

Account Terms

A guide to how your account works

An overview for all savings account customers

Our Savings Promises

- Promise 1** We will not offer 'brand new customer only' savings products.
- Promise 2** We will reward existing savers with exclusive savings accounts.¹
- Promise 3** We guarantee our Fixed Rate ISA rates will match or beat our equivalent Bond rates – so you get the most of your ISA tax relief.
- Promise 4** When you transfer a Cash ISA to us you will start earning interest as soon as we receive your application.²
- Promise 5** We offer a Rate Guarantee when you reinvest in a Fixed Rate Bond or Fixed Rate ISA – if our rate changes between the day you apply and the day of reinvestment, we guarantee you the better rate.
- Promise 6** We will contact you³ every year detailing our range of savings accounts, so you know about new accounts we have launched. We will send you an annual savings statement showing the rate you are receiving, and we will always have our latest rates available at thederbyshire.co.uk.
- Promise 7** We will help you choose our best savings accounts for you. You can ask us at any time for a free Savings Review to see if you can get more from your savings.

(1) Product eligibility criteria will apply.

(2) Provided that your funds are free to move and not subject to any notice period.

(3) Only for customers who are 18 or over with a savings balance of £500+.

These are our Savings Promises which will form part of your savings account terms and conditions. These Savings Promises ONLY apply to those accounts opened with the Derbyshire Building Society.

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We strongly advise you to read the whole of this booklet as you will be legally bound by it to the extent that it relates to your account.

Introduction

This booklet will give you more detailed information about how we will administer your account and includes Investment Conditions. There are also detailed Special Conditions which apply only to some specific accounts.

It includes information on a wide range of matters:

- how the interest rate we pay is calculated and paid, and how we can vary it
- making withdrawals and paying into your account
- the information we provide about your account
- what to do if you change your mind about opening the account
- the charges you may have to pay
- what happens if you hold an account jointly with someone else
- membership and assignment of windfalls to charity
- how to make a complaint
- how to prevent fraud and protect your accounts

If you'd like to ask us any questions about the information in this booklet, please get in touch – either at a branch or by calling our Customer Relationship Team on **08456 004 005**. You may need to refer to this booklet again in the future, so please keep it safe.

Can we help you with your savings in any other way?

We're sure you'll be happy with your new account, but if you're also looking for another savings account with different benefits, we may well be able to help. We offer a wide range of other accounts, which you can apply for and manage through our branches, on our website, by phone or by post – all providing different rates and benefits.

If you'd like to know more about these accounts, including any special offers, please call our Customer Relationship Team on **08456 004 005**.

A guide to how your account works

The terms and conditions applying to your account

The terms and conditions which apply to your account are contained in the leaflet which explains the product you are buying and this Account Terms booklet.

The terms and conditions applying to your account include:

- our Investment Conditions – please see Page 15 of this booklet,
- the special conditions for the product you are buying contained in the product leaflet, and
- any detailed special conditions for the account you are buying contained in this booklet.

The terms and conditions are variable. If we change these terms, we will notify you as set out in Investment Condition 22. If we have made a major change or a lot of minor changes in any one year, we will make available to you a copy of the new terms and conditions or a summary of the changes.

For more information and details of how much notice we will give of changes please see Investment Condition 22 .

How we are able to change interest rates, charges and other terms

We are able to change the interest rates, charges and terms and conditions which apply to your account unless we tell you otherwise. There are limits on how we can do this and these are set out in the following:

- in our Investment Conditions for changes to
 - charges (Condition 9 & 22)
 - the rate(s) of interest (Condition 22)
 - other terms (Condition 22)

- in the undertaking given for accounts requiring notice for withdrawals, details of which are set out below.

We may also limit our ability to make changes in the special conditions which apply to an account e.g. we may guarantee that the interest rate will not fall below Bank Rate.

Interest rates on variable rate accounts requiring notice for withdrawals

If you have a variable rate account which requires notice for withdrawals, we undertake, so long as you meet the original account opening terms, that the gross interest rate we pay you will be not less than a rate 3% below the Bank of England's Official Bank Rate ("Bank Rate"), except for Crown Monthly where the rate will be not less than a rate 4% below Bank Rate, subject to the following provisos:

- i if we need to vary the interest rate after a change in Bank Rate in order to comply with this undertaking, the variation in the rate we pay you will not apply immediately but will take effect within 30 days of the change in Bank Rate;
- ii if Bank Rate ceases to exist or be available in the future, we will base the rate we pay you on another independent rate which in our reasonable opinion is similar to Bank Rate and appropriate to the account;
- iii if we ever need to withdraw this undertaking, we will let you know at least 30 days (or if the account requires a longer notice period for withdrawals, that period) in advance, and you will then have 30 days to close or switch your account without notice, loss of interest or other charges;

- iv this undertaking does not apply to Postal Premium, Postal 30 Triple Guarantee and Postal 60 Triple Guarantee where there are special terms.

Variable Rate Accounts - Changes in the Bank of England's Official Bank Rate ("Bank Rate")

Unless we tell you otherwise, our accounts are not generally linked to Bank Rate although we do take account of Bank Rate and changes to it along with other factors when setting or varying the interest rate on your account.

If the interest rate on your account relative to Bank Rate falls significantly (by 0.50% or more) over a 12 month period we will write to you, if you have £250 or more in your account, to tell you this and explain your options.

Also, if you have £500 or more in your account and, following a change to the interest rate on your account or Bank Rate, the interest rate on your account falls by more than 0.25% relative to Bank Rate, we will write to you to tell you that.

If we have to write to you in either of the above circumstances we will write to you:

- within 30 days of the change to the interest rate on your account, or
- within 60 days of the change to Bank Rate where the fall follows a change in Bank Rate and we have not changed the interest rate on your account within 30 days

For more information please contact our Customer Relationship Team on **08456 004 005**.

How we give you notice about changes in interest rates

Our arrangements for giving you notice of changes in interest rates are described in Investment Condition 22.1 – 22.4 inclusive.

For changes in interest rate which are to your detriment, we will give you 30 days prior personal notice and you can change, switch or close your account without notice or charge within 30 days of receiving our notice.

For changes in interest rate which are not to your detriment, we give notice of interest rate changes by displaying notices in Derbyshire branches and by advertisements in a selection of newspapers.

We will give notice in branch at or before the time the change takes effect, though in some cases it may not be possible for the press advertisements to appear until shortly after the rate change.

In the case of accounts not run through branches (e.g. postal accounts) we will write to you within 30 days of the effective date of change.

The current interest rates for all our variable rate accounts and any currently available fixed/escalating rate accounts are available from our Customer Relationship Team and on our website thederbyshire.co.uk.

