

13.2 If you move overseas, you must notify the Society immediately and you will be required to close your account in full without having to pay a charge or losing interest.

13.3 We can close all or part of your account at any time without giving any reason, but (except in exceptional cases):

- we will give you at least 60 days written notice or such period of notice you would have to give us in order to close your account (or to close it without having to pay a charge or losing interest), whichever is the longer;
- we will not use this right to repay a fixed term investment before the end of the fixed term; and
- we will not close your account, or threaten to do so, as a response to a valid complaint that you have made.

The exceptional circumstances mentioned above include but are not limited to

- you have deliberately given us any false information in relation to your account;
- you were not entitled to open the account;
- you do not comply with any of your obligations under these terms and conditions, and do not put this right within a reasonable time of our asking you to do so;
- you threaten, or are abusive towards, our staff;

- we receive notification that you have been made bankrupt, are subject to a bankruptcy, liquidation, receivership or administration order, or some other order relating to your bankruptcy or insolvency, or you have entered into a voluntary agreement with your creditors
- we reasonably suspect that the account is being used for an illegal purpose;
- the contract between us is void or unenforceable at law; or
- we have a legal obligation to close the account;

13.4 If we close the account, we will pay interest at the agreed rate up to and including the date of repayment. We may make repayment by sending you a cheque.

13.5 If we close the account in full and make repayment to you, in person or by post, then you will have no further right or interest in the account.

14 Statements

14.1 We will send you a statement of account unless

- there have been no transactions on your account other than the crediting or payment of interest during the period since the last statement
- the account has a passbook
- you have elected not to receive them.

You should check all statements carefully. If there is an entry which seems to be wrong, you should tell us as soon as possible.

14.2 Whenever you make a payment out of your account, we will give you information about that payment within 30 days, in one of the following ways

- If you instruct the payment in the branch and you have a passbook, we will update your passbook
- If you do not instruct the payment in branch, or you do not have a passbook we will send you a payment notification in writing.

15 Unpaid Taxes

In certain cases, HMRC is able to require us to disclose information about you and take money from your account to be used towards payment of taxes due but unpaid. We will take this action if we are legally obliged to do so.

16 Joint Accounts and Trusts

16.1 If an account is held in more than one person's name, then only the holder whose name appears first in our records will be entitled to membership rights (such as the right to receive notices of, and to attend and vote at, meetings). This is subject to any rights given to other holders by any legislation.

16.2 You can choose the order in which the names appear in our records. Any change in the order will happen when our records are actually changed. We will make the change within a reasonable time after you tell us about it.

- 16.3** For tax purposes only, we will treat joint account holders as being entitled to the money in the account in equal shares. This does not affect the operation of condition 16.4, which takes precedence.
- 16.4** Where one account holder dies, we will, on receipt of satisfactory evidence of the death, treat the surviving holder(s) as being entitled to the account. We do not accept accounts on any other basis. The other terms of the account will remain unchanged. Under the rules joint accounts cannot be held by the holders as tenants in common.
- 16.5** Withdrawals and other transactions on a joint account need the signatures of all account holders, unless all of them have authorised us to accept the signature of any one of them or (if there are more than two holders) any combination of them. If we have this authorisation, then any of the account holders can withdraw all of the money in the account.
- 16.6** Any authorisation given under Condition 16.5 can be stopped by any account holder. However, we will need 3 working days' notice to put this into effect.
- 16.7** If we have reason to think that there is a dispute between account holders we may (but will not be obliged to) require the signatures of all account holders, despite any authorisation that has been given to us previously under Condition 16.5.
- 16.8** If there is a relationship between the account holders which ceases, you will need to inform us if the account is to be closed or you want any name to be removed from the account. If you do not inform us then, even if we know about the relationship breakdown, we will continue to operate the account in accordance with the instructions that you have given us. This may mean that withdrawals and/or closure of the account will be permitted on one signature.
- 16.9** We may (in accordance with Condition 9.4) freeze the account if we have reason to think that there is a dispute in relation to the money in the account. However, we will not be obliged to do this, unless we are ordered to do so by a court.
- 16.10** Any correspondence relating to the account will be sent to the address of the first named account holder, unless you instruct us otherwise.
- 16.11** The liability of joint account holders is joint and several. This means that each of you is separately responsible to us for the performance of all the obligations of the account holders, and not just a share of them.
- 16.12** We do not have to recognise the interest or claim of any person other than the account holder(s) in respect of any money held in the account (and we will not have any liability for failing to do so), except as may be required by law.

