

TERMS & CONDITIONS

Earl Shilton

BUILDING SOCIETY

YOUR MUTUAL FRIEND



**TERMS AND CONDITIONS FOR
EARL SHILTON BUILDING SOCIETY
RETAIL SAVINGS ACCOUNTS:**

INFORMATION SECTION

Terms and conditions

The terms and conditions that apply to all our savings accounts are set out in this booklet. Special conditions may apply to particular types of account. You will find them in the product leaflet dealing with these accounts.

These conditions apply to new and existing accounts from the 1st May 2010. 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.

How to contact us

You can contact us by

- visiting our offices at
22 The Hollow, Earl Shilton, Leicester LE9 7NB
and 7 Malt Mill Bank, Barwell, Leicester LE9 8GS.
- telephoning our helpline number 01455 844422
- visiting our web-site www.esbs.co.uk
- emailing us at enquire@esbs.co.uk

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 and your address; and
- HM Revenue & Customs form R85/R105, if applicable (see below under "Tax").

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. To do this, we need to see one document from each of the two lists shown below:

To confirm your name

- Current signed Passport.
- Current UK photo-card Driving Licence (full or provisional)
- Current full UK Driving Licence (old version), not duplicates
- HM Revenue & Customs documentation, dated within the last 12 months
- Department for Works & Pensions documentation, dated within the last 12 months

To confirm your address

- Current UK photo-card Driving Licence (full or provisional)
- Current full UK Driving Licence (old version), not duplicates
- Local Authority tax bill, valid for the current year
- Bank, Building Society, Credit Card or Insurance Statement dated within the last 3 months, not ones printed off the internet
- HM Revenue & Customs documentation, dated within the last 12 months
- Department for Works & Pensions documentation, dated within the last 12 months
- Utility Bill or a certificate from a supplier of utilities, dated within the last 3 months. (Mobile telephone bills and statements printed off the internet will not be accepted).



If you cannot provide one item from each list, please contact our Investment Team for further guidance, either by telephone or by writing.

We will need to see the **originals** of the documents, except if they are sent to us by post. In this case, we will accept photocopies as long as they are certified by a **Solicitor or Bank Official**, and we are provided with sufficient information to be able to contact that person.

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 Society's terms and conditions in this booklet.

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

Charitable assignment

The Society has found that the service to existing customers has at times been severely disrupted by the actions of speculators.

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.

The Charities Aid Foundation is a national charity, totally independent of the Society, that provides financial assistance in the form of grants and donations to registered charities and other charitable projects. It is able to apply funds to charitable purposes local to the Society's branch network.

Please see the application form for further details.

This requirement does not apply to you if you were a member of the Society as at 31st October 1999 and have continuously maintained a share holding account since that date. It also does not apply if you have held a share holding account for over 5 years since that date. Some other exemptions may also apply.

Changing your mind

This section does not apply to fixed rate accounts (other than a fixed rate cash deposit ISA), or to accounts where the price depends on rises and falls in the financial markets outside our control that may happen in the cancellation period, or to branch based Child Trust Fund accounts (in other words, not sold at a distance). Please note the Society does not have these types of accounts available at all times.

If you open a new account and then change your mind, then as long as you tell us by writing to us at 22 The Hollow, Earl Shilton, Leicester LE9 7NB 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.

Tax

Interest on your account will be paid 'net' (after taking off tax at the appropriate rate), unless you are entitled to receive it 'gross' and you complete and let us have HM Revenue & Customs Form R85/R105. Even if interest is paid net, you may be liable to pay additional tax, depending on your income. For further details, please see the booklet "Taxation of Building Society Interest", a copy of which is available on request.

If you are under 16, Form R85 (if appropriate) must be completed and signed by a parent or guardian. On reaching the age of 16, a new Form R85 (if appropriate) must be signed by you. If we do not receive this, interest will be paid net of tax.

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 four). 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 the terms and conditions detailed in this booklet. A booklet, "You and Your Joint Account", is available on request.

Data protection and confidentiality

Under data protection laws, you have the right to see the personal records we hold about you. You will have to pay a fee (Our current tariff of Administration Fees is available on the Society's website and from our branches) if you want to exercise this right. Please contact us at 22 The Hollow, Earl Shilton, Leicester LE9 7NB for more details.

