

General Terms & Conditions for Savings Accounts

Previously known as General
Investment Terms & Conditions

**Essential Information About
Your Savings Account**

Effective 1st July 2011

General Terms & Conditions for Savings Accounts

These terms and conditions (referred to as the "Conditions") apply to all savings accounts with the Society, except if they are inconsistent with specific conditions for particular accounts (in which case, those specific conditions will apply).

Contents:

Section

1. Definitions and Interpretation
2. Opening your Account - Identification Procedure
3. Making Payments into your Account
4. Making withdrawals from your account
5. Joint Accounts
6. Interest, Taxation and Charges
7. Statements and Tax Deduction Certificates
8. Power of Attorney
9. Death of an Account Holder
10. Changes to the Terms and Conditions of your Account
11. Liability
12. Other Important Terms and Conditions
13. Investment Limits and Operating your Account
14. Use of 'My Accounts' Online Facility

Information Section - See pages 23-28

1. Definitions and Interpretation

In these terms and conditions:

- a. The words "the Society", "we", "us" and "our" refer to Monmouthshire Building Society.
- b. The words "you" and "your" refer to account holder(s).
- c. "My Accounts" online services means the facility to:
 - view the details of your account/s online;
 - view your personal details online;
 - carry out such transactions as we may allow on your accounts that can be accessed online;
 - send and receive secure messages to and from us.
- d. "Security Details" means any or all of the following (as applicable):
 - your personal details name, address, date of birth;
 - your signature;
 - your password;
 - your memorable words;
 - your Website User ID
- e. "Your nominated bank account" means the account you have nominated for payment of interest or withdrawals.
- f. "CHAPS" means Clearing House Automated Payment Systems.
- g. "Bacs" means Bankers Automated Clearing Service.
- h. "Standing order" means an instruction you give your bank to make regular payments.
- i. "Working Day" means any day excluding a Saturday, Sunday and any bank holiday.

2. Opening your account - Identification Procedure

- 2.1 We are required by law to obtain evidence to prove your identity and address. We will initially try to confirm your address and identity by making an electronic search. This search will be to identify you only and will not reveal your credit history. If this is unsuccessful we will ask you to provide evidence of your identity and address when opening your account with us. The requirements are explained in our leaflet "Proving Your Identity," available in our branches/agencies and on our website.

We may also conduct electronic searches or ask you for this information at other times to ensure our records are kept up to date. We will be unable to open your account and may have to freeze your existing account/s if you do not provide the necessary evidence.

3. Making payments into your account

3.1 The specific conditions for your account will tell you how you may make payments into it and whether your account has any deposit restrictions.

3.2 All payments into your account must be in Pounds Sterling.

Paying in by cash

3.3 You are strongly advised not to send cash through the post, by courier or any other method. Payments into your account by cash will be available for withdrawal immediately they are received, subject to the withdrawal terms and conditions of your account.

Paying in by cheque

3.4 You can pay into your account by cheque which must be made payable to the account holder(s) and quote the account number where this is known (do not make cheques payable to 'Monmouthshire Building Society' only). If you are paying in a cheque given to you by someone else, please ask for it to be made payable to you or if it is already made payable to the Society, to add your name and account number.

Cheque clearance

3.5 The central clearing system takes a minimum of 3 working days to clear cheques. The Society is not a clearing bank and we have a longer period before we can allow you to withdraw against a cheque you have paid in. By the end of the sixth full working day (excluding the day of receipt) you can be certain that the money is yours and cannot be reclaimed. A cheque deposited will therefore not be available for withdrawal during this period. Please note that cheques received by us after 12.00 noon will not be presented until the next working day and will therefore require an additional day for clearance. If a cheque credited to your account is returned to the Society unpaid we will debit your account with the amount of the cheque plus a charge published in our tariff.

Electronic payments into your account

3.6 You can make direct debit and standing order payments into your account. It will normally take such payments three working days to arrive in your account. Payments will be available for withdrawal immediately they are received, subject to the withdrawal terms and conditions of your account. Any sums received by us

outside normal business hours will be treated as having been received when we are next open for business on a working day.

