

Savings and Investments

Helping you understand your **savings** **account**

General Terms and Conditions
Date effective: 13 January 2018



A guide to **your account**

Your **account**, the facts

This booklet gives you important information you need to know about your account.

Make sure you read and review it, and if you have any queries or concerns, please do not hesitate to contact us. It's part of our promise to our customers that we will understand your financial needs and do all we can to make it easy to do business with us.

General Terms & Conditions

Where there is a conflict between these General Conditions and the Product Special Conditions contained in the product terms, the Product Special Conditions will prevail. All dates shown apply to close of business on the day in question.

1 Definitions

“Account” means the account you take with the Society as detailed in these Terms & Conditions and the accompanying Product Special Conditions.

“Account Holder” means the person(s) in whose name the Account is held; in the case of joint Account Holders it means either or both of you depending on the circumstances.

“Automated Payments” means any automated payments into and out of your Account which includes BACS, Faster Payments, standing orders and payments using our online and telephone banking services. Not all Automated Payments are available on all accounts.

“AER” stands for the Annual Equivalent Rate, a notional rate which illustrates what the interest rate would be if paid and compounded on an annual basis.

“Application Form” means the application form you complete when you open an account.

“BACS” is a way of electronically transferring funds from one account to another.

“Business Day” means any day except Saturdays, Sundays and English Bank Holidays.

“CHAPS” stands for the Clearing House Automated Payment System and is the process for making an electronic bank-to-bank same day sterling payment within the United Kingdom.

“Closing Date” means the closing date for a product offer, as detailed in the Product Special Conditions, or earlier if fully subscribed.

“Customer Acceptance Form” means the form you complete when applying for a Cash ISA.

“Customer Acceptance ISA Transfer Form” means the form you complete when you wish to transfer ISA funds to the Society from another provider.

“Cut-Off Time” means the cut-off time on any Business Day for receipt of your instructions and authorisation to undertake Automated Payments from your Account set out in condition 10.7

“Gross Interest” means the contractual rate of interest.

“Investment” means the amount you invest in the Account.

“Investment Date” means the date on which your Investment is placed into the Account.

“ISA” means an Individual Savings Account. An ISA is a tax-free account into which you can place either cash or shares.

“ISA Regulations” means the Individual Savings Account Regulations 1998 including any future changes.

“Maturity Date” means the date on which the Account matures, as detailed in the Product Special Conditions.

“Passbook/Passcard” means the Account document provided to log any transactions on your Account.

“Product Special Conditions” means the product specific terms and conditions for your Account which we set out in the Product Terms.

“Product Summary Box” is found within the Product Special Conditions and details important information specific to your Account.

“PSA” stands for Personal Savings Allowance; exempting the first £1,000 of savings income from any tax for basic rate tax payers and the first £500 for higher rate tax payers. (This is not applicable to additional rate tax payers).

“Reference Rate” means any externally set interest rate such as the Bank of England Base Rate.

“Society” means Newcastle Building Society whose principal office is at Portland House, New Bridge Street, Newcastle upon Tyne, NE1 8AL, and the Society will also be construed accordingly.

“We/our/us” means the Society.

“You/your” means the Account Holder in whose name(s) the Account is held.

2 Applications

2.1 To open an Account you must send your Investment and your completed application to the Society. When an Investment is made by cheque it will earn interest from the second Business Day after receipt. When an Investment is made in cash or bank transfer or from another account with the Society (cleared funds) or an Automated Payment, interest is paid from the day of receipt.

2.2 Accounts are only available to UK residents and are not available for businesses, clubs or charities and cannot be held in trust. Should you subsequently move outside of the UK, you may be able to retain your Account, however, you will not be able to apply for any further UK based accounts.

2.3 All funds deposited must belong to you or the registered beneficiary on whose behalf you are acting.

2.4 The Society reserves the right to reject any application at its discretion. If an application is rejected any funds paid into the Account will be returned within 10 Business Days of receipt without interest.

3 Money Laundering Regulations

3.1 Whenever you commence a business relationship with us we are required by law to check your identity and verify your address details to satisfy the current regulations. We may do this electronically, using an appropriate external agency, or ask for documentary evidence. We will check your identity and/or residency at the time you submit your application and may conduct further due diligence checks at any time during your business relationship with us. We reserve the right to delay or decline the processing of your application or instructions until we have received satisfactory evidence of identity and verification of address.

3.2 If you send us a cheque to open your Account before we have successfully completed our verification of your identity and residence, we will bank your cheque but will not credit the proceeds to your new Account immediately. Once your identity/residence has been verified, the funds will then be applied to your Account and interest will be earned from the date your deposit qualified to earn interest.

3.3 If we cannot verify your identity within 30 days then, subject to compliance with regulatory requirements, we will return the funds by electronic payment or cheque without interest and this will be

made payable to the bank/drawer and the account number of the bank/building society of the source funds only. This means that the funds can only be paid back to the originating source and we will not change this under any circumstances.

