

Savings Terms & Conditions

and Payment Services
Framework Contract

Effective from
June 2016

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Saving with the Holmesdale Building Society

Holmesdale Building Society has been in existence since 1855 and, whilst over much of its history the members have been mainly local people, we have widened our area of activities over the last couple of decades with members in many parts of the country.

The Holmesdale and other building societies are mutual and are run for the benefit of their members, unlike banks who also face the demands of shareholders. At the Holmesdale, our continued commitment is to put the interests of our members first.

Please ask if you would like a copy of our latest *Directors' Report, Accounts & Annual Business Statement* or *Members' Review incorporating the Summary Financial Statement*, or more information about the Society.

These documents and the information contained in this document are also available online at our website: www.theholmesdale.co.uk.

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TERMS & CONDITIONS

1. 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 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. Further copies of these Conditions are available from our branch or on our website.
- 1.2 In the Conditions:
 - “the Society”, “we”, “us” and “our” refer to Holmesdale Building Society;
 - “you” and “your” refer to holders of savings accounts;
 - “our office” refers to our sole branch/office at 43 Church Street, Reigate, Surrey, RH2 0AE;
 - “working day” means a day other than a Saturday, Sunday or bank/public holiday (England and Wales).
- 1.3 If you are a company, partnership, sole trader or unincorporated body e.g. club, association or charity, please see our *Deposit Accounts* information leaflet for additional conditions.

2. Membership

- 2.1 Please see our Rules: rules 4, 5 and 6, for details of membership. The Society Rules are available via our website. Printed copies are also available on request from our office.

3. Opening an Account

- 3.1 **Application** You agree to provide full details required in our application form and to sign the form. Available for UK residents.
- 3.2 **Identification** We require evidence of identity and address before an account is opened. If we receive money and are unable to obtain satisfactory evidence of identity, the money will be returned to you, subject to cheque clearance. See our leaflet Identification Requirements for further details.
- 3.3 **Your Right to Cancel** If you are unhappy about your choice of account within 15 days of opening it, you must tell us in writing. We will help you switch accounts or give you your money back (subject to cheque clearance) with interest and ignore any notice period or initial charges. The 15 day period commences on the day you open

the account or when you receive these terms and conditions, whichever is later. This condition does not apply to our fixed rate products.

- 3.4 **Help Us to Help You** by letting us know in writing, or in person, if you change your name, address, phone number or e-mail address. Delays may occur if you do not and may result in the account becoming dormant (see 12). Customers who move abroad may continue to operate existing accounts but must not contribute to an ISA (see 21.2), unless you are a Crown employee, or the spouse or civil partner of a Crown employee working overseas.

4. Minimum and Maximum Balances

- 4.1 The minimum amounts that can be held in any particular accounts are detailed in the Summary Box – Key Product Information for each account.
- 4.2 Where a minimum balance is not held, it must either be rectified or the account transferred to a more suitable account within 30 days, or the account closed.
- 4.3 The maximum holding by any one person in respect of all savings accounts is subject to change and defined by the Society. Please contact us for up to date information.

5. Paying Money Into Your Account

- 5.1 Unless special conditions apply to your account you can pay into your account:
- at our office in person during our normal opening hours (9 am to 4:45 pm on a working day and 9 am to 12 noon on Saturdays) or by post (we do not recommend sending cash via the post);
 - from your bank or building society account to our bank account number 27584798 sort code 60-17-27 by Faster Payment, standing order, BACS, CHAPS or bank transfer. **Please ensure that you quote your Holmesdale account number as a reference.**

Money paid into your account by cash or electronic transfer will be available for withdrawal as soon as we receive it (subject to condition 6). Any sums, excluding cheques (see 5.3), 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.

- 5.2 For security reasons, we reserve the right to refuse to accept large sums of cash in notes (£10,000 or more), or coins (10 bags or more).

5.3 **Cleared Funds** The central cheque clearing cycle normally takes 3 working days (Monday to Friday excluding bank holidays). However, as the Society is not a clearing bank, please allow **six** working days to elapse before withdrawing against any cheques paid into your account, e.g. cheques paid in on a Monday will be cleared for withdrawal on the Tuesday of the following week.

Where cheques are paid in on a Saturday, interest will accrue from the Sunday; however, they are treated as if they were paid in on the following working day for clearance purposes.

Payments other than by cheque paid into our bank account by you are treated as cleared funds from the day of receipt.

5.4 **Unpaid Cheques** A fee will be charged if a cheque is unpaid (see 22). No interest will be earned and any interest so credited on the assumption that your cheque would be met will be taken from the account.