Payments made into your account using the faster payment service will be available for withdrawal on the same day they are received, subject to the withdrawal terms and conditions of your account.

You can ask your bank or building society to arrange an electronic payment into your account. They may charge for this service. Please quote:

- Monmouthshire Building Society
- Sort Code: 40-34-27
- Account number: 10600717
- The full ten characters of your Monmouthshire savings account number.

Unpaid cheques and direct debits

3.7 If a cheque or Direct Debit you have paid into your savings account is returned to us 'unpaid', we will debit your account and adjust the interest due to you. A charge will be made for this service. Please refer to our "Savings Services Tariff" leaflet available in branches/agencies and on our website. We will not re-present cheques that are unpaid.

3.8 We can refuse to accept a deposit from you or any other person without giving a reason.

3.9 It is your responsibility when paying in to ensure that all your account details are provided correctly.

4. Making withdrawals from your account

Proof of entitlement

4.1 For transactions conducted at our branch and agency offices or by post, your passbook or savings transaction card must be produced with each and every request or withdrawal. 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. Your signed instruction will also be required in order to make such withdrawals.

There are specific terms and conditions relating to the 'My Accounts' service which can be found online at www.monbs.com. They are in addition to the General Terms and Conditions for Savings Accounts.

Transaction limits

4.2 Withdrawals from our branch and agency offices are subject to limits. Services from agencies may be

restricted. These limits take priority over any specific conditions, which apply to your account. Details are displayed in our branches/agencies and on our website.

- 4.3 The specific conditions for your account will tell you of any special limits that apply and how you may make withdrawals from it.

Cheque restrictions

- 4.4 Cheques are subject to legislation, which determines how they work and how they can be used. Where you request a withdrawal from your account by cheque, please be aware of the following restrictions:

- They cannot be stopped except if they are lost, stolen or there is clear evidence of fraud. If the cheque is made payable to someone other than yourself, we can only issue a replacement cheque payable to the same person/s (the payee). We will be unable to re-credit your account or make the cheque payable to a different person/s unless the original payee gives us written permission (a charge will be made for this service. Please refer to our "Savings Services Tariff" leaflet, available in branches/agencies and on our website);
- If you ask us to make a cheque payable to another person, we will not send it to them on your behalf;
- Cheques withdrawn and subsequently returned for investment will be re-credited to the original account for the date it was withdrawn;
- If you send us a request through the post to withdraw from your account, we will only send out the cheque to your correspondence address held in our records or to a bank account held in your sole or joint name(s).

Other withdrawal restrictions

- 4.5 For security reasons, we will not act upon any request for a withdrawal made by fax or email.
- 4.6 Once you have instructed us to make a withdrawal and the account has been debited, the instruction cannot be cancelled or amended. This means any loss of interest or transaction count affecting the payment of bonus will still apply.
- 4.7 Withdrawals cannot be made against uncleared funds.
- 4.8 We can restrict at any time the amount which can be withdrawn from any account. We will only do this if:

- we reasonably believe that there may be fraudulent activity or other financial crime affecting your 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 of, or the entitlement to, the money in the account;
- circumstances beyond our reasonable control prevent us from offering a normal service (such as in the event of terrorist threat, computer system failure or strikes); or
- circumstances exist which lead us reasonably to believe our financial stability is under threat (such as if rumours cause actual or potential abnormal levels of withdrawals).

In the last two points above:

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

Where the restrictions on withdrawals affect accounts generally, we will notify you of the restriction by notices on our website and in our branches/agencies. If the restriction affects your account only, we will write to you to notify you. You can contact us to discuss any restriction.

4.9 The account must not be overdrawn.

4.10 All payments out of your account must be in Pounds Sterling.

Who can withdraw

4.11 An account holder, or all joint account holders, may apply to us in writing to authorise another person (who may be one of the joint account holders) to make a withdrawal from the account, or to receive an interest payment, or to receive a bonus payment in respect of it.