Income Tax

We normally pay interest Net of income tax. We can pay interest Gross if you can provide us with an appropriate completed R85 form which complies with HM Revenue and Customs regulations.

If you are a non taxpayer, or if your total taxable income is only just over the starting point for paying income tax, you may be able to claim a repayment of the tax deducted from HM Revenue and Customs.

If you pay income tax only at the basic rate, you will have no more tax to pay on the interest. If you are a higher rate taxpayer, you will have to pay additional tax on the interest to cover the difference between the tax deducted and the higher rate tax due.

Interest on ISAs is tax free provided all account conditions are met (see the Derbyshire Cash ISA special conditions).

The tax position affecting our accounts is subject to changes in the UK Tax Law and practice. Current tax treatment may not be maintained in the future.

How interest is paid

We will normally automatically add interest to your account (credit). However, with some accounts you can have the interest transferred to your bank (payment) or, if you prefer, into another Derbyshire account (transfer). For certain types of account (some monthly interest accounts) we don't add interest to your account. Instead, it is credited to your bank account or an instant access account held with us.

If your interest is paid into an account with another bank or building society, the payment will reach your account three working days after the interest payment date.

How interest is calculated

We generally calculate interest on a sum you invest as described in the following section. For cash and automated credits deposited into the account interest will be earned from the day after the day of receipt. There may be a delay of one working day if deposits are made at a cash machine. We will credit your account with the amount which has been verified and accepted by us when we check the deposit.

The effect of the interest calculation we use is that interest is calculated daily. The amount of interest you will receive can be calculated by taking the amount in the account at the start of the day, multiplying it by the interest rate applying to the account divided by 100, then dividing it by 365 (except in a leap year when it is divided by 366).

i.e. using the following formula:

Balance at the start of the day
$$\frac{x \text{ (the interest rate/100)}}{365 \text{ (or 366 in a leap year)}} = \text{the interest for that day}$$

Interest is calculated differently in a leap year and deposits made after 29 February will receive less interest than they would in a non-leap year. For further information please visit your local branch or call our Customer Relationship Team on **08456 004 005**.

Cheques/Other Payments – Interest, Withdrawals, etc

The way we deal with cheques paid into your account (including interest on the payment and withdrawals against the cheque) depends on the cheque clearing system as described below. We are not a clearing bank and so the clearing system applies in a different way to us.

There are three elements in the cheque clearing cycle:

- Clearing for interest (when we start paying interest on any cheque you deposit with us)
- Clearing for withdrawal (when we will allow you to withdraw against any cheque you deposit with us)
- Clearing for certainty (when you can be certain that we will not debit any cheque you deposit with us which is returned unpaid (unless you are a knowing party to fraud) without your permission).

The clearing timescales for our accounts are set out below. Please note that these refer to "working days". This means any day other than

- a Saturday, Sunday or Bank Holiday, or
- any other day when the clearing banks in the United Kingdom are not generally open to the public for the transaction of business.

Working Day 0 this means:

- in the case of a new account, the day we open the account for you
- in any other case, the day we receive the cheque from you.

Please note that our branch offices are open to receive cheques only on working days (and for part of Saturdays), so this will limit the period during which we can receive cheques from you.

Day after Working Day 0 (whether or not this is a working day): the account starts to earn interest on the money paid into it.

Working Day 6 (start of day): the money is available to withdraw (if it is in an account which allows withdrawals).

Working Day 6 (end of day – 11.59 p.m.): you can be certain that the money is yours and cannot be reclaimed without your permission, as long as you are not a knowing party to fraud.

Please note that:

- Because the timetable is expressed in “working days”, the periods involved will be extended at Bank Holidays, and particularly over the Christmas/Easter periods
- It is important to understand that, although we will let you withdraw against cheques at the beginning of “working day 6”, this does not mean the cheque has cleared for certainty. Cheques can be returned unpaid before certainty and, if this happens, they will be debited from your account (in other words the balance in your account will be reduced by the amount of the cheque), and we will make a charge as described in the Savings Account Charges section of this booklet.

We can arrange for special clearance of cheques of £2,500 or more which may speed up the process, but we will make a charge for this.

In relation to other forms of payment:

- Withdrawals are allowed against automated credits to your account, but this is subject to any recall of the automated credit. If this happens, we will debit the amount of the automated credit from your account even if you have already made a withdrawal against a credit
- Cash paid into an account will be available for immediate withdrawal and will earn interest
 - where an account is being opened, from the start of the day following the day we open the account for you
 - in any other case, from the start of the day following the day we receive the payment.
- The arrangements for deposits at ATMs are described in the special conditions for our card accounts. (Please note that it will not be possible to make deposits at ATMs from June 2010).

Making a withdrawal

The amount you can withdraw at any one time will depend on the type of account you have. However, the maximum withdrawal without prior arrangement at any Derbyshire branch is currently £500 in cash and £100,000 by cheque.

We can arrange for you to have up to £5,000 in cash if you let your branch have 24 hours’ notice. You can normally make withdrawals by cheque from £50 up to £100,000 at any branch. For cheque withdrawals of £100,000 we have a facility

for withdrawals to be made by bank telegraphic transfer (CHAPS) to a UK bank on payment of a fee (please read the Savings Account Charges section for details).

The minimum withdrawal at a cash machine is £10 and the maximum from a cash machine each day is £250.

If a cheque we have issued from your account becomes out of date (i.e. more than six months old) we will not normally be able to re-credit your account without the authority of the person in whose name the cheque was drawn or without the cheque itself.

We will ask you to produce your passbook/cash card/certificate when you make a withdrawal.

You cannot make a withdrawal if the account would be overdrawn following the withdrawal.

Your entire balance may not be available for withdrawal (subject to the terms and conditions of your specific product) in circumstances where there are uncleared funds in your account.

If you have a postal account withdrawals can only be made by post. A cheque will normally be sent to your home address.

Before we can act on your instructions to make payments or withdrawals, we will require your consent and may require proof of identification. How we obtain your consent may include, the use of passwords, cards, card readers, PINs or encryption device(s) and card verification.

When making payments, the following information is required from you about the company or person you are paying:

For automated payments as detailed in the table below, and CHAPS payments, the sort code, account number and, if applicable, reference. In addition, for CHAPS payments you must give us the bank’s name and address.

For transactions at a cash machine using your card, you will usually be asked to enter your PIN.

If you give us the wrong account details for a payment, we will try to recover the funds for you if you ask us to, but we may charge you for doing so.

The following table details when payments can be made, when they are received and how they can be cancelled.