Data held by us about you will be kept while you are a customer and may be held for six years after your relationship with us as a customer has ceased. You should always let us know if information we hold about you has changed, so that we can make sure it is updated.

More details of the information we hold about you, and what we use it for, are contained in the application form.

We will treat all your personal information as private and confidential (even when you are no longer a customer). We will not give your details to anyone (even other companies in our group) unless:

- we have to give the information by law;
- there is a duty to the public to disclose it;
- you request us to disclose it, or we have your permission to do so; or
- our interests require us to give the information (for example, to prevent fraud). We will not use this as a reason for giving information for marketing purposes.

Please note that your telephone conversations with us may be recorded. If we record telephone conversations, we will tell you prior to recording the call.

Marketing of services

To help you keep up to date with our products and services, we may tell you about these. We may also tell you about another company's products or services. Should you not wish to receive this information, you can let us know at any time. Our account application forms have boxes that you can tick to say you do not want to receive this information.

We will write to you at least once every three years to remind you that you can ask not to receive this information. This reminder may be contained in the Summary Financial Statement or other literature that we regularly send you.

Complaints

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

If you have a complaint, you should first contact the Society at 22 The Hollow, Earl Shilton, Leicester LE9 7NB in accordance with our Internal Complaints Procedure, a copy of which is available at any time from the Society's offices or by post at your request.

If we do not deal with your complaint to your satisfaction, you can refer it to the Financial Ombudsman Service. Details of this service are available on request at any of our offices.

Financial Services Compensation Scheme

Important information about compensation arrangements

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

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

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

Accounts held by the following are not covered by the Financial Services Compensation Scheme:

- a large company
- a large partnership
- a large mutual association
- a local, provincial or municipal authority
- a credit institution
- an overseas financial services institution
- an operator or trustee of a collective investment scheme
- a pension and retirement fund or a trustee of such a fund
- a supranational institution
- a government, or central administrative authority
- a firm within the Society's group
- a person whose claim arises from transactions relating to a conviction they have received for money laundering.

Further details of exclusions from FSCS cover can be found on the
Financial Services Authority website at
<http://fsahandbook.info/FSA/html/handbook/COMP/4/2>

Membership rights

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

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 in this booklet for more details.

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

Branch closures

If we plan to close or move your branch, we will tell you at least twelve weeks beforehand, unless there are exceptional circumstances. We will tell you how we will continue to provide services to you. We will also tell you if we plan to close a branch agency that you use.

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 and letting us know as soon as possible if your passbook is lost. The best way to let us know is by telephoning us on 01455 844422. However, we will require written notification as soon as it is practicable thereafter;
- letting us know as soon as possible of any change in your name, address, telephone number or e-mail address, 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 disposing of information about your account (people who commit fraud use many methods 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; and
- never giving your account details or security information to anyone unless you know who they are and why they need them.

Please also see the **Condition relating to Account Documents** in this booklet.

Cheques made payable to the Society must also include details of the account holder(s) or the account number (for example, "Earl Shilton Building Society, account J Smith"); otherwise we will not accept them for payment into an account. This is to protect against fraud. We would also suggest that any cheques withdrawn to be paid to other institutions are drawn in the same way.

Clearance of cheques and automated payments

A period of seven banking days is required before any withdrawal of funds, represented by a cheque, may be made. The withdrawal will be available on the morning of the seventh banking day. However, if the day a cheque is paid into an account with the Society is not a normal banking day, then the period of seven banking days will begin on the next banking day.

If the cheque that you have paid into your bank account is lost in the banking process, then it will be regarded as being paid after the seventh banking day. However, should the Society be notified of its loss before that date, then it will not be cleared and (provided we have not acted negligently), we will take the amount from your account accordingly. It will then be your responsibility to obtain a replacement for the lost cheque.

If you are a knowing party to a fraud or you give your permission, the above will not apply.

Please note that the clearance of automated payments is not affected.