Minimum balance

- 4.12 The minimum balance for an account is set out in its specific conditions. It is a condition of the account that the balance does not fall below the stated minimum. If the balance falls below the minimum, then you will have 30 days from the date we issue you with a notification to bring the balance up to the minimum. If after the notice period has lapsed the balance remains below the minimum, the Society reserves the right to close your account without further notice.

Electronic payments out of your account

- 4.13. If the terms of your account allow withdrawals by any of the holders individually then you may arrange to make Bacs payments out of your account by registering to use our "My Accounts" online services. The online services are subject to additional terms and conditions which are found on our website at www.monbs.com. You may also make CHAPS payments out of your account by instructing us in person or in writing. Payment by CHAPS is a chargeable service and details are provided in our "Saving Services Tariff" leaflet. If we receive your instructions before 12 noon on a working day we will send your payment by CHAPS transfer and debit your account the same day. Instructions received after 12 noon will be processed on the next working day. CHAPS payments are processed at our Head Office and can take up to three working days but we anticipate that payments will normally arrive at the receiving bank by the end of the day they are sent. To cancel CHAPS withdrawal instructions we require a minimum of one working day before the transfer is due.
- 4.14 We do not provide the facility for regular direct debit or standing order payments to be made out of your account.
- 4.15 You agree that any payments sent by us on your behalf should take no more than three working days to arrive in the receiving bank. After 1 January 2012 any payment sent by us on your behalf should take no more than one working day to arrive in the receiving bank.

5. Joint accounts

- 5.1 Two or more persons may jointly hold an account, unless the specific conditions do not allow a joint holding, but no account shall be issued to the holders

or be held by them at any time as tenants in common. We may decline to open an account with more than four persons jointly. Joint account holders can choose the order in which they are named in our records.

- 5.2 We will send each customer a statement each year provided the account meets our statement criteria detailed in condition 7.1. All other correspondence will be addressed to the account holders at the address of the first named account holder only, or another address you specify.
- 5.3 We will treat each of you as having the right to all of the money in the account and will not be concerned with the actual division or ownership of the money between you.
- 5.4 Should any circumstances arise whereby the account becomes overdrawn you will each be responsible for the whole debt.
- 5.5 In the event of a dispute on your account, you must notify us immediately. As soon as you notify us, we will 'freeze' your account. No further withdrawals will then be permitted without the written authority of all account holders.
- 5.6 Where an account is held in joint names, 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.
- 5.7 On the death of a joint account holder please refer to condition 9.2.

6. Interest, Taxation and Charges

How interest is calculated

- 6.1 We calculate interest on a sum deposited in cash or by electronic transfer from the day we receive it. Interest on a sum deposited by cheque is calculated from the second working day after 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.
- 6.2 When a withdrawal is made interest is earned up to and including the day before on the amount withdrawn.
- 6.3 All interest payments are calculated on a 1/365th basis including leap years. In a leap year the Society will neither pay nor charge an additional days interest on any savings account or loan account.

- 6.4 Where withdrawals are subject to an interest penalty, we will calculate the amount of the penalty in the same way we calculate interest described above. This means you will not earn any interest on the amount withdrawn for the number of days the penalty applies.

How interest is paid

- 6.5 Unless the specific conditions for your account say otherwise, interest can either be added to your account, transferred to another Society account (where the terms and conditions of the receiving account permit), or paid to another bank or building society.

Taxation of interest

- 6.6 In our literature we refer to 'Gross' interest rates. 'Gross' means the rate of interest payable if Income Tax were not deducted. The Gross rate is the contractual rate of interest payable before the deduction of income tax at the specified rate.
- 6.7 'Net' means the rate of interest payable after allowing for the deduction of Tax at the specified rate (that is the rate set by Government), currently 20%.
- 6.8 Where required by legislation, interest will be paid or credited after the deduction of tax at the appropriate rate, or if a relevant Inland Revenue Form has been registered with us, interest will be paid or credited gross. Each account holder must register separately for the payment of gross interest. If the account is in two or more names and some of the account holders are eligible to register for gross interest, we will pay gross interest in proportion to the number of holders who register. If the account holder is a company, club or charity then interest may be paid gross subject to adequate documentation being provided to the Society.
- 6.9 In the case of ISAs and Child Trust Fund accounts, interest will be paid gross subject to the specific conditions of the account.
- 6.10 The Government can at any time and without notice, change the tax status of an account type. The Inland Revenue can also instruct us to change the tax status of your account.
- 6.11 The Society is required to supply the Inland Revenue each year with details of interest paid or credited to savers.

