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Non-Stakeholder

CASH SAVINGS

Child Trust Fund

Earl Shilton

BUILDING SOCIETY

YOUR MUTUAL FRIEND



## Non-Stakeholder

### CASH SAVINGS

# Child Trust Fund

The Financial Services Authority is the independent financial services regulator. It requires us, Earl Shilton Building Society, to give you this important information to help you to decide whether our Child Trust Fund is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.

- Tax free saving
- A 0.50% gross bonus is payable for the first two subscription years with the Earl Shilton Building Society subject to a minimum additional subscription of £240 each year, which does not include Government subscriptions or vouchers
- No withdrawals until the child reaches 18
- Save up to £1,200 each year until the child reaches 18. Subscriptions can be made by family and friends, even without the passbook
- The Child Trust Fund will be in the beneficial ownership of the child
- Accounts can only be opened with the Child Trust Fund voucher from HM Revenue & Customs by an individual aged 16 or over who has parental responsibility for the child
- Interest is calculated daily and is variable. Interest is compounded annually on the child's birthday (see separate leaflet for current rates). An annual statement will be issued
- Stakeholder accounts must conform to a set of voluntary standards for deposit products set by the Government relating to charges, access and terms of the account. Our cash based Child Trust Fund is non-stakeholder. However, we offer a stakeholder Child Trust Fund through The Kingston Unity Friendly Society. Details available from the Earl Shilton Building Society
- The child, or registered contact, may not apply for, or hold, more than one Child Trust Fund for the same child. However, transfers may be made to or from Earl Shilton Building Society without charge
- The Child Trust Fund is a Government initiative and the information pack issued by HM Revenue & Customs should be read prior to opening an account
- Terms and conditions apply

# CHILD TRUST FUND TERMS AND CONDITIONS

1. A Child Trust Fund may be opened only by the person with parental responsibility if they are aged 16 or over and have possession of the Child Trust Fund voucher. Applications will only be accepted with an official HM Revenue & Customs voucher.
2. The bonus is only payable each year if an additional £240 per year has been made, no bonus is payable after the end of the second subscription year.
3. Only children born after 1st September 2002 living in the UK qualify.
4. The passbook and confirmation of the account will be forwarded to the registered contact once the funds have been received from HM Revenue & Customs or, in the case of a transfer in, once the transfer has been completed.
5. The registered contact will operate the account until the child reaches the age of 16 and will receive all correspondence. The child takes control at age 16, which means they will receive the correspondence.
6. The Society will write to the child once they reach 16 to make them aware that they will be the registered contact.
7. No withdrawals are permitted until the child reaches 18. Special arrangements with HM Revenue & Customs apply in the unlikely event of their death or terminal illness.
8. When the child reaches 18, the account must be transferred to another account with the Society or closed. If no instructions are received the account will be transferred to another account within the Society which, may offer a lower interest rate than the Child Trust Fund and will be subject to tax under HM Revenue & Customs guidelines.
9. Identification for the child will be required in order to close the account at age 18.
10. If you are not happy with your choice of Child Trust Fund Account, you may cancel it within 14 days of:
  - the day the contract is entered into; or
  - the day on which you receive the contract terms and conditions and other information on paper or electronically;whichever is later.  
We will return your voucher to you.
11. The account will be opened at the end of the cancellation period and interest will be calculated from that day.
12. If you decide to exercise your right of cancellation, you must inform the Society, in writing, within the 14 day period.

13. Subscriptions up to a maximum of £1,200 each subscription year (excluding the voucher or government payments) may be made by cash, cheque or standing order. A subscription year is defined as the named child's birthday to the day before the child's next birthday except on opening or transferring in, when the year is defined as the date of the account opening to the day before the child's birthday.
14. The minimum subscription accepted by the Society is £10.
15. A statement will be issued every year after the child's birthday detailing total subscription, interest and balance of the account.
16. Subscriptions can be made without the passbook. However, the child's details are required.
17. Lost passbooks will be replaced if the current administration fee is paid in cash.
18. Subscriptions received above the limit will be returned to the source where possible. If it is not possible to determine the source, a cheque will be issued to the child. For legal purposes, subscriptions, once made, will be treated as a gift to the named child and cannot be withdrawn.
19. Transfers to the Society will be accepted without charge, subject to a completed transfer application form.
20. After the Child Trust Fund has been opened on the instructions of the registered contact, it may be transferred with all rights and obligations to another type of Child Trust Fund with the same provider, or another provider, without charge. The entire Child Trust Fund must be transferred and can be from non-stakeholder to stakeholder or vice-versa, but cannot be a mix of both. An application must be made in writing and the transfer will be completed within 30 days of receipt.
21. The Society will notify the registered contact if, by reason of any failure to satisfy the provisions of the Child Trust Fund regulations, the account has or will become void.
22. The Society will ensure that any person to whom we delegate any of our functions and responsibilities is competent to carry out such functions and responsibilities.
23. The favourable tax treatment is not guaranteed and is based on current legislation.
24. Customer complaints should initially be directed to a member of the Investment Team in the Branch and if not resolved should subsequently be referred to the Customer Services Controller, in line with our Internal Complaints procedure.
25. The Society is a member of the Financial Services Compensation Scheme. You may be entitled to compensation from this Scheme if the Society cannot meet its obligations in respect of this Child Trust Fund account.

# Earl Shilton



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Authorised and regulated by the Financial Services Authority

The Society introduces to Kingston Unity Friendly Society, which is authorised and regulated by the Financial Services Authority for arranging stakeholder Child Trust Funds.