4 Use of Your Personal Information

4.1 We will hold information about your Account(s) for business analysis, to develop and test products and services, fraud prevention and to keep your records accurate and up-to-date. The Society will treat your personal information as private and confidential (even when you are no longer a customer) and we will not disclose any of these details unless it is found to be false or inaccurate or we are required to do so by law. The information will be passed to fraud prevention agencies in order to prevent fraud and money laundering. Law enforcement agencies may also use the information. We and other organisations may also access and use the information recorded by fraud prevention agencies outside the UK.

4.2 We and other companies in our group with the Society name (Newcastle Building Society group) may also use your contact and personal details from your Accounts and records within the group to identify products and services, which may be of interest to you. We may contact you by letter, telephone or email to inform you about products and services, including those of our commercial partners whose products and services can be purchased through us. This may include information about our/their mortgage, savings, investment and pension products, general insurance products, financial planning and services such as credit cards, loans and mortgage broking services. If you do not wish to receive details through our marketing programme, you can opt out of receiving further marketing from the group by email, telephone or otherwise by contacting the Marketing Department at: Newcastle Building Society, Portland House, New Bridge Street, Newcastle upon Tyne NE1 8AL.

We do not pass information on to other companies for their own research, analysis and marketing purposes. We may use external suppliers from time to time to process data for us, for example, to carry out mailing campaigns, research or to analyse the data for us. We only use reputable companies and always ensure they meet our stringent security standards. Companies who provide data analysis services for us may combine your data with data obtained about you from other sources, such as

public databases. We may then use this information to help us to only send you marketing that is relevant.

Further details about companies in the Newcastle Building Society group and our commercial partners can be found on our website at: www.newcastle.co.uk. We may still contact you on occasions to provide important information about your Account such as statements or changes to your terms and conditions.

4.3 Under the Data Protection Act 1998, you can ask to see a copy of the personal information we hold on you by writing to the Compliance Department, Newcastle Building Society, Portland House, New Bridge Street, Newcastle upon Tyne, NE1 8AL. (This will incur a fee of £10 per request.)

5 Joint Accounts

5.1 If your Account is a joint Account, these conditions apply to all of you together and any of you separately. In the event of the death of any Account Holder, the Account will remain open in the name of the remaining Account Holder. In the event of a dispute between holders, the Society (providing it is made aware of the situation) will not permit withdrawals to be made from the Account unless signed instructions are received from both Account Holders. If you do not inform us we will operate the Account on the basis of your original instructions.

5.2 Cash ISAs can only be held in single names.

5.3 Only the first named Account Holder will be given all of the membership rights of the Society. These include the right to receive notice of, attend and vote at Annual General Meetings. The second or subsequent named Account Holders are entitled to fewer membership rights. Correspondence will be sent to the first named Account Holder only unless you advise us otherwise.

6 Changes to Terms & Conditions

6.1 Unless the Product Special Conditions provide otherwise, we can change the terms & conditions (including charges and the interest rate payable) on your Account for any or all of the reasons outlined below:

- (a) to respond to changes in a Reference Rate or changes generally in the interest rates which other financial institutions pay their savers;
- (b) to enable us to maintain the competitiveness of interest rates charged to our borrowers or earned from the money market, while having regard to the interests of all our members and in the interests of the Society;

- (c) to manage interest margins between those charged to our borrowers and paid to our savers or the providers of funds to us, in the interests of the Society;
- (d) to harmonise the interest rates being paid to investors following any acquisition or transfer of savings accounts or any takeover of, or merger with another financial institution;
- (e) to respond to changes in the law, or interpretation of the law, decisions or recommendations of an Ombudsman, regulator or similar person, or any code of practice with which we intend to comply;
- (f) to correct errors, if it is reasonable to do so;
- (g) if the change is to the advantage of our members.
- (h) to ensure that the Society maintains its financial strength and is run prudently for the benefit of its members
- (i) to reflect changes in technology, or to provide for the introduction of new or improved systems, methods of operation or services
- (j) to reflect changes in market conditions.

6.2 Where we have to give you personal notice, we will tell you about the change by letter, email, statement messages or inserts or in any other way which is sent to you individually.

6.3 For online accounts we will provide important information about your Account by email or secure message to your registered email address. It is your responsibility to make sure that you inform us of any amendments to your email address.

6.4 We can change these conditions, the Product Special Conditions, the services or facilities on your Account and the interest rates applicable to your Account for the reasons set out in 6.1 by giving you notice in good time by putting a notice in two national daily newspapers, or in our branches or on our website: www.newcastle.co.uk, or by writing to you.

6.5 If we make any changes to your terms and conditions and the change is to your detriment we will provide you with at least 30 days personal notice before the change takes effect. At any time during the 60 days from the date of notification you will be free to close your Account or switch your Account without financial penalty.

6.6 If we make any changes to your interest rate and the change is disadvantageous and of a material nature we will provide you with at least 14 days personal notice before the rate change takes effect.

At any time during 30 days from the date of notification you will be free to close your Account or switch your Account without incurring any financial penalty that might ordinarily apply to your Account.