Changes in interest rates paid

- 6.12 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;
- to maintain sufficient resources to support our business;
- to maintain an appropriate balance between our investors and our borrowers.

6.13 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.

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

Telling you about changes

6.15 If we change the interest rate we pay on your account we will notify you either

(a) by a notice displayed in our branch and agency offices, on our web site and published in two or more newspapers (normally the South Wales Argus and Western Mail) within three working days of the change or

(b) by sending you a letter, e-mail or other personal notice.

6.16 If we make a material change to the interest rate we pay on your account and the change is to your disadvantage we will notify you by sending you a letter, e-mail or other personal notice at least 14 days in advance of the change. At any time up to 30 days from the date of our notice you may close your account, or transfer your money to another account. You may do

this without giving us any notice or incurring any charge or loss of interest that would otherwise apply under the specific terms and conditions of your account.

We consider a change to be material when the account has a balance of £500 or more and

- (a) the interest rate reduces in a single movement by more than 0.25% or
- (b) A single interest rate reduction of 0.25% or less will result in there having been a cumulative reduction in the interest rate over the preceding 12 months of 0.5% or more

- 6.17 This condition applies to changes made under Condition 6.13. If we change the interest rate we pay on your account for any other valid reason (which is not listed under Condition 6.12) and the change is to your disadvantage we will notify you by sending you a letter, e-mail or other personal notice at least 60 days in advance of the change. At any time up to 60 days from the date of our notice you may close your account, or transfer your money to another account. You may do this without giving us any notice or incurring any charge or loss of interest that would otherwise apply under the specific terms and conditions of your account.
- 6.18 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.
- 6.19 Your savings account may pay rates of interest based on the balance held, the higher the balance, the higher the rate of interest. This is known as a 'tiered interest rate structure'. Normally the interest rate applies to the whole of the balance held in the account not just to the amount held in that tier. Our "Interest Rates" leaflet will contain full details of the rates, the level at which they apply and other conditions of the account's operation. Changes to interest rates may include the introduction, alteration or removal of tiers.
- 6.20 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; on our telephone helpline; by asking our staff at our branches/agencies and on display in our offices.

How often interest is paid

- 6.21 Unless the Specific conditions of your account differ, interest is calculated and paid as follows.

- Monthly interest (where available) is paid following the close of business on the last day of each calendar month. In order to allow sufficient time for the interest payment to arrive in the receiving account, the payment is usually processed 5 working days before the month end.
- Annual interest is paid following the close of business on 31 March each year.
- Interest can be added to your account, transferred to another suitable Society account or paid to another bank or building society account (where they permit this). Interest cannot be paid to you by cheque.

Charges

6.22 We may charge for additional services you request. You will also be asked to pay for all and any charges made by other organisations for specific services they make relating to the operation of your account. Details of any charges relating to the day-to-day running of your account are contained in our "Savings Services Tariff" leaflet. You can also find them on our website, or by telephoning our helpline or enquiring at our branches. 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 and direct debits), or at any other time you ask.

6.23 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;

- to reflect changes to our costs, including our administrative 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.

6.24 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.

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

6.26 Charges incurred will be debited to your account. We will notify you before we do this, except for charges in respect of unpaid cheques and direct debits.

Telling you about changes

6.27 We may remove or reduce any existing fee or charge without notice.

6.28 If we make any other change to the charges or fees which apply to your account we will send you a letter, e-mail or other personal notice telling you about the change. We will provide you with advance notification not less than 60 days before the change comes into effect. We will tell you that, 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.