5.5 **Cheques should be made payable to the account holder.** If a cheque is made payable to the Holmesdale Building Society, it must also include the name of the account holder in the payee line. We cannot accept cheques made payable solely to the Holmesdale Building Society unless drawn on an account name which **matches** the name of the account held at this Society.

5.6 **Re-crediting Society cheques.** Society cheques withdrawn from your account may be able to be paid back in (subject to your signed authority as account holder(s) and the account conditions) and will be treated as cleared funds. Interest is paid on the deposit from the day of receipt.

6. Withdrawals – Payment Services Framework Contract

6.1 Withdrawals are subject to cleared funds (see 5.3) and the terms of the account. No withdrawal will be allowed without the passbook (where one has been issued) and the account holder'(s)' original signed instructions (N.B. instructions by fax or e-mail are not acceptable), or where withdrawal would cause the account to be overdrawn.

Unless otherwise stated for your account, withdrawals can be made by:

- Cheque up to £100,000; for larger withdrawals we require one day's written notice. Cheques issued by the Society must be presented within six months or they become out of date.

- Cash up to £300 is permitted each working day. For members who require more than £300 in cleared funds, we offer the Faster Payment (FP) service. This is a secure scheme to transfer money, up to and including £100,000. FPs are only permitted to a nominated account in **your** sole or joint name(s). Next working day FPs are free of charge, but a small fee applies if you require the funds on the same working day (see 22). Signed FP instructions must be received by 3:00 p.m. on a working day; instructions received after 3:00 p.m. will be processed on the next working day. (Also see 6.7.)
 - FPs can only be issued to building society or bank accounts which participate in the Faster Payment scheme. We will endeavour to contact you if we discover your nominated account does not accept FPs or you have given us incorrect details.
 - Once FP transfers have been completed, they cannot be recalled, as the funds are cleared and available for withdrawal within 2 hours of the transfer.
 - CHAPS withdrawals are permitted, but must be received by us before 3:00 p.m. for payment the same day, Monday to Friday. A fee applies for this service (see 22).
- 6.2 **Notice Periods** Where the terms of the account require notice for withdrawal, that notice must be given in writing and state the date on which the withdrawal is to be made and, unless the account is to be closed, the amount to be withdrawn. If within 14 days after the notice expires we have not received the passbook or other information in order to make the withdrawal, the notice will lapse.
- 6.3 **Stopped Cheques** We must be informed in person or in writing of a stopped cheque request and a fee is payable (see 22). Cheques made payable to third parties will not normally be stopped unless there are exceptional circumstances.
- 6.4 In exceptional circumstances, we may impose a **limit on withdrawals** if we reasonably consider it necessary in order to protect the interests of our members. We may also limit a withdrawal in circumstances where you owe us money which is due for payment but which has not been paid.
- 6.5 **Unauthorised Payments** If you advise us of a payment that has been taken from your account without your authority, we will immediately refund the money to your account, unless we have evidence that you have acted fraudulently or negligently.
- 6.6 Our accounts are for saving and **you are unable to make automated payments out of your account** by Standing Order or Direct Debit.

- 6.7 **Payment Services.** Where you instruct us to withdraw an electronic payment i.e. Faster Payments and CHAPS, from your account we will tell you when the payment will be with your building society or bank. Same day Faster Payments should reach the account within two hours; CHAPS on the same day, and next day Faster Payments should be cleared funds on the next working day. Transfers between Society accounts are normally processed immediately.
- 6.8 **Interest rate changes – see 7.3**
- 6.9 **Changes to the Framework Contract – see 19**
- 6.10 **Copies of this Framework contract** will be given or sent to all new account holders and further copies are available upon request – see 1.1.
- 6.11 **Fraudulent use of your account – see 13.3 to 13.5**
- 6.12 **Duration of the Framework contract** will be deemed to be until the Savings Account is closed.

7. Interest

- 7.1 When you open an account, we will tell you the interest rate that applies and when interest will be paid and credited to the account. Up to date interest information is also available:
- in our *Interest Rates* leaflet;
 - on our website; or
 - by contacting our office staff in person or by telephone.
- 7.2 We calculate interest and it is accrued on:
- any amount paid in from the day we receive it, except for cheques which is the day after;
 - any amount withdrawn up until the day prior to withdrawal.
- 7.3 **Interest Rate Changes** We will post a letter or notice to you or send an e-mail before the interest rate is varied on your account whether the rate goes up or down. If the interest rate reduces, and that reduction is materially disadvantageous (see 7.4), we will give you at least 14 days prior notification of the change and a period of 30 days from the date of notification (see 17) to close or switch your account without notice or loss of interest.
- 7.4 In line with industry guidance, a materially disadvantageous reduction in interest rates is either when:

- the interest rate falls by more than 0.25% in a single movement, or
- a single interest rate fall of 0.25% or less results in a cumulative fall of 0.50% over the preceding 12 months.