Nothing in these conditions confers or is intended to confer on any third party a benefit or the right to enforce any terms and conditions in respect of your account.

(Further details about the rights and responsibilities of joint account holders are contained in the leaflet "You and Your Joint Account". A copy of this is available on request.)

17 Transfers

Unless the Product Specific Conditions for a particular account say otherwise, you may ask us to transfer your investment to another person. We do not have to agree to this and if we do agree, it may be subject to conditions and/or payment of a charge.

18 Unclaimed Balances and Dormant Accounts

18.1 We may close your account if:

- (a) you cannot be traced after reasonable enquiry; and
- (b) for a period of five years (or three years if the amount in your account is less than £100) no money is paid into, or withdrawn from, your account.

If you contact us at a later date and provide us with satisfactory proof of your identity, we will re-open the account and credit it with the amount we owe you in respect of the account (which will be equal to the balance that was in the account when we closed it, after adjusting it for the interest we would have paid and for any fees or charges we would have deducted if the account had remained open).

18.2 Condition 18.1 is subject to any rules that may be made under any legislation.

19 Account Documents

19.1 We may issue you with a passbook, certificate or other similar document relating to your account. If we do:

- the document will belong to us;
- you agree to return it to us for updating, or for any other purpose we reasonably require;
- you agree to keep it safe, and to tell us as soon as you discover it has been lost or stolen. The best way to do this is by telephoning us on 01768 863675; and
- the document must be produced to us before any withdrawal from the account is made.

19.2 We may issue a replacement for lost or stolen documents, but this may be subject to payment of a charge and/or other conditions. These conditions may include:

- providing us with reasonable evidence of the loss or theft;
- notifying, and co-operating with, the Police;
- restricting withdrawals from the account for a certain period from the date you notify us of the loss or theft; and/or
- signing any form of indemnity that we may reasonably require.

19.3 You should check your passbook regularly. If there is an entry which seems to be wrong, you should tell us as soon as possible in person at our office or by telephoning us on 01768 863675 so that we can resolve the matter. Conditions 11 and 12 will apply in relation to liability.

20 Changing These Conditions (other than interest rates or charges)

20.1 We can change these Conditions and/or terms on which your account is held (if we reasonably believe that the change is needed) for any of the following reasons (which may relate to circumstances existing at the time or those which are expected to apply in the near future):

- to respond to changes in the law or the decisions of a court or ombudsman;
- to meet relevant regulatory requirements;
- to make the terms clearer or fairer;
- to provide you with extra benefits or services;
- to respond to new (or changes to) statements or codes of practice or industry guidance designed to enhance consumer protection;

20.2 When we make any change under Condition 20.1, we will act reasonably, and we will only make the change if we believe it is fair in the circumstances. Any change we make will be proportionate to the circumstances giving rise to the change.

20.3 We can also change these terms and conditions for any valid reason (other than the reasons mentioned above) where we reasonably believe the change is fair in the circumstances, taking into account the interests of our business, the interests of our members as a whole, and your rights and interests as an account holder. Any such change we make will be proportionate to the circumstances giving rise to the change.

20.4 Where we change the terms and conditions which deal with the way cash or electronic payments (but not debit card or cheques payments) can be made into or out of your account, we will send you at least two months' personal notice before the change comes into effect. At any time up to the date the change comes, you have the right to switch the account or close it without having to lose or pay any additional charges. If you do not notify us that you object to a change before the date on which it comes into effect, you will be deemed to have accepted it.

20.5 In all other cases (including but not limited to where we change the conditions relating to cheque payments), we can make changes as follows:

- a) A change which is not to your disadvantage may be made immediately and without prior notice. We will tell you about the change within 30 days.
- b) A change which is to your disadvantage will be effective only after at least 30 days' written notice is given to you (except if that length of notice is not possible, such as where the change is needed to comply with a legal requirement).

20.6 If we give you notice of a change under Condition 20.5 b) then we will tell you that this is the case and, for a period of 60 days from the date of the notice you have the right to switch the account or close it without having to lose any interest or pay additional charges.