6.29 Charges that are changed under Condition 6.24 will be notified in accordance with Condition 6.28.

6.30 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.

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

6.32 You will be responsible for any costs reasonably incurred by the Society as a result of your failure to comply with these terms and conditions or any specific terms and conditions of your account.

7. Statements and tax deduction certificates

7.1 We will send you an annual interest statement by post during April of each year, provided your account balance is a minimum of £200 at the statement date and interest has been paid on the account.

7.2 If you are eligible to claim a refund of tax deducted from your interest, you should contact your tax office and provide them with the information from your annual statement. This information will usually be sufficient for their purposes, however they may ask you to obtain a Certificate of Tax Deducted from us which we will provide to you upon request.

7.3 Should you close your account, a Certificate of Tax Deduction will be issued upon request.

7.4 Each year we will include in the mailing for our Annual General Meeting, details of the interest rates applied to all of our share accounts during our previous financial year, to enable you to make a comparison. We will also inform you about any changes to the Bank of England base rate.

8. Power of Attorney

- 8.1 We will allow a person who is your attorney under a Power of Attorney, to operate your account, subject to each of the following:
- Where there is more than one attorney, the Power of Attorney must enable any of them to carry out any operation on your account, and
 - If you have more than one account with us, the Power of Attorney must cover all of your accounts; and
 - The Power of Attorney must give the attorney the authority to manage the donor's financial affairs fully and completely with no conditions or restrictions.

9. Death of an account holder

- 9.1 In the event of the death of an account holder, we will need documentary proof (e.g. death certificate, probate etc.) before we can change our records.

Accounts held in joint names

- 9.2 In the case of a joint account, we will transfer the account into the names of the remaining account holder/s. The terms and conditions of the account shall continue unchanged.

Accounts held in sole name

- 9.3 In the case of a sole account holder, the Building Societies Act allows us to pay the balance and accrued interest without probate (limits apply), to the deceased's legal representative. In all other cases additional procedures apply. In all cases the representative must provide appropriate documentary proof of their identity and of their entitlement to receive control of the proceeds of the account.

10. Changes to the terms and conditions of your account

- 10.1 This section does not include changes in the interest rate paid or charges on your account. The circumstances in which we may change these and how we tell you are covered in section 6 above.

Why we might change the terms and conditions of your account.

- 10.2 We can change these terms and conditions and any special conditions applying to your account/s if we reasonably believe that the change is needed for any of the following reasons
- 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;

10.3 Except in relation to fixed term investments, we can change the terms and conditions for any other reason that we reasonably consider appropriate.

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

Telling you about changes

10.5 If we change the terms and conditions of your account we will:

(a) notify you by displaying a notice of the change, in each of our branches and agencies and on our website or

(b) send you a letter, e-mail or other personal notice telling you about the change.

10.6 If the change concerns non payment services and is not to your disadvantage we will notify you within 30 days of the change in accordance with Condition 10.5(a).

10.7 If the change is to your disadvantage and/or concerns payment services we will notify you in accordance with Condition 10.5(b). We will do this not less than 60 days before the change comes into effect. At any time up to 60 days from the date of our notice, you may close your account, or transfer your money to another account. You may do this without giving us any notice or incurring any charge or loss of interest that would otherwise apply under the specific terms and conditions of your account.

10.8 Terms and conditions that are changed under Condition 10.3 will be notified in accordance with Condition 10.7.

10.9 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.

- 10.10 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.

11. Liability

- 11.1 Your Passbook, Certificate of Investment and other records such as statements etc are important documents, which must be kept securely at all times. Access to these documents by other people might result in 'identity theft'. This is where another person steals your identity and pretends to be you, to enable them to access your savings and investments. You should always carefully destroy documents (such as statements and any other record containing details of your personal finances) you no longer need, in a way that prevents the information in them being copied. You must use all reasonable steps to keep account documentation safe.
- 11.2 Never give your account details or other security information to anyone unless you are satisfied who they are and why they are needed. You should never disclose your online security details to anyone under any circumstances.
- 11.3 Your account will have a unique number. Please quote this in all correspondence with us. You will also need this account number when paying money in or withdrawing it.
- 11.4 We shall not be liable for any loss suffered by you, if we are unable to provide our normal level of service due to circumstances beyond our reasonable control (such as fire, flood, power failure, postal delay etc.).
- 11.5 If someone other than you produces your passbook document to us, pretends to be you or to be 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.