7 Interest

7.1 The interest on the Account will be calculated daily and paid in accordance with the Product Special Conditions. You can check the interest rates that apply to any variable rate Account at any time by calling us or by checking our website. The interest rate paid on any fixed rate Account by definition will not change and is therefore available from your original Product Special Conditions.

7.2 Whenever the Society revises its rates in accordance with conditions set out in 6, notification and details of any changes are always published in the following manner:

- (a) notices and leaflets displayed in all of our branches; or
- (b) press advertisements placed in two national daily newspapers; The Daily Express and The Times; or
- (c) by notifying you personally of the change in good time before the change becomes effective; or
- (d) on our website; www.newcastle.co.uk

7.3 Interest will be calculated to the nearest pence.

7.4 Interest will be paid gross, without the deduction of income tax. You may still be required to pay tax if your savings interest is above your Personal Savings Allowance (PSA). It is your responsibility to advise the appropriate tax authorities of any interest received.

8 Nominated Accounts

8.1 You are permitted to have one nominated account, this account is applied to all savings accounts held with the Society. Should you also hold a joint Account, the same nominated bank account will also be linked to this Account. The nominated account must be a UK personal bank account held in your name and can be used for withdrawals subject to the Product Special Conditions. Please ensure that your nominated account is able to receive electronic payments, i.e. Faster Payments, CHAPS and BACS, as all transfers to nominated accounts are sent electronically.

8.2 Transfers out from your Newcastle Building Society Account to your nominated account will be made electronically. Please see section 10 for further information relating to withdrawals.

8.3 Should you wish to change your nominated account, the new instruction will take a minimum of six working days to initiate. We will be unable to accept a withdrawal to the new nominated account until this time has elapsed, however you may continue to make withdrawals to the original nominated account during this time.

9 Deposits

9.1 After placing your initial Investment in the Account you may make further deposits while the Account is a current issue, subject to the Product Special Conditions.

9.2 Additional deposits may not be permitted after the Account has been withdrawn, subject to the Product Special Conditions.

9.3 Cash deposits can only be made via our Branch Network or by visiting our Agent.

9.4 CHAPS and Faster Payment deposits made into your Account will start earning interest from the Business Day we receive your payment.

9.5 Banking of cheques for payment will at all times be subject to the rules, and clearing processes, of any cheque clearing system(s) used by us. We will only accept Sterling cheques drawn on a UK bank account.

9.6 The cheque clearing cycle defines the maximum number of days from your Investment by cheque as detailed below:

- (a) From the second Business Day after receipt, your Investment will earn interest.
- (b) After a maximum of six Business Days after receipt your cheque will be cleared and the Society will not debit any cheque you deposit with us as returned unpaid (unless you are a knowing party to fraud) without your permission and your funds will be available for withdrawal.

9.7 We reserve the right to restart the clearing cycle if a cheque paid into your account is returned to us "Account Switched"; i.e. transferred to a new bank. If this is the case we will notify you of this and will debit and recredit your account on the third Business Day following receipt. The third Business Day of the original clearing cycle will become the first Business Day of the new cycle.

9.8 If Automated Payments are received by standing order or telegraphic transfer, you can withdraw the funds as soon as they are received.

9.9 We may limit or withdraw any product at any time.

9.10 If funds are received without quoting your current roll number, we may return them to source. Your roll number contains 13 characters, the last 3 of which will be the first 3 characters of your surname. If your surname contains an apostrophe, please leave a space where this would go, leave no other spaces.

If you transfer funds to another account in full, resulting in the closure of the account, please advise your new roll number to anyone who sends funds to the old account as we cannot easily apply funds to the new one. Similarly, if you change your name, the last 3 characters on your roll number will change and anyone who sends funds to your account should be advised of this change.

9.11 If your account is credited in error with funds which were meant for another customer, we reserve the right to remove these funds without reference to you.

10 Withdrawals

10.1 All withdrawals are subject to the Product Special Conditions of the Account. For the avoidance of doubt, closure of the Account and/or transfers to other accounts with the Society or another provider are classed as withdrawals. When you make withdrawals please first ensure you have sufficient cleared funds. Cleared funds are defined as 'cash investments or cheques which have been paid into your Account at least six Business Days previously and cleared by the Banking System'. Should any negative interest have accrued upon account closure, the value of interest will be deducted from any closing capital.

Partial withdrawals will not be permitted if they reduce the capital balance remaining to less than that which has been accrued in negative interest. In these circumstances, the withdrawal transaction will need to be a closing transaction and the value of owed interest will be deducted from the capital.

10.2 You can only make withdrawals from your Account in the following ways:

- (a) cash withdrawals via branch or agency only (subject to the applicable daily limit of £500);
- (b) cheque (subject to the applicable daily limit of £50,000). Cheques in excess of this amount are available by prior request.
- (c) CHAPS transfer - only available for house purchases.
- (d) Automated Payment.

Please note that additional security checks may be required for large amounts; and in any event should the amount exceed £250,000

10.3 Before a withdrawal is made from your Account, this must be authorised in one of the following ways:

- (a) by providing your Passbook/Passcard to us or our representatives and requesting cash (branch only), cheque or Automated Payment from the Account in accordance with our requirements for online and telephone banking services (if relevant);
- (b) by providing your Account details and completing any necessary formalities to complete an Automated Payment from the Account in accordance with our requirements for online and telephone banking services (if relevant);
- (c) by cheque.