GENERAL TERMS AND CONDITIONS FOR EARL SHILTON BUILDING SOCIETY RETAIL SAVINGS ACCOUNTS

TERMS & CONDITIONS



I Introduction

- 1.1 These terms and conditions (referred to as the "Conditions") apply to all savings accounts with the Society, except if they are inconsistent with the special 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:
- "the Society", "we", "us" and "our" refer to Earl Shilton Building Society; and
 - "you" and "your" refer to holders of savings accounts;
 - "banking day" means a day other than Saturday, Sunday or a bank holiday;
 - "working day" means a day other than a Sunday or a bank holiday;
 - "normal business hours" means 9.00 a.m. to 5.00 p.m. on Monday to Friday and 9.00 a.m. to 12.00 p.m. on Saturday. These hours may vary but will be advertised by a notice in our branches and on our website.
 - "reasonable time" means giving you not less than 14 days notice of a change in interest rates to your detriment. You can, within 30 days of our notifying you of the change, switch your account or close it, without having to give us any period of notice, pay any extra charges or lose any interest due up to the date of switching/closure. We will tell you this when we give you notice.
 - "material" means the AER of the account falls in a single movement by more than 25 basis points (bps) or a single AER falls 25bps or less and results in there having been a cumulative downward movement of the account's AER over the preceding 12 months (the 'reference period') of 50 bps or more; and the account has a balance of £500 or more. (AER stands for Annual Equivalent Rate. It illustrates what the interest rate would be if it were paid and compounded each year. In other words it takes into account the payment of interest monthly or half-yearly).
- 1.3 If you are a company, other form of corporation, partnership or unincorporated body (such as a club), please refer to the **Condition relating to Companies, etc.**

2 Membership

- 2.1 If these Conditions apply to your account, you will (except where the account is a deposit account) be a member of the Society and therefore our Rules will apply. However, these Conditions, or any relevant special conditions for a particular account, will override the Rules in case of any inconsistency. A copy of the Rules is available on request at any of our branches.
- 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, including 4(4) to 4(7), 5, 6(1) to 6(3), 8(4) and 8(5), 12(5) and 46.
- 2.3 New investing members from 1st November 1999 are subject to the Society's Charitable Assignment Scheme, full details of which are set out in the application form.

- 2.4 If your account becomes overdrawn then, unless we have consented to the amount of the overdrawing, you will stop being a member in respect of the account, until the account has a credit balance.

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 lawful authority (other than the person opening the account).
- 3.2 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 22 The Hollow, Earl Shilton, Leicester LE9 7NB 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. Please note that this Condition, and the option to change your mind, do not apply to fixed rate accounts (other than a fixed rate cash ISA, which may not be available at all times from the Society), or to accounts where the price depends on rises and falls in financial markets outside our control that may happen during the cancellation period, or to branch based Child Trust Fund accounts (in other words, not sold at a distance).

If you do not exercise your right to change your mind, you will continue to be bound by these terms and conditions and any special conditions that apply to the particular account.

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, telephone number and email address. 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 from the date we receive the notification of the loss of your passbook. 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.

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 conditions for that account.
- 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.

6 Paying money into your account

- 6.1 Unless special conditions for a particular account specify otherwise, you can generally pay money into your account at any of our branches, during our normal opening hours (9.00 a.m. to 5.00 p.m. on a weekday and 9.00 a.m. to 12.00 p.m. on a Saturday) or by bank transfer or post. However, for security reasons, we do not recommend that cash is sent by post. Please see the **Condition relating to Interest** for when interest becomes payable.

- 6.2 If money is paid in by bank transfer or by BACS, it is your responsibility to make sure that all the account details are provided correctly.
- 6.3 For security reasons, we reserve the right to refuse to accept large sums of money in notes or coins.
- 6.4 You can pay money into your account by standing order (although you will need to set this up direct with your bank). We cannot accept payments by direct debit.
- 6.5 Cheques made payable to the Society will only be accepted for payment into an account if they contain additional details (such as the names(s) of the account holder(s) or the account number), so that it is clear for whom the money is intended.
- 6.6 When paying in money by cash, you will need to produce your passbook or provide your account number.
- 6.7 Money paid into your account by cash or electronic transfer will be available for withdrawal immediately after we receive it, subject to the **Condition relating to Withdrawals**. Any sums received by us by electronic transfer outside normal business hours on a banking day will be treated as having been received when we are next open for business on the next banking day. Cash which we receive outside normal business hours on a working day will be treated as having been received when we are next open for business on a working day. Please see the **Condition relating to Uncleared Funds** below regarding cheques.