- 11.6 You must notify us without undue delay (and within 13 months of the transaction date) if you become aware of any unauthorised or incorrectly executed transaction on your account. We will investigate immediately before, where appropriate, making any refund and restoring the account to the state it was in had the unauthorised payment not taken place. You will need to cooperate with the Society and where necessary with the police.

12. Other important terms and conditions

Inactive accounts

- 12.1 If no payment into or withdrawal from your account is made:

- for a period of 3 years where the amount in the account is less than £100; or
- for a period of 5 years in other cases

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 the 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.

- 12.2 Condition 12.1 is subject to any rules that may be made under any legislation.

If you owe us money

- 12.3 We have the right to retain and set off all money in any savings account/s you hold with us against any money you may owe us (whether under a mortgage, loan, guarantee or otherwise) which is due for payment, but which has not been paid. We will not use our right of set off in relation to money in your account if we have grounds to think that any of the following apply.

- 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; utilities (water, gas or electricity); or court orders or legislation (for example, council tax, child support maintenance or court fees).
- You are holding the money on behalf of someone else.

- 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.

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.

If we use our right of set off in relation to your account we will contact you promptly to tell you that we have done so.

Once we have used our right of set off in relation to money in your account that money will cease to be yours and you will not earn any interest or bonus on it.

Serving notice on the Society

12.4 Any notice or other document to be served by you on the Society may be served:

- (a) in person by leaving it, addressed to the Secretary, at our Head Office, or
- (b) sending it by post or delivering it, to the Secretary at our Head Office.

Any notice or communication from the Society

12.5 Any notice or other document to be served by the Society on you may be served either on you personally or by sending it by post to your last known address. You will be taken to have received any notice or document sent to you by post 24 hours after we have posted it to you.

Closure of your account

12.6 We can close your account at any time without giving any reason, but (except in exceptional circumstances):

- we will give you at least two months' written notice;
- 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.

Examples of 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 time of our asking you to do so;
- the contract between us is void or unenforceable at law;
- we have a legal obligation to close the account.

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. 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.

Changing your mind about your account

12.7

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 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 deposit ISA) or to branch based Child Trust Fund accounts. 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.

Proof of Savings

12.8

It is very important to the Society that your money is kept safe and secure. When you make your first investment to open an account, we will give you a passbook, certificate or other record, they will remain our property and must be returned to us whenever we ask. Your record of investment is an important document and must be safely kept by you to prevent

another person withdrawing your money. Please regularly check that your record of savings is correct and report any errors to us immediately. You must also co-operate fully with us to resolve any discrepancies.

Loss or theft of your passbook/certificate

- 12.9 If you discover that any of these is missing you must immediately notify us by telephone, e-mail or in person and confirm in writing. For your security we will freeze the account to prevent any transactions taking place, including transactions by you, following receipt of your notice. We will normally close your account and transfer the balance to a new one. There will be a charge for the replacement passbook, details of which can be found in our "Savings Services Tariff" leaflet. If your original passbook or certificate is subsequently found, please tell us immediately.

Other services and charges

- 12.10 We may demand payment or reimbursement from you in respect of any cost, expense or liability that we may incur directly resulting from any act, default or neglect of you or the carrying out of tasks outside the normal servicing of your account.

Changing the name of account holders

- 12.11 You can add or remove another person from your account subject to its specific conditions and these General Terms and Conditions. Our prior approval will be required. A change of account holder must be made in a form approved by us and only becomes effective from the date we make the change.

Availability of accounts

- 12.12 The Society reserves the right to withdraw an account type or to suspend further credits at any time and without prior notice.