Where appropriate, the authorisation of an Automated Payment can include authorising any single payment or a series of recurring payments (including payment for an indefinite period such as a regular standing order).

10.4 As part of our fraud prevention measures, should you require a withdrawal in excess of £250,000, you will need to contact us on 0345 734 4345. We may need to ask you additional security information and will only deem a transaction as 'accepted' if we can fully verify the request.

If you have not made contact with us and we receive a withdrawal request by post that exceeds £250,000, we will still need to speak to you to re-confirm the request. We will not consider the transaction as 'accepted' until we can fully verify the request, and if we are unable to speak to you for any reason, your transaction will be delayed.

10.5 Your instruction and authorisation to an Automated Payment may not be withdrawn (or revoked) after the point in time at which your instructions and authorisation to the payment have been received by us. However in respect of future dated payments (such as future standing order payments) your instructions and authorisation to make the payment may be withdrawn if you give notice to us and to the payee (where relevant) provided the notification of cancellation is received by us no later than close of business on the Business Day before the date set for execution. Please note transactions set up online must be cancelled online.

10.6 Where we receive your instructions and authorisation in accordance with condition 10.4 to carry out an Automated Payment and your instructions and authorisation is received before the Cut-Off Time, we will treat your instructions to make the payment as having been received that day. For any instructions and authorisation received after the Cut-Off Time, or received by us on a non Business Day, your instructions and authorisation will be treated as having been received by us on the next Business Day.

For example, if we receive your instructions and authorisation to make an Automated Payment at 4.30 pm on Tuesday, we will treat your instructions to make the payment as having been received on Wednesday for the purposes of determining when the money is transmitted (provided both Tuesday and Wednesday are Business Days).

For the avoidance of doubt, any transactions requested over a weekend or on a Bank Holiday will be deemed to have been received the next working day.

Where you are setting up a standing order to pay someone for the first time we will not treat your instructions and authorisation as having been received until we have completed our process for setting up the payment.

10.7 Cut off times

Payment type	Cut Off Time
CHAPS	11am - any requests received after this time are applied the following Business Day (only available for a house purchase)
Automated Payment	4pm – any requests received after this time will be applied the following Business Day

10.8 Where you have instructed and authorised us to make an Automated Payment out of your Account the money will be available to the payee:

- (a) (unless the Automated Payment is initiated by way of a paper-based authorisation process) by the close of business on the next Business Day of receiving your instructions under condition 10.6;
- (b) where the Automated Payment is initiated by a paper-based authorisation process, within two Business Days of the day of receiving your instructions under condition 10.5;

(c) for any payments transmitted in the European Economic Area (other than the United Kingdom), in a currency other than Euro or Sterling within four Business Days of the day of receiving your instruction.

(d) for any payment transmitted outside the European Economic Area, these timings do not apply. Please ask us for details.

Subject in each case to the provisions of condition 10.6 where your instructions and authorisation are received after the Cut-Off Time.

11 Notice Accounts

11.1 Subject to the Product Special Conditions, notice to withdraw can be put onto an account at any time, however new applications for notice will result in the previous notice applied being removed. On expiry of notice periods, funds will be available to withdraw for five Business Days. Thereafter, another notice must be put onto the Account.

11.2 Transfers between Accounts held with the Society are subject to the same notice rules in 11.1.

11.3 Notice requests must be made in person, in branch, in writing, via telephone or online via secure message if applicable.

11.4 Please note that the withdrawal will take place automatically on or around the due date, providing we have received all the necessary documents and authorisation required in line with 10.4

12 Account Operation

12.1 Subject to the Product Special Conditions, your Account may be operated using a Passbook/Passcard, telephone or online.

12.2 If your Account is operated by a Passbook/Passcard, a Passbook/Passcard will be issued to you. This belongs to the Society. You must take care to keep this safe, destroy notice of it securely and prevent it from being lost, stolen or used by anyone else. Should you wish to make a withdrawal you should present your Passbook/Passcard or enclose it with your written correspondence.

12.3 If your Account is operated as an online or telephone account then a unique user ID will be issued to you. In addition to this you must provide additional information such as a password and memorable data. It is your responsibility to ensure that you keep your user ID, password and memorable data secret, destroying notice of it safely and securely. We will never disclose your user ID,

password or memorable data in an email. However, we may include your account number for ease of reference.

12.4 We may stop the use of your Passbook/Passcard, the online or telephone banking services if we reasonably believe that:

- (a) your Account is being used by someone else or we are otherwise concerned about the security of the Account;
- (b) we suspect the Account is being used in breach of these conditions or the Product Special Conditions in an unauthorised or fraudulent manner.

Where we stop the use of your Account under this condition 12.4 we will, if practical, notify you immediately before or, where we cannot notify you immediately beforehand, after stopping the use of the Account and inform you of our reasons for doing so, unless it is unlawful for us to do so or it would compromise our reasonable security measures.