Payment Type	When we can accept your payment instructions	When payments usually arrive	How to cancel your instruction
Automated payments			
Internal transfers to Derbyshire accounts	During opening hours at a branch or by post. For on-line accounts at any time using Internet Banking.	Immediately.	You cannot normally cancel a payment after we have accepted your instruction.
Electronic transfer	For on-line accounts at any time using Internet Banking. If we receive your instruction after 11:00pm it will be processed the following working day. Payments can be made 7 days a week.	Payment normally arrives by the end of the next working day following your request.	You cannot cancel an electronic transfer once it has been requested.
CHAPS Payments	During opening hours at a branch or by post. For same day payments we must receive your instruction by 2.30pm on a working day	Payment normally arrives on the same working day.	You cannot normally cancel a payment after we have accepted your instruction.

Payments from your account will only be made if there are enough cleared funds available in your account.

Withdrawals from standard variable rate cash ISAs

We cannot arrange for special clearance of cheques paid into standard variable rate cash ISAs and withdrawals made from these accounts cannot be made by bank telegraphic transfer (CHAPS).

Cheque payments to a savings account

If you are opening an account with a cheque or paying into an account with a cheque, the account name and/or account number must be on it.

We won't accept cheques without the customer's name or account number in the payee line.

The maximum amount you can invest

Unless we say otherwise in the product leaflet and/or special conditions for the account you are opening, the maximum amount you can invest is £1,000,000 per account or in total for any investor including all accounts held with us. For this limit and for some tax purposes, we treat joint account holders as being equally entitled to the amount invested.

Branches you can use

Apart from our Postal and Internet Accounts, you can pay into your account and make withdrawals at any Derbyshire branch. If you have a Derbyshire cash card you can also make withdrawals from over 64,000 LINK machines throughout the UK.

The account information we provide

We will not send account statements to our customers generally, either annually or at other intervals.

Derbyshire Cash and Young Savers Accounts with a card will receive statements quarterly if there has been a transaction in the relevant quarter. If there are 30 transactions in a quarter we will issue the statement after the 30th transaction.

Derbyshire Postal Accounts will receive transaction statements at least once a year (does not apply to Postal 30 and Postal 60 Triple Guarantee accounts).

If we change our practice and believe this is likely to affect you adversely, we will try to let you know, generally by writing to you, before the change takes effect.

We recommend that you check any statement you receive, or your passbook, regularly. If there is an entry which seems to be wrong, you should tell us as soon as possible so that we can sort it out. In some cases we will need further information or assistance from you to do this.

In addition, you can always call into any of our branches with your passbook or other account documents (e.g. certificate, card) to confirm your account details, including interest earned and tax deducted.

You can also get information on our current interest rates (including details of those newspapers we use to notify customers of interest rate changes) at any of our branches or by telephoning our Customer Relationship Team on **08456 004 005**, or on our website at thederbyshire.co.uk.

The identification you will need

However you choose to apply to open an account, we will need to see some identification.

When opening an investment account, we are required to verify your identity. To do this, we will make searches about you at credit reference agencies that will supply us with information, including information from the Electoral Register. The searches will not be seen or used by lenders to assess your ability to obtain credit. If we are unable to verify your identity by this method, we will ask you to provide paper evidence.

The paper evidence we can accept depends upon your circumstances and how you are opening the account. Our requirements can be found in our 'Identification Requirements' leaflet.

Different arrangements apply if you are opening any of our accounts through the post. For more information please ask at any of our branches or call our Customer Relationship Team on **08456 004 005**.

Cancelling your account

All our variable rate accounts have a 14 day cooling off period from either:

- the day the account was opened,
- the day on which you receive the account terms and conditions and other information on paper or electronically,

whichever is the later.

If you decide to cancel you can either switch accounts or have all your money back including all interest earned during that time (interest will be paid net even if you are cancelling an ISA) by writing to us at Customer Services, Derbyshire Building Society - Savings & Investment Team, PO Box 29216, Dunfermline KY12 2BZ or in Branch. We will only action a request to close your account when all the funds in the account are cleared. There is no notice requirement and no additional charges if you decide to do this. There is no cooling off or cancellation period for fixed rate accounts where the interest rate is set when you open the account (except for our fixed rate cash ISA where there is a 14 day cooling off period)

Accounts no longer available to new investors

We may discontinue or stop offering an account to new customers without telling you. If your account is no longer available to new investors and you would like a summary of the conditions which apply to it please ask us. The current interest rates are detailed in the Variable rate accounts interest rates leaflet.

Savings Account Charges

Please note the following charges (which we can change from time to time):

Stopped cheques - £20

This charge is payable when we agree, as an exception, to stop a cheque we have issued, at a customer's request. If a cheque we have issued from your account becomes out of date (i.e. more than six months old) or, if you wish to stop payment on a cheque payable to a third party, we will not normally be able to recredit your account without the authority of the person in whose name the cheque was drawn or without the cheque itself.

*CHAPS transfer - £30

CHAPS is a bank telegraphic transfer service which allows money to be transferred to another account quickly and conveniently. This charge will be payable when a withdrawal is made in this way. This facility is available only for transfers to UK banks.

*Special presentation charge - £15

A charge of £15 is made if you need a cheque clearing quickly; this covers our administration costs and the bank charges we have to pay. This service is only available for cheques of £2,500 or more.

Returned cheques - £26

This covers the administration costs and bank charges when a cheque, paid into a Derbyshire account, is later returned unpaid. The amount of the returned cheque and the £26 charge will then be taken from the money in the account.

Derbyshire Cash Account charges - Non ATM Withdrawals

A charge of 70p is made for any withdrawal after which the amount in the account is below £100.

This charge will be waived for customers aged over 60.

A charge of £1 is made for each cheque withdrawal of less than £50 (irrespective of the amount in the account).

If both the above occur at the same time only the £1 charge for each cheque will apply.

Please note: *The owners of some cash machines may make a charge for ATM withdrawals on Derbyshire Cash Accounts and Young Savers card (ys advance) accounts which will be deducted from your account when you make a withdrawal.*

Rejected Direct Debit - £26

This covers our administration costs if we have to reject a Direct Debit because there are insufficient cleared funds to cover the full amount.

Account information charges - £10

This covers the administration costs of providing you with a copy of any account statement, a breakdown of the transactions on your account, or an extra s975 Tax Deduction Statement.

Overdrawn account charge - £20

You are not permitted to make a withdrawal if the account would be overdrawn following the withdrawal. If you do we will write to you requesting that you pay sufficient money into the account to equal or exceed the minimum investment balance. We will charge you this fee where we send you a letter, or take similar action, about your account continuing to be overdrawn - this fee will be charged from and including the second letter.

Other charges

This list does not include any charges we may make for items we consider to be outside the normal servicing of the account.