Society membership

- 12.13 Providing you are an individual aged 18 years or over and maintain £100 or more in a share account of which you are the primary holder, you are a voting shareholding member of the Society and agree to be bound by its rules. The beneficiary of an account is the member. Unless the specific conditions of an account say otherwise, the account is a share account. You will only have one membership irrespective of the number of savings and mortgage accounts you hold. If you have a deposit account, you are not a member of the Society by virtue of that account.

Your Personal Details

- 12.14 You must advise us in writing immediately of any change of name, address, telephone number, email or other personal contact details and provide such evidence of the change as may be required. Failure to do so may render you liable to any losses that arise and the Society will not be responsible for any losses that arise from its continued use of your previous details.
- 12.15 "Care of" or PO Box numbers are only permitted as a correspondence address, if we also hold your current permanent residential address. This excludes ISA and Child Trust Fund accounts which are subject to specific terms and conditions.
- 12.16 Our accounts are only available to UK residents. If you are already a customer and move abroad it may still be possible to keep your account open. For full details, please contact any of our branches or Head Office.

Third party service providers and governing law

- 12.17 The Society will not be liable for the failure of any service or medium used in communications between us or any third party including but not exclusively; postal, courier or other delivery service, including electronic services such as emails, radio and telephone.
- 12.18 The Society will not accept liability or responsibility for failure of the Banking System, including the cheque and direct debit clearing systems.
- 12.19 These terms and conditions are governed by the laws of England and Wales.
- 12.20 The terms and conditions must be read in conjunction with the specific conditions of the particular account and our "Savings Services Tariff" leaflet.

Customer conduct

- 12.21 Monmouthshire Building Society staff have the right to conduct their employment in a safe and secure environment. We are grateful to the majority of customers who conduct themselves in a polite and respectful manner. However, the Society recognises the potential for violent acts or threats and abusive behaviour directed towards staff by customers. We ask that customers pay due care and attention to their behaviour whilst conducting business with the Society. Actual or threatened violence, aggressive, intimidating or threatening behaviour, abusive or offensive accusations, use of crude language, swearing, shouting, bad temper and racist remarks towards staff

or other customers will not be tolerated. Customers who behave in an inappropriate manner will be asked to leave the premises or have their telephone call terminated and may have their account with the Society closed. If the circumstances require, a complaint will be made to the Police and customers will be banned from holding any Society service or account, or having access to our premises.

Security

- 12.22 When we contact you, or you contact us, we need to check your identity before we can disclose or discuss any information about your account(s). If you have registered for telephone access, we will ask you to confirm some, or all, of the information provided. If you fail to provide answers that exactly match the personal information supplied by you, access to your account information by telephone will be suspended immediately. If you have not provided this information previously, we will not discuss your account information until you register. To register for this facility, for your security we will require your signed request. We will allocate the security information once we are satisfied with your identity, and you will then have 28 days to change the security information to that of your choice. If you have not completed the registration process within this time, the telephone access facility will be withdrawn.

13. Investment limits and operating your account

- 13.1 The maximum savings balance per customer in the Society, whether in one or more accounts, is limited to £500,000. We may accept larger amounts by negotiation.
- 13.2 The Society's range of accounts is designed for Savings purposes. They are not suitable for high volumes of transactions, large quantities of cash in coins or as a substitute for a bank current account. The Society reserves the right to close any account, which is being used contrary to this condition or in any manner, which it considers inappropriate.

14. Use of the My Accounts' Online facility

- 14.1 There are specific terms and conditions relating to the 'My Accounts' service which can be found online at www.monbs.com. They are in addition to the General Terms and Conditions for Savings Accounts

Information Section

(A) **How to contact us**

You can contact us by:

- visiting any of our branches listed on our savings account brochures or website
- telephoning our helpline number 01633 844340
- visiting our website www.monbs.com
- emailing us at enquiries@monbs.com

(B) **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 and Customs form R85, if applicable.

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.

(C) **Terms and conditions**

The general terms and conditions that apply to all our savings accounts are set out in this booklet. Specific terms and conditions apply to particular types of account. You will find them in the product brochure. 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.