12.5 Should you feel that any Account documentation has been lost or stolen or you suspect your Account is being operated fraudulently please notify the Society as soon as possible by contacting your local branch or Customer Services on 0345 734 4345. You may be asked to provide evidence or proof of your identity when you notify us of this or any other change to your account.

12.6 Where an account is opened for a child under the age of 16, the Account will be held in the name of the child; however a Registered Contact is required to be added to the Account. A Registered Contact is defined as an adult who will be added to the Account in an operational capacity and for correspondence purposes, who will remain on the account until the child's 16th birthday.

Once the Account is opened, both the Registered Contact and any child over the age of 7 may operate the account. All withdrawals must be for the benefit of the beneficiary and we reserve the right to question the intended purpose of any withdrawals by a Registered Contact/signatory.

Upon the child's 16th birthday, the Registered Contact will be removed from the account and all correspondence will be addressed directly to the child. We will write to the Registered Contact prior to this, to give further information regarding this.

Under no circumstances will we allow you to set up a direct debit for payment to a third party, e.g. insurance policy, mobile phone bill on this type of account.

13 Protecting Your Account

13.1 To help protect your Account against fraudulent use please make sure you let us know as soon as possible when you change your:

- (a) name;
- (b) address;
- (c) phone number; or
- (d) email address.

You may be asked to provide identity when amending your details. If we need to investigate a payment on your Account, you should co-operate with us and the police, should we need to involve them. If you act fraudulently, you will be responsible for all losses on your Account. If you act without reasonable care, and this causes losses, you may be responsible for them. Full details of your potential liability are set out in condition 14.

14 Liability

14.1 Where an Automated Payment is properly authorised in accordance with condition 10.4 we are responsible for its correct execution unless we can prove that the error was due to the fault of the payee's or payer's bank or building society (as the case may be). Where we are liable for an incorrectly executed Automated Payment out of the Account we will restore your Account to the state in which it would have been had the defective payment not taken place. Where we are liable for the misallocation or failure to collect funds in to your Account we will restore your Account to the state it would have been in if the payment had been correctly made.

14.2 Provided you properly notified us in accordance with condition 12.5 if you believe your Passbook/Passcard, user ID memorable data or password might be being used by someone else (unless it is used with your permission) your maximum liability for unauthorised payments is £35;

14.3 There will be no limit on your liability where you have acted fraudulently or been grossly negligent.

14.4 Unless you have acted fraudulently you will not be liable for any losses incurred in respect of unauthorised transactions:

- (a) occurring after notification under condition 12.5;
- (b) where we failed to provide a notification process to allow you to report the loss, theft or potential misuse of your Passbook/Passcard or security details unless the failure to provide the service was beyond our reasonable control;

- (c) where the security details have been used without your authority in connection with a distance contract as defined by the Consumer Protection (Distance Selling) Regulations 2000;
- (d) before you received your Passbook/Passcard or any personalised security details.

14.5 Where you wrongly identify the person and/or Account (including account number and sort code) to which a payment should be made, we will make reasonable efforts to recover the payment made, but we will not be liable for any losses which may be incurred by you. We may ask you to pay a fee to cover our costs of tracing the payment.

15 Refunds

15.1 You may be entitled to claim a refund in relation to an Automated Payment where:

- (a) the payment was not authorised in accordance with condition 10;
- (b) we are responsible for a transaction which has been incorrectly executed and you have notified us in accordance with condition 15.3;
- (c) a pre-authorised transaction did not specify the exact amount at the time of its authorisation and the amount charged by a payee is more than you could reasonably have expected taking into account normal spending patterns on the Account or the circumstances of the transaction. A claim for a refund in these circumstances will not be accepted if you have consented to the transaction; or the amount of the transaction was made available to you at least four weeks before the transaction date; or the refund request is made more than eight weeks after the transaction is debited to the Account.

15.2 If you become aware of an Automated Payment which has not been properly authorised or has been incorrectly executed on the Account you must notify us by phoning us on 0345 734 4345. This notification must be provided as soon as you become aware of the error and in any event within 13 months of the date of the Automated Payment. If you do not notify us within these timescales you are not entitled to a refund under condition 15.1.

15.3 If you are entitled to a refund we will reimburse you for any interest and charges you have incurred as a result of the incorrect execution. We will not be responsible for any losses which are not directly associated with the incorrect execution of the Automated Payment, for example, any liability you incur to a third party.

15.4 In the case of a disputed Automated Payment the burden of proving fraud or gross negligence will lie with us.

16 Our right of “set off”

16.1 If any Accounts you hold with us are in credit, we may use any or all of them to reduce or repay any amounts you owe us on a mortgage or other account you hold with us (including any joint accounts). If we decide to do this:

- (a) we will place a stop on the applicable Account which we intend to take the funds from;
- (b) we will write and tell you of our intention to take funds from this Account and why;
- (c) we will provide you with 14 days notice to repay any amounts owed to us, failure to do so may result in the Right of Set Off being exercised; and
- (d) in doing so, we may (and you irrevocably authorise us to) bring to an end any fixed deposit period applying to any of the accounts you hold with us and adjust any interest payable by us.