These charges apply to all of our Savings Accounts except our Standard Derbyshire Cash ISAs. Services marked * are not available on these products. Please ask if you would like more information about charges.

Increases in charges

If we increase any of these charges, or introduce new ones, the provisions of Investment Condition 22.5 – 22.8 will apply (meaning that we will give you at least 30 days prior personal notice) except where the change relates to Payment Services where the provisions of Investment Condition 22.9 – 22.10 will apply (meaning that we will give you 60 days prior personal notice). You can change, switch or close your account without notice or charge within 30 days of receiving our notice (60 days for Payment Services changes).

Joint Accounts, Trustees & Membership of the Society

Savings Accounts and membership rights

Most holders of our Savings Accounts are members of Nationwide Building Society. The exception is that Deposit Accounts do not carry membership rights.

Joint Accounts

What is a joint account?

A joint account is one that is opened in the name of more than one person.

With a joint account you are both individually and jointly fully responsible for any obligations to us. If a joint account holder dies the balance in the account will automatically transfer to the surviving account holder(s).

If at any time you no longer wish to have a joint account together, (for example because you separate), you should tell us to close the account and open accounts in your sole name(s).

Who can make withdrawals from a joint account?

You decide when you open the account whether you all, or any one of you, have to sign to make withdrawals from the account.

If you choose the "any one holder to sign" option and for any reason either of you change your mind in the future just let us know, and we will change our records so that all account holders must sign to make a withdrawal. Normally you must give us 14 days written notice of the change but if you let us know that exceptional circumstances apply we may be able to make the change more quickly.

What about joint trustee accounts?

In the case of joint trustee accounts - for example, an account held for a child - all account holders will have to sign to make withdrawals. The only exception to this for joint trustee accounts will be where an account is held under a formal document e.g. a will trust or as trustee for an association, club etc, and formal authorisation has been given for withdrawals by a limited number of account holders.

What happens with a Derbyshire Cash Account?

When you open a Derbyshire Cash Account the conditions of that account provide that all or part of the amount in the account may be withdrawn on the authority of either account holder. Either account holder may change this arrangement on 14 days written notice to us. If the arrangement is changed, card transactions will not be permitted and withdrawals will only be allowed on the signatures of both account holders.

Who has the membership rights on a joint account?

For accounts in joint names the membership rights (the right to receive notices of meetings, for instance) will generally belong to the first named account holder other holders will have limited rights, mainly to do with obtaining information. Some rights depend upon a minimum holding, e.g. to receive notice of an Annual General Meeting of a building society you must have held at least £100 at the last year end of the society. If you want to change the order of names on any jointly held account, please contact your local branch.

Trustees and membership

For Trustee Accounts, the trustees are the legal account holders and have any membership rights. They also receive communications about the account. However, if you have told us that an account is held for the benefit of a particular person, for example a child, we will refer to the name of that person in any account statement we issue, even though, as the beneficiary of the trust, he or she is not the legal account holder.

Please see our Investment Conditions (Investment Condition 11) for more information about joint accounts and trustees.

Our Charitable Assignment Scheme

Since 3 November 1997, customers who have become members of Nationwide on opening a current account, savings account or mortgage account have (with certain exceptions) been required to sign up to our charitable assignment scheme.

Unless you have been a member of the Society continuously from 2 November 1997 or fall into a special group to which the scheme does not apply, you will become legally bound by our charitable assignment scheme when your account is opened. Under the scheme:

- You will become a member of Nationwide Foundation if you are not a member already. The Foundation is a registered charity and is a focus for our charitable giving
- You agree with us and with the Foundation to assign to the Foundation your rights to any windfall benefits you might otherwise have received in the unlikely event that we transfer our business to a company.

The terms binding you to the scheme are set out on page 20.

Information about our services

From time to time and with your agreement we and other carefully selected companies and organisations may send you information by letter, telephone, email or otherwise about our services and products (or those of other selected

companies or organisations), which we believe may be of interest. If you don't want to receive this information or if you would like a list of our associated companies please write to:

**Customer Services,
Derbyshire Building Society
- Savings & Investment Team,
PO Box 29216,
Dunfermline KY12 2BZ**

Confidentiality

We keep particulars of your account confidential and only disclose them without your consent if we are legally obliged to.

Where financial institutions or others ask for references or similar items containing information about you or your account(s), we only give the information where it appears that you wish us to. Of course in certain instances we may have to disclose information, for example, under a court order.

Personal information we hold

If you would like more information about how we use the personal data we hold in our records, please ask for our leaflet "How We Use Your Personal Information".

Data Protection Act – requests for information

Under the Data Protection Act 1998 you have the right, upon request, to have the details of information which Derbyshire Building Society holds about you in its records. Your request should be in writing and addressed to Customer Services at Derbyshire Building Society - Savings & Investment Team, PO Box 29216, Dunfermline KY12 2BZ together with a cheque for £10 to cover the administration work involved.

If things go wrong: our complaints procedure and the Financial Ombudsman Service

If things go wrong, let us know and we'll try and sort out the problem promptly. We have a complaints procedure and we are a member of the Financial Ombudsman Service.

Details about our complaints procedure and the Financial Ombudsman Service are in a leaflet called "Our commitment to Complaint Services". Please call our Customer Relationship Team on **08456 004 005** if you would like a copy. Complaints we cannot settle may be referred to the Financial Ombudsman Service.

Account opening

We are not obliged to open an investment account, or to do so on the terms stated in any of our literature.

Keeping us up to date

Please make sure you let us know as soon as possible when you change your:

- name
- address
- phone number or
- email address (if this is how we communicate with you).

We will require evidence of your change of name and address. If we do not hold correct information we cannot communicate with you.

Care of your account

This section contains details of steps you can take to look after your passbook or card & Personal Identification Number (PIN) in order to prevent fraud and to protect your account from being misused.

Prevent fraud and protect your accounts

It is essential to take care of your cheques, passbook, card and PIN and other security information to help prevent fraud and protect your accounts. Please make sure that you follow the advice given below:

- Do not let anyone else use your card and do not tell anyone else your PIN or other security information, **not even our staff or the police**
- If you change your PIN you should choose your new PIN carefully

- Always take reasonable steps to keep your card and passbook in a safe place and your PIN, password and other security information secret at all times
- PIN notifications should be destroyed promptly on receipt
- Sign your card as soon as you receive it
- Keep your card receipts and other information about your account containing personal details (e.g. statements) safe and dispose of them carefully
- Take care when storing or disposing of information about your accounts. People who commit fraud use many methods, such as 'bin raiding', to get this type of information. You should take simple steps such as shredding printed material
- You will find the APACS website (cardwatch.org.uk) a helpful guide on what to do if you suspect card fraud.

