

19. If you want to make any permitted withdrawal or transfer from the Account, before we pay any money to you or we transfer the funds from the Account, we may deduct from your Account a sufficient amount to pay any tax liability (estimated if necessary) that you may have but we will not make any other charges for the transfer of the Account.

Statements

20. We will send you a statement annually, within 61 days of the Child's birthday showing the balance of the Account. Please tell us as soon as you can if there is anything on the statement that you think is incorrect.

21. You will promptly advise us of any change in any of the information we hold in respect of your Account. You must immediately inform us in the event of your ceasing to be eligible under the Regulations to subscribe to or hold the Account. No further contributions will be accepted to the Account if you cease to be eligible in this way.

Cancellation

22. This is a branch based Child Trust Fund, which is opened in person and is not a distance contract. Therefore, once the account is open, you have no cancellation rights, although you can transfer your account to another provider.

General

23. The Child will be the beneficial owner of the assets in the Account. This is a requirement of the Regulations. You and/or the Child may not use your Account as security for a loan, although it may be used as a means of funding the repayment of a loan. You and/or the Child may not transfer any of your rights or obligations in relation to the Account.

24. We will send all statements, notices and other documents relating to your Account to the most recent address notified to us for the Registered Contact. If the Registered Contact for the Account is to change the new contact must complete the required application to become the Registered Contact. Please contact us.

25. We can repay all or any of the money in your Account, without giving any reason. However, we will (unless there are exceptional circumstances) give you at least 30 days' notice in writing if we intend to repay the money held in your Account, or for you to transfer it to another provider.

26. We do not have to recognise the interest or claim of any person other than the Child in respect of money held in the Account, nor will we be liable in any way for failing to recognise such interest or claim, except as required by law.

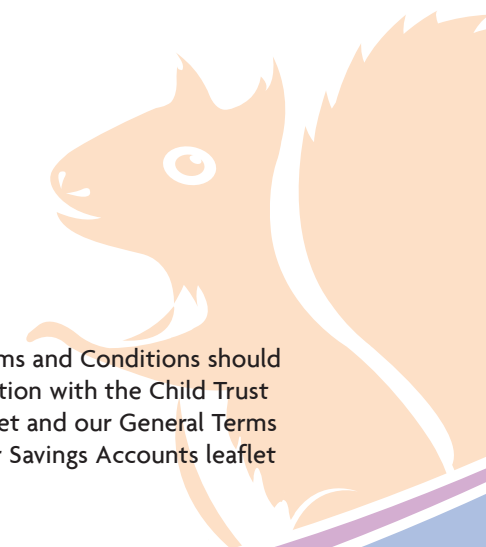
27. These Specific Terms and Conditions apply to this account in addition to our General Terms and Conditions for Savings Accounts leaflet. Where there is any inconsistency between the General Terms and Conditions for Savings Accounts leaflet and the Specific Terms and Conditions, the Specific Terms and Conditions will apply.

Cash Child Trust Fund Terms and Conditions

Effective 1st May 2010



Child Trust Fund



These Specific Terms and Conditions should be read in conjunction with the Child Trust Fund product leaflet and our General Terms and Conditions for Savings Accounts leaflet



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

Monmouthshire Building Society is authorised and regulated by
the Financial Services Authority. Registration Number: 206052

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Cash Child Trust Fund

Specific Terms and Conditions

These Specific Terms and Conditions should be read in conjunction with the Child Trust Fund product leaflet and our General Terms and Conditions for Savings Accounts leaflet.

Please keep these Terms and Conditions in a safe place. You may need to refer to them in the future.

Availability

1. The Account will be opened and operated by us in accordance with the Child Trust Fund Regulations 2004 (Regulations) when we are in receipt of a valid voucher issued by the Government in accordance with the Child Trust Fund Act 2004 (Act), as may be amended from time to time.

2. The Account will be for a single child (Child) and no child may hold more than one Child Trust Fund account. The Account is not available as a joint account or for trustees. The Account must be in the name of the Child. In these Conditions 'you' and 'your' means the person with authority under the Regulations to open the Account being, in relation to a Child under 16, a person aged 16 or over with parental responsibility for the Child also known as the Registered Contact, or the Child if aged 16 or over. There can only be one Registered Contact at any time.

3. The amount of the initial deposit to your Account will be the amount specified in the voucher received from the Government.

Interest and Bonus

4. The interest rate payable is variable and may be changed in accordance with our General Terms and Conditions for Savings Accounts. Interest is calculated on a daily basis on the balance in the account. Interest will be credited to the account annually on the child's birthday.

A fixed bonus of 1.00% AER/Tax-free per annum will be payable, for the first two 'subscription years', for those accounts which have made an additional investment of £250 or more into their CTF during the subscription year, in addition to any government contributions.

The first 'subscription year' runs from the date the CTF was opened, until the day before the child's next birthday. The second 'subscription year' will last for a full 12 months.