17 Rules

17.1 Unless stated in the Product Special Conditions, the Account is a share account and Account Holders are deemed to be members of the Society. As a member of the Society you are subject to the rules of the Society, a copy of which may be obtained on request.

18 Charges

18.1 When you become a customer, we will give you details of any charges for the day-to-day running of the Account you have chosen.

18.2 You can also find out about these charges by:

- (a) telephoning us;
- (b) looking on our website; or
- (c) asking our staff.

We can vary the charges in accordance with condition 6.

18.3 We will tell you the charge for any other service or product before we provide that service or product, and whenever you ask.

19 Blocking the Account

19.1 We can refuse to carry out any transaction on the Account if we reasonably think that:

- (a) you or someone else is using the Account illegally or fraudulently or outside the terms of the agreement between you and us;

- (b) we are required to do so by law;
- (c) there are insufficient funds in the Account to cover the amount of the payment;
- (d) you are the subject to a bankruptcy order or administration order or you have entered into a voluntary arrangement with your creditors or where we reasonably believe that any of these are likely to happen;
- (e) the relationship between you and us has irretrievably broken down (for example you have been threatening or abusive to our staff);
- (f) there is a dispute (which we reasonably believe to be genuine) about the ownership or entitlement to the money in the Account;
- (g) the terms of the payee's account prevent completion of the transaction;
- (h) there are technical issues which prevent us from executing the transaction;
- (i) circumstances beyond our reasonable control prevent us from offering a normal service (such as computer failure or industrial action).

Provided it would not be unlawful for us to tell you why we refused to authorise the transaction, we will notify you either verbally or in writing when we have done this at the earliest opportunity and in any event no later than the day by which the funds should have been available to the payee under condition 10.8. Following receipt of this notification you can contact us at any of our branches or on the telephone for details of how to rectify any errors.

20 Death of Account Holder

20.1 Where an Account is closed following the death of the Account Holder, the total accrued interest to the date of closure of the Account will be payable.

20.2 Where an Account remains open following the death of the Account Holder, and subject to a person becoming entitled to an Account (after providing evidence) and registered as the Account Holder, interest will be paid based on the product rates applicable at that time. (This excludes our structured deposit accounts).

21 Closing Your Account

21.1 Your Account can be cancelled within 14 calendar days of opening the Account without penalty. Any interest earned during this period will be paid based on the product rates applicable during that time. If you decide to exercise this right, you can make your request in person at any of our

branches or by writing to: Newcastle Building Society, Portland House, New Bridge Street, Newcastle upon Tyne, NE1 8AL.

For Cash ISA products, any subscriptions cancelled in this way will not count as a subscription to an ISA. If you do not exercise your right to cancel you may still close your Account at any time in accordance with condition 21.4.

21.2 Subject to condition 21.1, your Account will remain open until it is closed by either you or us in accordance with conditions 21.3 and 21.4.

21.3 We may close your Account by giving you at least two months prior written notice sent to the last known address to us, unless the relationship between you and us has irretrievably broken down due to circumstances which include threatening or abusive behaviour towards staff and fraud.

In such cases we will treat you as being in breach of these terms and can immediately terminate this agreement with you and close your Account. If we terminate this agreement and close your Account we will return your Investment to you with interest we owe you on your Account as of the date of closure.

21.4 Subject to the access terms provided in the Product Special Conditions you may close your Account at any time by giving us written notice.

22 Dormant Accounts

22.1 Any account that has been forgotten about or not used for an extended length of time may be classed as dormant.

22.2 If you have money in a dormant account it will always be your property (or if you die, it will become part of your estate). This is the case no matter how many years pass.

22.3 You can make searches for dormant accounts online at www.mylostaccount.org.uk or, you can get copies of claim forms for dormant accounts and lost savings, including unclaimed assets, from us or from:

By writing to:

BSA Lost Accounts,
6th Floor,
York House,
23 Kingsway,
London,
WC2B 6UJ.

Or by phone 0207 520 5900 or by downloading a copy from the website at www.bsa.org.uk

23 Tax

23.1 Interest will be paid gross without tax taken off.

23.2 From 6 April 2016, taxpayers will have a new Personal Savings Allowance (PSA), exempting the first £1,000 of savings income from any tax for basic rate taxpayers and the first £500 for higher rate taxpayers. (This will not apply to additional rate taxpayers). From 6 April 2016 all banks and building societies, including us, will stop deducting tax from savings.

23.3 You will only pay tax on the interest earned above your PSA. If you do earn over your PSA, you'll need to pay this directly to HMRC. If you don't make Self Assessment tax returns and exceed your PSA, HMRC will normally collect the tax by changing your tax code. Banks and building societies will give HMRC the information they need to do this. Please refer to the www.gov.uk website and search for Personal Savings Allowance for details on the different tax thresholds and what action may be required by yourself.

23.4 Other taxes or costs may exist that are not paid via the Society or imposed by it.

23.5 We may send your details to the tax authorities of other countries if we think you may be considered a tax resident of those countries and where the relevant legislation is in place.