This only applies to accounts with a balance of £500 or more at the time the decision is made to change our interest rates.

- 7.5 We will amend the interest rates on our website within 3 working days of any changes coming into effect.
- 7.6 We will normally amend our interest rates within 30 days of changes to the Bank of England Base Rate (Base Rate). However, we will not necessarily follow changes to the Base Rate and we reserve the right to amend interest rates at any time.
- 7.7 We may change the interest rates or interest rate bandings (tiers) 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 reflect market conditions – including interest rates payable by other institutions;
 - so that we can compete more effectively with other financial institutions;
 - our costs have increased or are expected to increase;
 - to maintain our financial strength for the benefit of all our customers;
 - to take account of changes in the law or the decisions of a regulator, Ombudsman or similar.
- 7.8 We will give you the choice of having interest added to your account, paid to another account with us (excluding Cash ISAs), or paid into your bank.
- 7.9 We will send you, at least once every year, our *Interest Rates and Summary Box – Key Product Information* leaflet for all of our savings accounts. This will enable you to compare your account with the others on offer and, if required, we will assist you in transferring your money to another account.
- 7.10 **Tax** Interest will be paid or credited without the deduction of tax.

8. Account Charges

- 8.1 We do not make any charges for the day-to-day running of our savings accounts. However, we may charge you for additional services relating to your account and we may deduct those charges from your account with your approval. In respect of an unpaid cheque, we may deduct charges from your account without your approval as we need to make these charges to cover the costs incurred from our bankers.
- 8.2 Our charges are detailed in our *Tariff of Charges* (see 22). Further copies are available on request from our office or our website.
- 8.3 Charges may also be made in relation to the operation of an account and will reflect expenses we incur and include staff costs.
- 8.4 Changes to these charges may be made if we reasonably believe that the change is needed for any of the reasons quoted in 7.7 and may include the abolition or alteration of existing charges or the introduction of new charges.
- 8.5 A change that is to your disadvantage will be effective after at least 30 days' notice is given. During the 30 days from the date of notification (see 17), you may switch or close your account without having to give any period of notice or loss of interest.
- 8.6 If you do not tell us that you object to a change before the date on which it comes into effect, you will be deemed to have accepted it.
- 8.7 A change to your advantage which abolishes a charge, or reduces one, may be introduced with immediate effect.

9. Closing Your Account

- 9.1 You can close your account at any time, subject to any special conditions that apply to particular accounts and to normal administration requirements.
- 9.2 We may choose to repay your investment at any time, without you having to pay a charge or losing interest, after giving at least 30 days' notice without giving a reason. We will not use this right to close fixed rate term savings account, or (subject to 9.3) if you are making a complaint.
- 9.3 We may close your account immediately if at any time we reasonably think that:
 - you are not eligible for the account in question;
 - you have given false information on your application;
 - your account is being used illegally by you or someone else;

- by keeping the account open we might break a law or regulation that applies to us.

10. Joint Accounts

- 10.1 If an account is held in more than one 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 Annual General Meetings or other meetings, or to vote at meetings. Also, the address of the first named will be the address that we send all other correspondence to unless you instruct us otherwise.
- 10.2 You may change the order in which the names appear by requesting this in writing signed by all account holders.
- 10.3 For tax purposes only, we will treat joint account holders as being entitled to the money in the account in equal shares.
- 10.4 **Authority to Operate** Joint account holders may authorise in writing one, both or all of them to be able to operate, make withdrawals and other transactions on, the account. Any account holder can stop this authorisation by giving notice in writing.
- 10.5 **Disputes Between Account Holders** If we become aware of a dispute between the account holders then both or all signatures will be required despite any authorisation previously given under condition 10.4.
- 10.6 **Relationship Ceases** If a relationship between the account holders ceases, you will need to tell us about this. We will require the signatures of both/all account holders if you want the account closed or your name removed from it. If you do not inform us, we will continue to operate the account in accordance with the instructions you have given to us.
- 10.7 **Joint Liability** The joint account holders are separately responsible for the full performance of obligations of the account holders and not just a share of them.
- 10.8 We do not have to recognise the interest or claim of any person other than the account holders 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.
- 10.9 **Death of an Account Holder** On proof of death of any joint account holder, we will recognise only the survivor(s) as having any ownership of or interest in the account and the survivor(s) shall be entitled to operate the account.