Changing your PIN

We will give you your PIN separately from your card. We recommend that you change this PIN to a number of your choice at a Derbyshire ATM (any Nationwide ATM from June 2010). However you should ensure you choose your new PIN carefully.

You can choose not to be issued with a PIN but you will not then be able to use an ATM and all card account transactions will have to be conducted at a branch.

Please note that you may be charged for withdrawals at a branch counter; please see the particulars of charges in this brochure for more details. Any cash machine may retain your card following the repeated keying of the wrong PIN or a technical failure. If this happens, you must inform us as soon as possible. We accept no liability for any loss if your card is retained or you experience a technical failure.

Checking your account

We recommend that you check any statement you receive, or your passbook, regularly. If there is an entry which seems to be wrong you should tell us immediately so that we can sort it out. In some cases we will need further information or assistance from you to do this. If you fail to receive a statement or any other expected financial information, you should contact us immediately.

Sending cheques through the post

When sending cheques through the post, it will help to prevent fraud if the cheque contains extra information about the person it is being paid to:

- If you are paying a cheque into a Derbyshire account, always write on the cheque the name of the account holder (e.g. Derbyshire Building Society, account holder - B Brown). You should draw a line through unused space on the cheque so that unauthorised people cannot add extra numbers or names. We won't accept cheques without the customer's name or account number in the payee line
- If you ask us for a cheque withdrawal from your account and you are paying it to a large organisation such as HM Revenue and Customs, tell us the name of the account you want the cheque paid into (e.g. HMRC, account - J Jones, reference xxyyzz).

Lost passbook and cards

You must tell us as soon as possible if you think that your passbook or card has been lost or stolen, or if you suspect that someone might know your PIN, password or other security information. We will take immediate steps to try to prevent them from being used.

If you have lost your passbook, card or think someone knows your PIN or other security information you can contact Customer Services, Derbyshire Building Society - Savings & Investment Team, PO Box 29216, Dunfermline KY12 2BZ or any branch during normal office hours.

If you have lost your card or suspect that someone knows your PIN you can telephone the 24 hour 'Helpline' number (currently 08457 045 111) at any time.

Investment Conditions

Derbyshire Building Society Investment Conditions

1 January 2010 Edition (with attached explanatory note on Rules). These Conditions apply to all our savings accounts except Secured Growth Accounts from and including 1 January 2010.

Guidance Notes

- i. The Investment Conditions are important general provisions which affect your savings account and your relationship with us. Please read them carefully along with:
 - A 'Guide to our Savings Accounts' brochure
 - our 'Tax Efficient ISAs' brochure
 - any special conditions applicable to your account in the 'Account Terms' leaflet and product leaflets
 - the 'Variable rate accounts interest rates' leaflet
 - other leaflets containing special conditions and other account information for variable rate accounts not currently available to new investors, and fixed/escalating rate accounts
 - the Rules of Nationwide Building Society (see Investment Condition 12)
 - any other item(s) we tell you about

This material is available at branches and agencies. Please note that we may review it from time to time.

- ii. You should note that we can vary the Investment Conditions in certain circumstances.

1 - General

- 1.1 These conditions are Derbyshire Building Society Investment Conditions and will be described below as "the Investment Conditions".
- 1.2 The Investment Conditions apply to savings accounts with Derbyshire Building Society unless they are excluded by, or inconsistent with, special conditions for particular accounts. Detailed special conditions for certain accounts are contained in the product leaflets for those accounts and/or the Account Terms leaflet.
- 1.3 In the Investment Conditions (i) the words "the Society" "we" "us" and "our" refer to Nationwide Building Society trading as Derbyshire Building Society; (ii) the words "you" and "your" refer to holders of savings accounts; (iii) "working day" means any day other than either (a) a Saturday, Sunday or Bank Holiday or (b) any other day when the clearing banks in the United Kingdom are not generally open to the public for the transaction of business.
- 1.4 The account must not be used for business purposes.
- 1.5 From time to time we may publish 'Savings Promises'. These will be clearly promoted as such and entitled 'Our Savings Promises'. These promises are incorporated into and form part of these conditions.

2 - How we calculate interest

- 2.1 We generally calculate interest on a sum you deposit with us as described in Investment Condition 5 below.

3 - Minimum and maximum opening investments/holdings

- 3.1 The maximum total investment in an account, or by an individual in all accounts he or she holds, is £1,000,000 or any higher amount which we agree. Where the maximum holding is different for a particular account we will say so in the special conditions for that account. We will also tell you the minimum holding for accounts in their special conditions.

- 3.2 For the purpose of this condition (and for certain HM Revenue and Customs returns) we will treat joint account holders (but not trustees or nominees) as being entitled to the sum invested in the account in equal shares.

4 - Withdrawals

- 4.1 Withdrawals are subject to the special conditions for particular accounts and to any branch/agency withdrawal limits which we reasonably impose. We will tell you about the current limits in our Account Terms leaflet and any applicable special conditions for particular accounts.
- 4.2 You are not permitted to make withdrawals:
 - (a) if the account would be overdrawn following the withdrawal;
 - (b) from a passbook or certificate account, unless you produce the passbook or certificate at the time of the withdrawal;
 - (c) from a card account, where you do not use an automated teller machine (ATM), unless we have confirmed that the amount currently in the account appears sufficient to cover the withdrawal you wish to make.
- 4.3 We can restrict at any time the amount which can be withdrawn from any account. We will only do this if:
 - (a) we reasonably believe that there may be fraudulent activity or other financial crime affecting the account;
 - (b) we are required to do so by any law, regulation or court order;
 - (c) there is a dispute (which we reasonably believe may be genuine) about the ownership of, or entitlement to, the money in the account;
 - (d) circumstances beyond our reasonable control prevent us from offering a normal service (such as in the event of terrorist threat, computer systems failure or strikes);