23.6 If you are liable to pay tax in a country other than the UK or in addition to a UK tax liability, we may provide details of your accounts with us to the tax authorities of these other countries if legislation requires us to do so.

24 Maturity

24.1 Where an account has a fixed term the Maturity Date for that account will be outlined in the Product Special Conditions.

25 Statements

25.1 To help you manage any account without either a Passbook/Passcard or online access, we will provide you with an interest statement.

For Passbook/Passcard accounts, your Account Passbook/Passcard should be used to keep your records up-to-date. Your Passbook/Passcard can be updated at anytime. For online accounts, transactions and interest statements can be viewed/printed when you are logged onto your online account. If you have an online account, as well as other accounts, you can also view/print a interest statement for these off line accounts via your online login.

A charge may be incurred should you require a paper copy of a statement that is already available to you online.

25.2 If you require additional information about transactions on the Account at any time this information is available by phoning us on 0345 734 4345. We will provide you with the following information on any transaction:

- (a) details of the transactions into and out of the Account including a reference enabling you to identify the transaction;
- (b) the amount of the transaction;
- (c) any charges applied to your Account in relation to the transaction;
- (d) in the case of a payment out of the Account, the date of receipt of the transaction instruction, or in the case of a payment into the Account, the date of payment of those funds into the Account.

25.3 You may be asked to provide your identity when requesting account information.

26 ISA Regulations

26.1 The ISA Investment will be, and must remain in, the beneficial ownership of the investor and must not be used as security for a loan.

26.2 The Society will satisfy itself that any persons to whom it delegates any of its functions or responsibilities under the terms agreed with you is competent to carry out those functions and responsibilities.

26.3 The Society will notify the Account Holder in the event of any failure to satisfy the provisions of the ISA Regulations and where the ISA has/or will become void i.e. no longer exempt from tax.

26.4 At the request of the Account Holder their Cash ISA, including full rights and obligations, may be transferred to another ISA Manager or be withdrawn in full. Where a transfer or withdrawal request has been made (subject to access terms in the Product Special Conditions), the Society will endeavour to complete the transaction within the time period specified by you (subject to receipt of all the relevant documents) and in any event will take no longer than five days in total.

If the Account Holder requests a transfer of current year ISA subscriptions, the total current ISA subscription amount must be transferred. Should the Account Holder hold multiple ISAs utilising their current years ISA subscription, with the Society, the total must be transferred.

26.5 Transfers from existing cash ISAs will earn interest from Business Day 16 inclusive of the ISA transfer process or the date of the cheque from the old ISA provider, whichever is earlier.

26.6 These regulations, including any future changes will override existing terms and conditions at the point they come into effect.

26.7 From 6 April 2016 most of the Society's ISAs will offer flexibility, which allows money to be moved in and out of an ISA without it counting towards your tax free allowance. Not all banks and building societies are required to offer flexible ISAs, so please speak to your ISA provider before making withdrawals. We have a guide available to provide you with further information on flexible ISAs, please visit us at: www.newcastle.co.uk

27 Agreement to Assign Windfalls to Charity

27.1 Conditions 27.2 to 27.6, below, will apply to you unless you are an exempt customer at the time when the Account is opened.

27.2 You agree with the Society that, if the right to any windfall benefits is granted to you after the Account is opened, you will assign those windfall benefits to the selected charity unless either of the following applies:

- (a) the period between your Account being opened and the conversion announcement date is more than five years (or, if applicable, the shorter period);
- (b) on the conversion announcement date, you are a borrowing member of the Society.

27.3 You authorise the Society and the successor to pass any windfall benefits direct to the selected charity (or to any other charity which the selected charity may nominate to receive those benefits), without notice to you.

27.4 You authorise that the Society has promised to transfer to the selected charity the benefit of the agreement which you have given under condition 27.2, above; neither the Society nor the selected charity will release you from that agreement; and any power of the Society to change the terms of its contract with you will not apply to any of the terms set out in this section.

27.5 You authorise the Society to give the selected charity any information about you or any account which you have with the Society (now or in the future) but only if the selected charity reasonably needs it

regarding the agreement you have given under condition 27.2, above.

27.6 You understand that the Society will require anyone who opens a share account (who is not then an exempt customer) to agree to assign to charity the right to any windfall benefits which that person may become entitled to. The terms of the agreement will be decided by the Society and may be different from the terms in conditions 27.1 to 27.5 above. This condition will no longer apply if the Society publishes a notice in the press of a decision by the Society that it will no longer require new share holding members to enter into such agreements.