7 Interest

- 7.1 We will tell you the interest rate that applies to your account when you open it. We will also tell you when interest is paid or credited. This information is also available as follows:
- our Interest Rates leaflet will advise you of the rate applicable;
 - our Product leaflet will advise you of the date when Interest is paid or credited;
 - on our website;
 - on our telephone helpline;
 - by asking our staff; and
 - by looking at notices in our offices.
- 7.2 On our accounts we generally calculate interest on a sum deposited from the day we receive it. Any sums received by us by electronic transfer outside normal business hours on a banking day will be treated as having been received when we are next open for business on the next banking day. Cash and cheques which we receive outside normal business hours on a working day will be treated as having been received when we are next open for business on a working day. Please see the **Condition relating to Uncleared Funds** below regarding cheques. On any amount withdrawn we will calculate interest up to and including the day before you make the withdrawal. We will also give you the choice of having interest added to the account, paid into another account or paid into your bank account.
- However, this may vary depending on the type of account. You should check the product conditions for particular accounts.
- Also, different periods may apply to cheques drawn on a bank or institution outside the United Kingdom or in currencies other than Sterling.
- 7.3 We will give you information regarding your account, as follows:
- To help you compare interest rates on our different accounts, we will send you, at least once a year, a summary of these accounts (including accounts no longer available) and their current interest rates.
 - We will tell you, at least once a year, about the different rates that have applied to your account during the year and any changes in the Bank of England base rate.
- 7.4 Subject to any special conditions that apply to particular accounts (for example fixed rate or tracker accounts), we can change interest rates as set out in the Conditions below.
- 7.5 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 reflect changes in the Bank of England base rate or mortgage or interest rates generally (including the interest rates paid on similar accounts by other providers of financial services);
- to respond to changes in the law or the decision of a court or ombudsman;
- to meet relevant regulatory requirements;
- to reflect new (or changes to) statements or codes of practice or industry guidance designed to enhance consumer protection;
- to reflect changes to our costs, including administration costs and costs of providing services or facilities.

Any change we make to interest rates will be proportionate to the circumstances giving rise to the change.

- 7.6 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 appropriate.
- 7.7 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.
- 7.8 Where the change is an increase in the interest rate and is made under **Condition 7.5 or 7.6**, we will tell you about it:
- (except for accounts not run mainly through our branches) by placing notices in our branches, on our website and in two newspapers within three working days of the change. The current newspapers we use are listed in our Interest Rates leaflet; or
 - within 30 days of the change, by letter, e-mail or other personal notice.
- 7.9 Where the change is a reduction in the interest rate and is made under **Condition 7.5 or 7.6**, we will give you written notice of the change within a **reasonable time** 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); or
 - fixed rate, fixed term or tracker accounts or
 - if the change is not **material**.
- 7.10 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.
- 7.11 The information on our telephone helpline and our website will be updated within three working days of an interest rate change.

8 Account charges

- 8.1 We may make charges for items relating to your account. Details of any charges relating to your account are contained in our Administration Fees leaflet. You can also find them on our website, or by telephoning our helpline or enquiring at our branches. We do not make any charges relating to the day to day running of your account.
- 8.2 Where the charge does not relate to the day-to-day running of your account we will tell you before we provide the product or service (except for charges in respect of unpaid cheques), or at any other time you ask.
- 8.3 Charges incurred will be debited to your account and we will notify you when we do this.
- 8.4 We can change the charges we make 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 reflect changes in our costs, including our administration costs;
 - to respond to changes in the law or the decisions of a court or ombudsman;
 - to meet relevant regulatory requirements;
 - to reflect new (or changes to) statements or codes of practice or industry guidance designed to enhance consumer protection.

Any change we make to our charges will be proportionate to the circumstances giving rise to the change.