- (e) circumstances exist which lead us reasonably to believe our financial stability is under threat (such as where rumours cause actual or potential abnormal levels of cash withdrawals);
- (f) we reasonably believe that you did not give us the instruction;
- (g) your instructions are unclear or incomplete;
- (h) the withdrawal would cause you to exceed any limit or restriction which applies to the account (such as a daily cash withdrawal limit from cash machines).
- In the case of (d) and (e) above:
- (i) we will act proportionately to the circumstances in question;
- (ii) we will take all reasonable steps to ensure that the restrictions are lifted as soon as practical and to minimise the inconvenience to you;
- (iii) we will take into account the interests of the Society's membership as a whole;
- (iv) we will, if practical, give advance notice;
- (v) we may consider exceptions to the restrictions if we are reasonably satisfied that substantial hardship would otherwise be caused.
- 4.4 Where we have refused to carry out your transaction that occurred within the EEA, we will notify you within one working day either verbally, by letter or by showing the refused transaction as a credit and debit of the same amount on your statement or passbook, which will be made available to you at a branch or at our cash machines.
- We will not notify you if we believe that doing so would compromise security or would otherwise be unlawful. Information about the refusal and, if possible, our reasons for the refusal along with information on how to correct any factual errors that led to the refusal can be obtained by contacting us.
- ## 5 - Cheques/other payments
- 5.1 The arrangements regarding cheques (details of which are given in the remainder of this Investment Condition) will at all times be subject to the rules, and clearing processes, of any cheque clearing system(s) affecting us. There are three elements in the cheque clearing cycle:
- (i) clearing for interest (when we start paying interest on any cheque you deposit with us);
- (ii) clearing for withdrawal (when we will allow you to withdraw against any cheque you deposit with us);
- (iii) clearing for certainty (when you can be certain that we will not debit any cheque you deposit with us which is returned unpaid (unless you are a knowing party to fraud) without your permission).
- 5.2 The date of each of the above three elements when an account is being opened is as follows:
- (i) interest will be paid from the start of the day following the day we open the account for you;
- (ii) withdrawals will be allowed from the start of the 6th working day following the day we open the account for you (subject to any additional conditions for your account for withdrawing money);
- (iii) there will be certainty from the end of the 6th working day (11.59 p.m.) following the day we open the account for you.
- 5.3 The date of each of the above three elements in any other case is as follows:
- (i) interest will be paid from the start of the day following the day we receive the cheque;
- (ii) withdrawals will be allowed from the start of the 6th working day following the day we receive the cheque (subject to any additional conditions for your account for withdrawing money);
- (iii) there will be certainty from the end of the 6th working day (11.59 p.m.) following the day we receive the cheque.
- 5.4 Our branch offices are open to receive cheques only on working days and for part of Saturdays, so this will limit the periods during which we can receive cheques from you.
- 5.5 Although we will let you withdraw against cheques as indicated in Investment Conditions 5.2 ii and 5.3 ii, this does not mean the cheque has cleared for certainty. Cheques can be returned unpaid before certainty and if this happens, they will be debited from your account (in other words the balance in your account will be reduced by the amount of the cheque).
- 5.6 If a cheque is returned unpaid, we will make a charge as described in our Account Terms leaflet.
- 5.7 Cash paid into an account will be available for immediate withdrawal and will earn interest:
- (i) where an account is being opened, from the start of the day following the day we open the account for you;
- (ii) in any other case from the start of the day following the day we receive the payment.
- 5.8 Withdrawals are allowed against automated credits to your account but this is subject to any recall of the automated credit. If this happens, we will debit the amount of the automated credit from your account even if you have already made a withdrawal against the credit.
- 5.9 Cheques drawn from or paid into an account will be treated as valid for six months from the date of the cheque. Cheques must not be post-dated.
- 5.10 Arrangements regarding deposits at ATMs are described in the special conditions for our card accounts.
- 5.11 "Working day" has the meaning contained in Investment Condition 1.3 (iii) above.
- 5.12 All payments into the account must be in sterling.
- ## 6 – "Cooling off" (cancellation) arrangements
- 6.1 If you are not happy about your choice of account (except for a fixed rate account other than a fixed rate ISA) you can contact us by writing to us at Customer Services, Derbyshire Building Society - Savings & Investment Team, PO Box 29216, Dunfermline KY12 2BZ or in Branch within 14 days of the later of:
- (a) opening the account,
- (b) receiving the terms and conditions and other information for the account on paper or electronically.
- We will help you switch to another of our accounts or we will give you back all the money in your account with any interest it has earned. We will ignore any notice period and any extra charges.
- 6.2 We will only action a request to close your account when all the funds in the account are cleared.
- ## 7 - Transferring your investment to someone else
- 7.1 You can transfer the amount in your account to another person, unless the special conditions for the account provide otherwise; but you must first have obtained our agreement (which we can refuse without giving any reason) and paid any charge we may impose from time to time. No transfer will be valid unless it is made in a form acceptable to us and until it is registered in our records.
- ## 8 - Account information/statements
- 8.1 In certain cases we send out statements of account, either annually or at other intervals. Whether we send out statements, and if so at what intervals, will depend on what we reasonably believe to be appropriate for the account and/or investor concerned, taking account of relevant codes of practice.
- 8.2 We will tell you about our current practice in our Account Terms leaflet.
- Also, if we change our practice and believe this is likely to affect you adversely, we will try to let you know, generally by writing to you, before the change takes effect.
- ## 9 - Charges on Accounts
- 9.1 The provisions of this Investment Condition 9 apply to charges we make on accounts.
- 9.2 We may make charges for items relating to the running of your account and deduct those charges from the amount in the account.
- 9.3 The charges we make will reflect expenses we incur and the cost of staff time and the use of our office and computer facilities.

- 9.4 We will tell you about our current charges in our Account Terms leaflet and you can also find out about them on our website, through our Customer Relationship Team or by asking our staff.
- 9.5 We can change the charges we make at any time and the way we will do this is set out in Investment Condition 22.

10 - Taxes

- 10.1 Payments of interest (or otherwise) made by us on an account will be subject to any taxes which affect the payment.

11 - Joint Accounts/Trustees etc

- 11.1 The provisions of this Investment Condition 11 apply generally to joint accounts, trustees and related matters.
- 11.2 Withdrawals and other transactions on joint accounts require the signature of all joint holders, unless the holders have authorised us to accept the signature of one of them or (if more than two holders) a combination of them, and any authority can be revoked by giving us 14 days' written notice. If we have reason to believe that there is a dispute between account holders we may freeze the account and require the signature of all joint account holders irrespective of any authority you have given us.
- 11.3 Where there are joint holders and one of them dies, we can treat the surviving holder(s) as being entitled to the account.
- 11.4 The liability of joint holders will be joint and several; this means that each holder is fully responsible for all obligations relating to the account.
- 11.5 Only the account holder whose name appears first in our records (the Representative Joint Shareholder under our Rules) will obtain
- (a) any membership rights (e.g. the right to receive notices of meetings) arising from the account holding and (b) any account correspondence (unless you instruct us otherwise); but this is subject to rights given to other joint holders under any Act of Parliament.
- 11.6 We do not have to recognise the interest or claim of anyone except the account holder(s) in respect of any money held in an account (unless a Court Order or Act of Parliament says otherwise), and we will not be liable for failing to recognise any such interest or claim; this means that, where an account is held by trustees, we will not generally be bound by the existence or terms of the trust.
- 11.7 On a joint account interest can be paid net (with tax deducted) to one account holder and gross to the other. If you pay income tax at a higher rate, you will have to pay any additional tax on your interest.