These notes apply to conditions 27.2 to 27.6, previously detailed:

- (a) The Account is the share account which you are applying to open.
- (b) The conversion announcement date means the date on which the Society makes a public announcement of a proposal to transfer its business to a successor.
- (c) The current terms means terms which are the same as, or similar to, the terms set out in conditions 27.2 to 27.5 previously detailed.
- (d) You are an exempt customer when you open the Account if:
 - (i) you have held shares in the Society (other than permanent interest bearing shares) for a period of five years; or you are a borrowing member of the Society; or
 - (ii) you have already entered into an agreement with the Society binding you to the current terms; or
 - (iii) you belong to one of the groups of the other people who, in the Society's opinion, do not need to be asked to agree to the current terms. A list of these groups is available from the Society at any time. The Society may alter the number and composition of the groups from time to time, but no alteration will apply retrospectively.
- (e) A person "opens" an Account either by opening a new Account or by having an existing account transferred into his or her name (whether as sole or joint holder).
- (f) The selected charity means the Community Foundation or, if it is at any time no longer a registered charity, any other charity or charities selected by it to receive assignment of windfall benefits.

- (g) A "shorter period" is applicable if, when the Society opens your Account, you belong to one of the groups of people who, in the Society's opinion, do not need to be asked to agree the usual five-year period. A list of these groups, stating the period applicable to them, is available from the Society at any time. The Society may alter the number and composition of the groups and the period applicable to them from time to time, but no alteration will apply retrospectively.
- (h) The "successor" is 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).
- (i) A "windfall benefit" is a benefit which a person has the right to receive as a share holding 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:
 - (ii) the replacement of savings in a share account with the Society with savings in a deposit account with the successor, or
 - (iii) any benefit which the Society has decided may be kept by a person who has a number of accounts and was an exempt customer when opening one or more (but not all) of them. A list setting out the conditions which determine whether, and to what extent, such a person may keep a benefit is available from the Society at any time. These conditions may be altered by the Society from time to time, but no alteration will apply retrospectively.
- (iv) Where more than one of you is opening this Account, condition 27.1 and (if applicable) conditions 27.2 to 27.6, previously detailed, apply to each of you separately. If the Society no longer exists following a merger with another building society, conditions 27.2 to 27.6, previously detailed, will still apply between you and the other building society.

28 Accessibility

The Society is committed to ensuring that all of our products and services are easily and equally accessible to all our members. With this in mind we are able to provide this brochure in larger print, Braille or audio format. If you would like more details, or would like to register to receive correspondence in an alternative format, please contact your local branch or call us on 0345 734 4345.

29 Handling Customer Complaints

29.1 Unfortunately, mistakes are occasionally made by the Society. A leaflet entitled 'Our complaints procedure' provides full details of our complaints procedure, a copy of which is available from your local branch or by calling us on 0345 734 4345. If you are not satisfied with the way we deal with your complaint you may be entitled to refer this to the Financial Ombudsman Service at: Exchange Tower, Harbour Exchange Square, London, E14 9SR. Tel: 0300 123 9 123. www.financial-ombudsman.org.uk

29.2 If your complaint relates to a product or service purchased online and you are not satisfied with our response you may refer your complaint to the Online Dispute Resolution (ODR) who will aid you in submitting your complaint to the FOS as our mandatory Alternative Dispute Resolution (ADR) provider <http://ec.europa.eu/odr>.

30 Financial Services Compensation Scheme

30.1 The Society is a participant of the Financial Services Compensation Scheme established under the Financial Services and Markets Act 2000. Payments under the Scheme are limited to a maximum payment of £85,000 of an investors total shares and/or deposits in a society.

Most investors are covered, including individuals and small firms. A small number of categories of shares and deposits are not covered (for example, deferred shares - permanent interest bearing shares). Although most shares and deposits are denominated in sterling, all other currencies are covered. Further details are available on request from the Society.

31 Governing Law

31.1 This Agreement is concluded in English. All correspondence and communications with you in relation to your Account will be in English. These terms and conditions will be construed in accordance with English law.

32 General

32.1 You will receive a copy of this booklet when you open an account and at any time you ask.

32.2 The Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. The Society holds a consumer credit licence, licence number 0655098.

32.3 The Society is an active member of the Building Societies Association. Shares and Deposits in the Society are Trustee Investments.

Summary of Fees*

Savings	£
Auditors letter	20.00
BACS trace	40.00
CHAPS charge (British Isles)#	30.00
Closed account Information	10.00
Data Protection Act Information (<i>per request</i>)	10.00
International CHAPS charge (abroad)#	60.00
International Payment inwards fee	6.00
Multiple cheque withdrawal (<i>min per cheque</i>) (5 or more)	3.00
Unpaid cheque charge	15.00

*Fees charged are applicable per account (not per request). Fees will only be debited to easy access accounts. Fees incurred for other accounts, will be payable via cheque.

#CHAPS charge is applied per transaction.

Please note from time to time it becomes necessary to vary our tariff of charges, when we do so any increase will not be for more than either:-

- (a) the rate of the Retail Prices Index; or
- (b) to reflect changes which have occurred, or which we reasonably believe are likely to occur, in;
 - (i) fees and charges fixed by statutory bodies and/or
 - (ii) the reasonable increases in direct or indirect administrative overheads we incur for doing the work or providing the service for which we make the charge, whichever is the greater.

Call:

0345 734 4345

Monday to Friday 8am to 6pm (Excluding Bank Holidays)

Calls may be monitored and recorded for training and security purposes.

Or visit us online:

www.newcastle.co.uk

Or Call into your local branch.