11. Transfers

- 11.1 Unless special conditions apply for a particular account, we will allow transfers between accounts subject to the minimum balance being maintained (see 4.3).

12. Dormant Account or Unclaimed Balances

- 12.1 If either, for a period of 3 years or more you have not had your passbook updated, have made no payment into or withdrawal from your account(s), and/or you cannot be traced after reasonable enquiry, we will make the account dormant (or close it, if applicable – see 12.5). If you have money in a dormant or closed account, it will remain your property (or if you die it will become part of your estate).
- 12.2 To reactivate a dormant account, evidence of your identity, in accordance with the Society's procedures at that time, together with either a passbook update or a monetary transaction (minimum £1.00) will be required.
- 12.3 A record of dormant accounts and unclaimed balances will be retained in perpetuity and the funds in the accounts will continue to attract interest on the same basis as the preceding live account (subject to 12.5).
- 12.4 We will respond to enquiries received via the website <http://www.mylostaccount.org.uk/> promptly and, in any event, within the required three months.
- 12.5 We may comply with the Dormant Bank and Building Societies Accounts Act 2008 for the transfer of accounts that are dormant for 15 years, or more, to a central reclaim fund. We will write to you, at your last known address, before transferring your account funds. The money will remain your property (or if you die it will become part of your estate). Please contact the Society for details of the fund and how to make a claim for funds that are transferred by us.

13. Account Documents and Security

- 13.1 An Account Document is a passbook, certificate, or any similar item which relates to your account. It will remain our property and must be returned to us, whenever we ask, to be brought up to date or for such other purposes as we may reasonably require.
- 13.2 You must produce the relevant Account Document before making a withdrawal.
- 13.3 You must immediately notify us at our office if you discover that any Account Document is missing. After you have provided such

evidence regarding the loss, given any indemnity, and paid any fee, which we may reasonably require, we will issue you with a new Account Document.

- 13.4 If someone other than you produces your Account Document to us and pretends to be you or to be authorised by you, and is therefore able to withdraw money from your account, you will be liable for the first £50 of the unauthorised withdrawals. If you have acted fraudulently or have negligently failed to comply with your obligations under these terms and conditions, you are liable for the full amount of the withdrawals.
- 13.5 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.
- 13.6 For the second and subsequent loss of the passbook there is a charge for the replacement to be issued (see 22). If the passbook is stolen and you provide a police crime reference number, together with a crime report, the replacement will be free of charge.
- 13.7 You should check your passbook regularly. If there is an entry which seems wrong you should tell us immediately, so that we can resolve the matter.

14. Running Your Account

- 14.1 **Complaints** Should our service not meet your expectations, we will do all that we can to deal with your complaint. A copy of our procedure for the handling of complaints is available on request and on our website. We are members of the Financial Ombudsman Service scheme and a copy of the leaflet *Your Complaint and the Ombudsman* is available on request.
- 14.2 **Moving Your Account** If you decide to move your account to another bank or building society we will co-operate with them and give them information about your account so that the transfer is made as efficiently as possible.
- 14.3 **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 the effect of strikes, power failures or other causes beyond our reasonable control. We will however do our best to resume the service as soon as possible by all reasonable means.
- 14.4 **Statements** Accounts operated with a passbook will not be issued with a separate statement as the passbook provides a full record of the transactions when updated.

- 14.5 An HMRC tax statement (Section 975) is available for all relevant accounts, on request, from us. These will be issued after the tax year-end, currently 5th April.

15. Financial Services Compensation Scheme (FSCS)

- 15.1 We are covered by the Financial Services Compensation Scheme (FSCS). The FSCS can pay compensation to depositors if the Holmesdale Building Society is unable to meet its financial obligations. Most depositors are covered by the scheme (see 15.2 for exclusions). In respect of deposits, an eligible depositor is entitled to claim up to £75,000. 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 £75,000 each, making a total of £150,000. The £75,000 limit relates to the combined amount in all the eligible depositor's accounts with the Holmesdale Building Society including their share of any joint account, and not to each separate account.
- 15.2 For the depositor Exclusion List, please refer to the leaflet entitled *Financial Services Compensation Scheme – Information Sheet* which forms part of your application. Further copies are available on request or in branch.
- 15.3 For further information about the scheme (including the amounts covered and eligibility to claim), please call our Savings team on 01737 232320, ask at our branch, or refer to the FSCS website www.FSCS.org.uk.