- 8.5 We can also change the charges we make for any valid reason (other than a reason mentioned above) where we reasonably believe the change is appropriate.
- 8.6 Except where the account is a fixed term account, we can also change the charges we make by notifying you personally not less than 30 days before the change comes into effect.
- 8.7 Changes may include the abolition or alteration of existing charges or the introduction of new charges.
- 8.8 If we give you notice of a change in the charges we make under **Condition 8.5 or 8.6** then we will tell you that this is the case and, 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.
- 8.9 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.
- 8.10 There may be other taxes or costs that are not paid through us or charged by us.

9 Withdrawals

- 9.1 Withdrawals of cleared funds may be made during our normal business hours on working days subject to the special conditions for particular accounts and to any branch withdrawal limits. The current limits are set out in our Interest Rates leaflet.
- 9.2 No withdrawal will be allowed:
- if it would cause the account to be overdrawn; or
 - from a passbook account, unless you produce the passbook at the time of withdrawal.
- 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. A signed withdrawal form will normally be required in order to make a withdrawal; or
 - against uncleared funds (see the **Condition relating to Uncleared Funds**).
- 9.4 We can restrict at any time the amount, which can be withdrawn from any account.

We will only do this if:

- (a) we reasonably believe that there may be fraudulent activity or other financial crime affecting the account;
- (b) we are required to do so by any law, regulation or court order;
- (c) there is a dispute (which we reasonably believe may be genuine) about the ownership of, or entitlement to, the money in the account;
- (d) circumstances beyond our reasonable control prevent us from offering a normal service (such as in the event of terrorist threat, computer systems failure or strikes); or
- (e) 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 the case of (d) and (e) above:

- (i) we will act proportionately to the circumstances in question;
- (ii) we will take all reasonable steps to ensure that the restrictions are lifted as soon as practical and to minimise the inconvenience to you;
- (iii) we will take into account the interest of the Society's membership as a whole;
- (iv) we will, if practical, give advance notice; and
- (v) we may consider exceptions to the restrictions if we are reasonably satisfied that substantial hardship would otherwise be caused.

Where the restrictions on withdrawals affect accounts generally, we will notify the restriction by notices on our website and in our branches. 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 any of our branches or by telephoning us on 01455 844422.

- 9.5 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 evidence that the cheque has been lost, stolen or destroyed.

- 9.6 On the authority of the account holder(s) and only using the Society's normal form of authority, withdrawals by a third party up to the normal limits applicable to an account will be honoured. Following any withdrawal by a third party, the passbook or account documentation will be returned to the account holder at the address registered with the Society for the account holder.
- 9.7 Please also note that we do not permit withdrawals to be made by direct debit or standing order.

10 Uncleared funds

- 10.1 Subject to any special conditions for particular accounts, and to the **Condition relating to Withdrawals**, we will allow withdrawals against a cheque seven banking days after it has been deposited with us, provided we have not received notice that it has not been cleared. However, we will not take money from your account, or require you to repay us, in respect of a cheque that has not cleared unless:
- the cheque is not in Sterling;
 - the cheque is drawn on a bank or institution outside the United Kingdom;
 - 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 on the sixth banking 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 in at a branch counter or the day we receive the cheque by post.

11 Closing your account

- 11.1 You can close your account at any time, subject to any special conditions that apply to particular accounts and to normal administration requirements.
- 11.2 We can close all or part of your account at any time without giving any reason, but (except in exceptional circumstances):
- we will give you at least 30 days' written notice; and
 - 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 are:

- 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 period of our asking you to do so;
 - the contract between us is void or unenforceable at law; or
 - we have a legal obligation to close the account; or
 - threatening or abusive behaviour
- 11.3 If we close the account, we will pay interest at the agreed rate as detailed in the **Condition relating to Interest**. We may make repayment by sending you a cheque.
- 11.4 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.

12 Statements

We will send you a statement of account, unless:

- the special conditions for a particular account specify otherwise; or
- the account is a passbook account.

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

13 Taxes

Where required by legislation, interest will be paid or credited after deduction of income tax at the appropriate rate.