5. We will usually pay your interest before we open for business on the child's birthday by adding it to your Account.

Tax

6. Interest will be exempt from UK income tax providing the Child Trust Fund terms have been fully met. Favourable tax treatment may not be maintained in the future. Also see the withdrawal conditions for provisions on tax on the death of the Child.

Appointment and Authority

7. You appoint us as the provider of the Account. We will manage the Account in accordance with these Terms and Conditions, our General Terms and Conditions for Savings Accounts, your application form and the Regulations and any other applicable agreement entered into between you and us for the purposes of the Account.

8. Where you open the Account for a Child who is aged under 16, whilst the Child remains under 16, only you may provide instructions to us regarding the management of the Account. Once the Child attains the age of 16, only the Child may provide instructions to us regarding the management of the Account. We will request identification from the Child when they start to operate the Account. If you are the Child and you are aged 16 or over, only you may provide instructions to us regarding the management of the Account. Accordingly, when the Child reaches the age of 16, please ensure that the Child completes the required application to become the Registered Contact for the Account. If the Child does not apply to become the Registered Contact for the Account, your previous instructions will remain in place. However, we will not accept any new instructions from you regarding the management of the Account once the Child attains the age of 16.

9. You authorise us to undertake any functions required of an account provider under the regulations on your behalf and to comply with any other legislation, regulation or government publication which may affect or be in any way connected with the Account now or in the future.

10. We shall have authority on your behalf to apply to HM Revenue & Customs to claim any tax credits in respect of the Account and to make any other claims for the repayment of, or credit against, tax in respect of the Account and will credit any such amounts received to the Account. Such claims for payment of tax credits on your behalf will be made by us in accordance with the Regulations.

11. We will notify you if, by reason of any failure to satisfy the provisions of the Regulations, the Account has, or will, become void, or is no longer exempt from tax.

12. Subject to the Financial Services Authority rules and the Regulations, we may delegate any of our functions or responsibilities under these Terms and Conditions and our General Terms and Conditions for Savings Accounts to any person provided that before doing so we satisfy ourselves that such person is competent to carry out those functions and responsibilities.

Payments, Withdrawals and Transfers

13. You, or any other person (including the Child) may make additional deposits to the Account by way of regular or lump sum additional payments subject to the current maximum deposit limits referred to in Condition 14. **Any payments made into the Account are gifts to the Child and are irrevocable.** Cheques must be made payable to the Child.

14. From the day on which the Account is opened to the day before the Child's next birthday, the total amount deposited to the Account cannot exceed £1,200 (or such other figure as may be imposed by the Regulations from time to time). For any succeeding period of twelve months the amount deposited cannot exceed £1,200 (or such other figure as may be imposed by the Regulations from time to time). In the event that a deposit causes the total amount deposited in any twelve month period to rise above £1,200, we will return the excess deposit. Where the amount paid into the Account in any year does not reach the maximum deposit allowance permitted in this Condition 14, there shall be no addition to the amount of the allowance for any succeeding year. The £1,200 limit excludes any contribution made by the Government, and any interest added to the Account.

15. No withdrawals can be made from the Account until the date on which the Child attains the age of 18, except in the following circumstances:

(a) the Account may be closed, by either you or us, where we have received notice from HM Revenue & Customs that the Child has died under the age of 18; and

(b) you can make withdrawals from the Account at any time where we have received notice from HM Revenue & Customs that such withdrawals are authorised because the Child is terminally ill.

16. Otherwise than as set out in these Conditions, you cannot close the Account until the Child reaches 18. There is no penalty or charge for closing the Account when the Child reaches 18 and no notice period is required. On the Child reaching 18, we will transfer the Account to one of our instant access accounts (or equivalent) available at that time. We will send you further details beforehand, including any identification required.

17. In the event of the death of the Child, any exemption from tax will end immediately. We will continue to deal with the Account in accordance with these Terms and Conditions and our General Terms and Conditions for Savings Accounts and the instructions received from the legal personal representative(s) who will become subject to them. HM Revenue & Customs or legal personal representative(s) must notify us of the child's death, and the legal personal representative(s) must provide us with proof of their appointment. Following receipt of notice and appointment, which is acceptable to us, we will pay the net proceeds of the Account to the personal representative(s). Any tax refunds claimed on behalf of the Child after their death will be repaid by HM Revenue & Customs. We will provide appropriate statements with regard to the Account and any relevant tax certificate to the personal representative(s) in accordance with the Regulations.

18. You can transfer all your Account to a different account provider at any time, free of charge, provided that your chosen new account provider agrees to the transfer. Subject to the above, on your written instruction and within any time limit specified by you (subject to a minimum period of 30 days), we will transfer all of your Account to the new account provider. In addition, where transfers from a different account provider are accepted by us, these will also be free of charge. Please ask us for further details.