12 - The Society's Rules

- 12.1 Where the Investment Conditions apply to your account you will (except where the account is a deposit account) be a member of Nationwide Building Society and be bound by its Rules but the Investment Conditions or any relevant special conditions will apply where inconsistent with the Rules. (A note about the Rules relating to savings accounts is set out in the Explanatory Note on Rules attached to these Investment Conditions).

13 - Deposit Accounts

- 13.1 If you have a deposit account, you are not a member of the Nationwide Building Society and do not have any voting rights. None of the Rules of Nationwide Building Society apply to the operation of your account.

14 - Closure - Our right to repay account money to you

- 14.1 We can repay to you all or part of the amount held in your account without giving any reason, but:
- (a) we must give you at least 60 days' personal notice;
 - (b) we cannot use this right to repay a fixed term investment before the end of the fixed term.

We can choose to close your account by terminating the agreement between us regarding the account. If we choose to terminate the agreement we will give you not less than 60 days personal notice

If you breach any terms of the agreement we may close your account by giving you not less than 30 days personal notice.

We may close your account immediately in exceptional circumstances. These might include a legal obligation to close the account or threatening or abusive behaviour towards our staff.

- 14.2 You will have no further right or interest in the account, and will cease to be a member in respect of it, when we have repaid the full amount due to you by giving, posting or delivering it to you in cash or by cheque.

15 - Our right to retain and set-off account money

- 15.1 We have the right to retain and set-off all money you may hold in any account with us against any money you may owe us, which is due for payment but which has not been paid. (In other words, we can take money from your account to pay mortgage arrears and other debts you owe us). We will write and tell you when we have done this. Interest or bonuses will not be paid on any money after it has been used in this way.

16 - Dormant accounts

- 16.1 The provisions in this Investment Condition 16 apply to "dormant accounts".
- 16.2 We may close your account if:
- (a) you cannot be traced after reasonable enquiry;
 - (b) for a period of five years no money is paid into, or withdrawn from, your account.
- 16.3 If you contact us at a later date and provide us with satisfactory proof of your identity, we will re-open the account and credit it with the amount we owe you in respect of the account (which will be equal to the balance that was in the account when we closed it, after adjusting it for the interest we would have paid and for any fees or charges we would have deducted if the account had remained open).

17 - Accounts no longer available

- 17.1 An account is no longer available for the purposes of this Investment Condition 17 if it is not available to new investors.
- 17.2 If an account is no longer available we may switch this account to another account from our current range which we consider appropriate. If we seek to do this we will at least 30 days beforehand write to you to tell you:
- (a) that the account is no longer available;
 - (b) about our other accounts;
 - (c) we will help you to switch to one of our other accounts without any notice period and without any extra charges;
 - (d) we will let you close the account without any notice period and without any extra charges.
- 17.3 In any case where we switch an account no longer available to another account from our current range we will send you the terms and conditions which apply to the new account. You agree that you will observe and perform these terms and conditions.

18 - Account documents

- 18.1 We will issue you with an account document, (e.g. a passbook, certificate, card or any other similar item which we decide shall be an account document). The following will apply to the account document:
- (a) you must return the account document to us when we ask you to, so that we can bring it up to date, or for any other purpose we reasonably require;
 - (b) you will be responsible for the safe keeping of the account document;
 - (c) if the account document is lost or stolen you must promptly report this to us;
 - (d) if someone other than you produces an account document to us, 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 amount of any withdrawals if you have acted fraudulently or with gross negligence;
 - (e) when you have reported the loss or theft of the account document we can issue you with a new account document, but this may be subject to conditions (e.g. that you pay a charge for the new document).

19 - Liability for losses

- 19.1 If we are liable for any losses due to a delay or error by us in carrying out your instructions, or for unauthorised payments, our liability will be limited to:
- (a) the amount of such loss;
 - (b) the amount of any interest you do not receive or any interest and charges you have to pay directly as a result of such delay or error.
- If our liability is established we will refund the above amount immediately.
- 19.2 Your maximum liability for unauthorised transactions is £50 before you report the items lost or stolen. You may be liable for all losses incurred if you have acted negligently in relation to the security steps outlined in the "Care of your Account" section of our Account Terms leaflet.

20 - Unauthorised payments

- 20.1 To dispute a transaction that you do not recognise, or you do not believe that you carried out, and to claim a refund, you will need to contact us as soon as possible and we will investigate the dispute and notify you of the outcome
- 20.2 If we have to take action against another party as a result of a transaction on your account, you must assist us and provide all available information to enable us to pursue this action.

21 - Communication

Non Personal Notification

- 21.1 Unless we are required to give you personal notification, when we give you notice, we will do so in one or more of the following ways:
- (a) by display in our branches;
 - (b) by display on our website;
 - (c) by advertising in the press;
 - (d) by telephone or in person;
 - (e) by secure message for internet accounts;
 - (f) any other way that is reasonable and appropriate at the time.
- You need to ensure that your computer is set up correctly and has the right hardware, operating system and browser for email and internet banking.
- Newspaper advertisements will be placed in two or more newspapers (including one national newspaper) which are in our reasonable opinion appropriate for advertising the item in question. We will tell you which newspapers we use in our Variable Rate Accounts Interest Rates leaflet. The advertisements may not appear if we are prevented from advertising by newspaper strikes, unavailability of space etc. Where a newspaper is not published daily it may not be practicable for the advertisement to appear until shortly after the item advertised takes effect.

Personal Notification

- 21.2 Where we are required to give you personal notification, this will be by a personal notice, which will be an individual letter or other personal communication sent by post to your last known address in our records and which you will be taken to have received 48 hours after we have posted it to you. We can also give personal notice by e mail if the special conditions of the account provide for this or you have agreed that we may do so. We will not give you personal notice in circumstances when we would normally do so, whether as a result of these conditions or otherwise, if we have a good reason to believe that you will not receive the notice.

General

- 21.3 In respect of Investment Condition 21.1 and 21.2 above, if we accidentally fail to:
- (a) send to you a communication, intended for our investors generally or a category of our investors of which you are one;
 - (b) display a notice at any branch office of Derbyshire Building Society. This will not make the notice invalid.

- 21.4 An error in any notice which is corrected by a subsequent notice shortly after the original notice was displayed or published will not make the original notice invalid.