14 Joint accounts and trusts

- 14.1 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.
- 14.2 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 period after you tell us about it.
- 14.3 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 14.4**, which takes precedence.
- 14.4 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 of the Society, joint accounts cannot be held by the holders as tenants in common.)
- 14.5 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 authorised combination of the account holders can withdraw all of the money in the account.
- 14.6 Any authorisation given under the **above Condition** can only be stopped by all account holders. However; we will need written notice to put this into effect.
- 14.7 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 the **above Condition**.
- 14.8 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 may be permitted on one signature.
- 14.9 We may 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.
- 14.10 Any correspondence relating to the account will be sent to the address of the first-named account holder; unless you instruct us otherwise.
- 14.11 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.
- 14.12 We do not have to recognize 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.

15 Transfers

Unless the special 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.

16 Unclaimed balances

- 16.1 If no payment into or withdrawal from your account is made for a period of 10 years (where the amount in the account is less than £100) and we cannot trace you (after having made reasonable efforts to do so), then we may close the account. However; any money in it will remain yours, and if you contact us later (and provide any necessary evidence of identity) we will repay the money from the closed account to you, together with interest at a rate that we reasonably consider to be appropriate. Your estate may claim any monies where the Society has closed the account as above.
- 16.2 **Condition 16.1** is subject to any rules that may be made under any legislation.

17 Account documents

- 17.1 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; and
 - the document must be produced to us before any withdrawal from the account is made.
- 17.2 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.
- 17.3 If someone other than you produces your account document to us, pretends to be you or authorised by you, and is therefore able to withdraw money from the account, you will be liable for the first £50.00 of the unauthorised withdrawals. You will be liable for the amount of all withdrawals if you have acted fraudulently or you have, intentionally or with gross negligence, failed to comply with your obligations under **these Conditions** or failed to take all reasonable steps to keep your account document, or any personal account or security information, safe. However, you will not be liable for any withdrawals after you have told us of the loss, theft or unauthorised use of your account document, unless you have acted fraudulently.
- 17.4 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 any of our branches, or by telephoning us on 01455 844422 so that we can resolve the matter. Subject to the **above Condition**, we will be liable for unauthorised transactions on your account.

18 Changing these Conditions

- 18.1 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 reflect new (or changes to) statements or codes of practice or industry guidance designed to enhance consumer protection;
 - (except in relation to fixed term investments) for any other reason that we reasonably consider appropriate.
- 18.2 Any change we make under the **above Condition** will be proportionate to the circumstances giving rise to the change.
- 18.3 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.
- 18.4 A change, which is to your disadvantage, and which is made under **Condition 18.1**, will be effective only after at least 30 days' written notice is given to you. If we give you notice of a change under this condition, then for a period of 60 days from the date of the notice you have a right to switch the account or close it without having to lose any interest or pay any additional charges. If you do not notify us that you object to a change before it comes into effect you will be deemed to have accepted it.

- 18.5 Notices, which are to your disadvantage, will be sent by individual letter or e-mail. Notices, which are not to your disadvantage, may be given in this way, or instead be given by general notice in our branches, principal office and website in conjunction with advertisements in two newspapers of our choice. The current newspapers we use are listed in our Interest Rates leaflet.
- 18.6 **This Condition** does not apply to changes to interest rates or charges, which are dealt with in **Conditions relating to Interest and Account Charges**.
- 18.7 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.

19 Notices

- 19.1 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.
- 19.2 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 at any of our offices this will not make the notice invalid.
- 19.3 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.

20 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 reasonable control.

21 Set Off

We may use the money in your account towards payment of any money that you owe us which is due for payment but has not been paid. We will notify you if we do this. No interest will be earned on money used in this way.

22 Companies, etc

- 22.1 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.
- 22.2 Accounts in respect of unincorporated organisations, such as English partnerships and clubs, cannot be held in the name of the organisation. Accounts must be held in the name(s) of individuals on behalf of the organisation. The application form has further details. Your attention is drawn to the **Condition relating to Joint accounts and trusts**, if there are joint account holders.
- 22.3 If you 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.

23 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.

24 Language

All communications between you and us will be in English.

Earl Shilton Building Society

Authorised and regulated by the Financial Services Authority
Entered on the Financial Services Authority Register;
Registration Number 206078

Principal Office: 22 The Hollow, Earl Shilton, Leicester LE9 7NB
Tel: 01455 844422
www.esbs.co.uk