20.7 Notices under Condition 20.5 b) will be sent by your preferred contact method. Notices under Condition 20.5 a) may be given in this way, or instead be given by general notice in our Principal Office and website in conjunction with an advertisement in The Cumberland and Westmorland Herald newspaper.

20.8 This Condition 20 does not apply to changes to interest rates or charges, which are dealt with in Conditions 7 and 8. This Condition 20 does however include changes to Conditions 7 and 8 themselves.

20.9 If we have made a major change or a lot of minor changes in any one year, we will give you a copy of the new terms and conditions or a summary of the changes and tell you where you can find a full copy.

21 Notices

21.1 You will be taken to have received any letter or e-mail or other personal notice 72 hours after we have sent it to you.

21.2 If we, accidentally, fail to:

- send to you a communication intended for our investors generally or a category of investors of which you are one; or
- display a notice in our Principal Office;

this will not make the notice invalid.

21.3 If an error is made in a notice, but this is corrected shortly afterwards by a subsequent notice, the notice period will run from the date of the original notice.

22 Matters Beyond Our Control

We will not be liable to you if we are unable to provide any service in connection with your account because of abnormal and unforeseeable circumstances (such as strikes, power failures or other causes beyond our control) or as a result of our having to comply with any law.

23 Set Off

23.1 We may use the money in your account towards payment of any money that you owe us (for example, under a mortgage or guarantee) which is due for payment but has not been paid.

This is known as our right of set off.

- 23.2** We will not use our right to set off in relation to money in your account if we have grounds to think that any of the following apply.
- (a) The money is needed to meet your essential living expenses or payments due in respect of:
 - mortgage or rental payments on your home;
 - your essential goods or services (such as payments due in respect of your cooker or refrigerator or your means to travel to work);
 - utilities (water, gas or electricity); or
 - court orders or legislation (for example, council tax, child support maintenance or court fees).
 - (b) You are holding the money on behalf of someone else.
 - (c) You have received the money from a government department, local authority or NHS direct payment organisation for a specific purpose, or you are under a legal obligation to keep the money and use it in a particular way.
- 23.3** If we propose to use our right of set off in relation to your account, we will contact you at least 14 days beforehand to tell you this. We may during this 14-day period not allow any withdrawals from your account.
- 23.4** If we use our right to set off in relation to your account, we will contact you promptly to tell you that we have done so.
- 23.5** Once we have used our right to set off in relation to money in your account, that money will cease to be yours and you will not earn any interest on it.
- 24 Companies, etc**
- 24.1** If you are a limited company or other type of corporation, you will need to authorise officers to operate the account. The application form has further details. We will also require evidence of identity and address for these persons. References in these conditions to “you” or “your” in a context which indicate an individual person rather than a corporation will instead mean the authorised officer where appropriate.
- 24.2** Accounts in respect of unincorporated organisations, such as English partnerships and clubs, can be held in the name of the organisation but the named individuals on behalf of the organisation will be the legal entities who “own” the account. Your attention is drawn to Condition 14 if there are joint account holders.
- 24.3** If you are a limited company or other type of corporation, or an unincorporated association, then you must provide us with such information regarding your business and/or your constitution as we may reasonably request from time to time.

25 Law

These Conditions are governed by the laws of England and Wales. Those laws are also taken as the basis for the establishment of relations with you prior to the conclusion of any contract between us.

26 Language

All communications between you and us will be in English unless we specifically agree otherwise.

27. Financial Ombudsman Service

If you make a complaint and are not satisfied with the way we deal with it, you may be able to refer it to the Financial Ombudsman Service. Details about their service and how to refer a complaint to them can be found on their website at www.financial-ombudsman.org.uk.

If you have opened your account online, the European commission also provides an online dispute resolution (ODR) platform which allows customers to submit their complaint through a central site and the complaint is forwarded to the right Alternative Dispute Resolution (ADR) scheme. For more information about ODR please visit <http://ec.europa.eu/consumers/odr>. The ADR scheme which applies to your account will be the FOS and you may therefore use the ODR platform to refer your complaint to FOS, or you can contact the FOS direct.

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Financial Services Reg. No 164473
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