(D) **Charitable assignment**

We require that, when you open an account, you agree to give to charity any windfall benefits to which you might become entitled on any conversion or takeover. This Agreement does not apply to you if (i) you have held shares in the Society at all times since 30 June 2000 or (ii) you have already entered into an agreement in either the same or similar terms with the Society and have held shares in the Society continuously since the date the account for which you were then applying was opened.

Where more than one of you is signing the savings account application form, the above note and, if applicable, the rest of this Agreement applies to each of you separately.

1. I agree with the Society that I will assign to the selected charity my right to receive any windfall benefits, unless the transfer to the successor is publicly announced more than five years after the day on which I become a holder (either sole or joint) of the account for which I am now applying. I authorise the Society and any successor to pass any windfall benefits direct to the selected charity (or to any other registered charity which the selected charity may nominate) without giving any notice to me.

2. I understand that the selected charity will have the benefit of this Agreement, and that neither it nor the Society will release me from it or vary its terms, even if the Society decides at some stage in the future that new shareholding members generally will not be required to enter into similar agreements.

3. I authorise the Society to give the selected charity any information about me and any account that I have with the Society (either now or in the future), but only if the selected charity reasonably needs it for any purpose arising out of this Agreement.

4. I understand that if the Society no longer exists following a merger with another building society, this Agreement will still apply between me and the other society.

5. In this Agreement:

(a) 'selected charity' means the Monmouthshire Building Society Charitable Foundation or, if it ceases to be registered as a charity, any other registered charity selected by it;

(b) 'windfall benefits' means any benefits which I may become entitled to as a shareholding member of the Society under the terms of any future transfer of the Society's business to a successor (i.e. on a conversion or take-over), other than the right to have savings in a share account with the Society replaced by savings in a deposit account with the successor; and

(c) 'successor' means any company or other corporate body to which the Society transfers its business under Section 97 of the Building Societies Act 1986 (or under any provision which amends or replaces it)

(E) **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 (please refer to our "Savings Services

Tariff," leaflet for details) if you want to exercise this right. Please contact us at our Head Office 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 can 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.

Telephone calls may be monitored or recorded for security and training purposes.

(F) **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 our subsidiaries' products or services. You can indicate on the application form if you do not wish to receive this information or at anytime thereafter. 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 annual statement or other literature that we regularly send you.

(G) **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.

If convenient please raise any issue immediately with a member of our staff. Explain to them the nature of your problem. They will try to help and will refer you to their

Manager there and then if appropriate, with a view to resolving the problem immediately. If this is not possible they will record the details of your complaint and arrange for it to be investigated.

It may be impractical or inappropriate to discuss the problem with a staff member, or your complaint may involve complex issues or legal matters. In these circumstances please contact the Society's Systems and Compliance Manager at the Society's Head Office. Contact may be made by any convenient means. Please explain fully the nature of the problem and we will endeavour to resolve it as quickly as possible.

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.

(H) **Financial Services Compensation Scheme**

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 £85,000. 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 £85,000 each (making a total of £170,000). The £85,000 limit relates to the combined amount in all 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 at www.FSCS.org.uk or call the FSCS on 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
- A pension and retirement fund or a trustee of such a fund
- A government, or central administrative authority
- The auditors of Monmouthshire Building Society and its group
- A person considered responsible for the default of the society which triggers the Financial Services Compensation Scheme
- A person whose claim arises from transactions relating to a conviction they have received for money laundering.

For further information on exclusions from FSCS cover please see the contact details above.

(I) **Branch and agency closures**

If we plan to close or move your branch or agency, 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.

(J) **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 01633 844340;
- letting us know as soon as possible of any change in your name, address, telephone number or e-mail address (if this is how we communicate with you), 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 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.



Head Office: Monmouthshire House, John Frost Square,
Newport, South Wales, NP20 1PX.

Tel: 01633 844444 Fax: 01633 844445

Telephone calls may be monitored and/or recorded for security and training purposes.

Monmouthshire Building Society is authorised and regulated by the
Financial Services Authority. Registration Number: 206052
A member of the Building Societies Association