16. Agreement to Assign Windfalls to Charity

- 16.1 If you had an account with the Society on 1st May 2000 and have kept a savings account with us ever since then, paragraphs 16.2 to 16.3 do not apply to you.
- 16.2 By applying to open a share account on or after 2nd May 2000 you agree with the Society and the Charities Aid Foundation ("the CAF") that you will assign to the CAF (or to any charity(ies) nominated by it or by the Society under the provisions of a deed dated 28th April 2000 between the Society and the CAF, in which case references to the CAF shall include references to any other charity(ies), but to no other person) the rights to any relevant conversion benefits (defined below). This obligation will not apply to you if you fall within any class of persons which the Society wishes to be excluded from such obligation. This agreement is irrevocable and authorises the Society to transfer to the CAF any such benefits without further

notice to you. You understand that neither the Society nor the CAF will release you from this agreement or vary its terms and (except as set out in 16.3) you will continue to be bound by the above condition even if the Society decides at some time in the future (and announces any such decision by press release or otherwise) that it is no longer in the best interests of the Society to continue with the above assignment condition generally in respect of new members.

- 16.3 Relevant conversion benefits means any benefits to which you might become entitled as a share holding member of the Society under the terms of any future transfer of the Society's business to a company (i.e. on a conversion or takeover) which is completed at any time within the five years immediately following the date on which your share account is opened (or, if applicable, the shorter period as set out in the list available from the Society's Secretary). Relevant conversion benefits does not include the statutory right to have shares in the Society (including any balances on share accounts) converted into deposits with the company on a conversion or takeover.

If the Society merges with any other society, after the date of such merger the Society includes such other society.

A list of the classes of persons which the Society currently wishes to be excluded from the obligation to assign or in respect of which a shorter period applies (which list may change from time to time but not with retrospective effect) is available on request from the Society's Secretary at its principal office.

17. Service of Notices

- 17.1 It will be taken that you have received any letter or e-mail or other personal notice 72 hours after we sent it to you.
- 17.2 If we accidentally fail to send you a letter/notice intended for all our savers, or a section of our savers of which you are one, or display a notice at our office, this will not make the content of the letter/notice invalid.

18. Retention and Set-Off

- 18.1 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 in writing before we do this (see 17). No interest or bonuses will be paid on any money used in this way.

19. Changes to these Terms & Conditions and Payment Services Framework Contract

- 19.1 We may change these Terms & Conditions if we reasonably believe that the change is needed for any of the following reasons:
- to reflect general market conditions and standards including the terms on which similar accounts are offered by other institutions;
 - so that we can compete more effectively with other financial institutions and maintain our financial strength;
 - to improve efficiency and/or reduce costs;
 - to give extra benefit to savers (including making the terms of accounts easier to understand);
 - to take account of changes in the law, decisions of a regulator, Ombudsman or similar;
 - to correct any errors.
- 19.2 We will advise you of any changes by personal notice, either by letter or secure email. A change that is not to your disadvantage will be made immediately and without prior notice. However, we will make this information available within 30 days of the change.
- 19.3 A change that is to your disadvantage will be effective after at least 30 days' personal notice is given (see 17). During the 60 days from the date of notification, you may switch or close your account without having to give any period of notice and without loss of interest.
- 19.4 You will be deemed to have accepted changes to the Terms and Conditions including Payment Services Framework Contract unless you notify us before the proposed date they come into force.

20. Law

- 20.1 The laws of England and Wales govern these Terms & Conditions.

21. Communication and Language

- 21.1 All communications between you and us will be in English (unless we specifically agree otherwise, for which a fee may be charged).
- 21.2 How we communicate with you will depend on the type of account you open. For example, if you open an account operated by the internet we will normally communicate with you by email.

21.3 We may also choose to communicate with you about your account by other methods such as letter, or on-line via the secure area of our website (from September 2013).

22. Tariff of Charges

22.1 The following charges apply to our savings accounts:

CHAPS – Telegraphic Transfers	£30
Faster Payment – Same day up to 3pm (Next day is FREE of charge)	£5
Overseas Transfer fee	£30
Loss of passbook – second and subsequent loss	£5
Return of unpaid (bounced) cheque or Direct Debit	£15
Stopped cheque – where customer has lost cheque drawn against their account	£10

**Our products are covered by the
Financial Services Compensation Scheme (FSCS).**

Member of the Building Societies Association

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority – our Firm Reference Number is 206037.

June 16