22 - Changes & Notification

Changes to Interest Rate Provisions

- 22.1 We can change the rate or rates of interest paid on your account as set out in this Investment Condition 22.1 - 22.4 inclusive. Investment Condition 22.1-22.4 inclusive also applies to changes to interest rates which:
- (a) mean we do not pay interest on an account generally, or when the amount in the account is below a particular level; introduce or alter "banding" provisions under which we pay different rates depending on the amount in the account from time to time.
 - (b) We may change at any time the rate or rates of interest to be paid on your account (subject to any special conditions relating to interest rate changes which cover a particular account) if we reasonably believe that the change is to your advantage or is needed for any one or more of the following reasons (which may relate to circumstances existing at the time or those which are reasonably expected to apply in the near future):
 - (a) to reflect, in a proportionate manner, changes in the Bank of England's Official Bank Rate (Bank Rate), the rates of interest we are able to charge when lending money deposited by savers or generally in interest rates offered by our competitors in the savings market;
 - (b) to enable us to maintain the competitiveness of interest rates charged to borrowers from us, while having regard to the interests of our savers and our business as a whole;
 - (c) to ensure that we have the appropriate level of money invested by individuals, in a prudent mix of fixed and variable rate savings accounts and at appropriate rates of interest, to enable us to sustain all our legal and prudential requirements;
 - (d) to reflect, in a proportionate manner, any increase or reduction in costs reasonably incurred by us in operating our savings products;
 - (e) it is necessary to maintain our financial strength in the interests of all our customers;
 - (f) to enable us to harmonise, in a reasonable manner, the interest rates being paid to our savers following any acquisition of savings accounts or any takeover of, or merger with, another savings provider;
 - (g) to reflect, in a proportionate manner, changes in the law or the 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.
 - (ii) If your account is not for a fixed term we can also change the rate of interest for any reason (other than a valid reason mentioned in Investment Condition 22.2(i)). If we make a change in the rate of interest under this Investment Condition 22.2(ii) which is to your detriment, we will tell you this when we give you personal notice.
- 22.3 Where we make a change to the rate of interest which is to your detriment, we will give you 30 days personal notice under Investment Condition 21.2 prior to the change. Where we do so you can, within 30 days of our notifying you of any change, switch your account or close it without having to give us any notice or pay any extra charges or lose any interest due up to the date of switching/closure for doing this.
- 22.4 When we make a change in the rate or rates of interest on your account which is not to your detriment:
- (a) we will update the information on our telephone helpline and our website within three working days of the date the change is to take effect (giving the old rates to help you make a comparison);

- (b) we will display general notices in accordance with Investment Condition 2.1.1 including notices in our branches and newspaper advertisements (which will give the old and new rates), where practicable on or before the date the change is to take effect, unless in advance of the change we give personal notice to our customers affected by it;
- (c) if your account is not run mainly through branches e.g. a postal, internet or telephone account, we will give you personal notice in accordance with Investment Condition 2.1.2 within 30 days of the change.

Changes to Charges

- 22.5 We can change the charges we make at any time. Changes may include the abolition of, or amendment to, existing charges, or the introduction of new charges. They may be made if we reasonably believe the change is to your advantage (for example the reduction or abolition of a charge) or is needed for any one or more of the following reasons (which may relate to circumstances existing at the time or those which are reasonably expected to apply in the near future):
- (a) to reflect, in a proportionate manner, changes in the costs which we reasonably incur in carrying out the relevant activity;
 - (b) to reflect reasonably the costs of the activity and the charges for similar activities made by other providers of savings products;
 - (c) to reflect changes which we may reasonably make in the activity we carry out or the service we provide, or to provide new services;
 - (d) it is necessary to maintain our financial strength in the interests of all our customers;
 - (e) to enable us to harmonise, in a reasonable manner, the charges being paid by our savers following any acquisition of savings accounts or any takeover of, or merger with, another savings provider;
 - (f) to reflect in a proportionate manner, changes in the law or the 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.
- 22.6 We can also change the charges:
- (a) if your account is not for a fixed term, for any reason (other than a valid reason mentioned in Investment Condition 22.5);
 - (b) if your account is for a fixed term, for any valid reason (other than a valid reason mentioned in Investment Condition 22.5) where we reasonably believe the change is appropriate.
- We make a change to charges not relating to Payment Services under this Investment Condition 22.6, which is to your detriment, we will notify you that we are changing the charges in accordance with this Investment Condition 22.6, when we give you notice in accordance with Investment Condition 22.7.
- 22.7 Where we introduce new charges, or increase existing charges, not relating to Payment Services, we will tell you about the change not less than 30 days before it takes effect by giving you personal notice in accordance with Investment Condition 2.1.2. You can then switch your account or close it without having to give us any notice or pay any extra charges or lose any interest due up to the date of switching/closure for doing this. However, you must exercise this right within 30 days of receiving our notice to you. This will not apply if the charge relates to Payment Services as described in Investment Condition 22.9 – 22.10 below, when the arrangements in those conditions will apply.
- 22.8 We will tell you about a charge which affects a particular product or service before we provide you with the product or service, or at any other time you ask.

Changes to Payment Services

- 22.9 We may make changes to the way we operate the Payment Services on your account, including charges relating to such Payment Services. Payment Services relate to the methods by which you can transact on your account and include all of the below activities:
- CHAPS Payments
 - Electronic transfers
 - Internal Transfers
 - Bill Payments
 - Passbooks
 - ATM Cards
 - ATMs
 - Cash deposit/withdrawal services
- 22.10 Where we make any changes to these Payment Services which are to your detriment, we will give you 60 days advance personal notice of the change under Investment Condition 2.1.2. Where we make such a change you can switch your account or close it without having to give us any notice or pay any extra charges or lose any interest due up to the date of switching/closure. You may do this by notifying us within the 60 day notice period.
- Changes to General Terms (other than relating to interest rates, charges and payment services above)*
- 22.11 In Investment Condition 22.11 – 22.16 we describe how we may change these Investment Conditions, and any special conditions applying to particular accounts. This does not apply generally to the rate of interest, charges and Payment Services which are dealt with respectively in the remaining parts of Investment Condition 22.
- 22.12 If the change is to your advantage we can make it immediately and tell you about it within 30 days. In all other circumstances the following provisions of Investment Condition 22.11 – 22.16 apply.
- 22.13 We can make a change 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 reasonably expected to apply in the near future):
- (a) to reflect, in a proportionate manner, changes which we reasonably make to our products or services or the way we provide them;
 - (b) to reflect, in a proportionate manner, changes in technology or general practice in the savings industry;
 - (c) to reflect, in a proportionate manner, changes in the law or the 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;
 - (d) to enable us to harmonise, in a reasonable manner, our products or services following any acquisition of savings accounts or any takeover of, or merger with, another savings provider;
 - (e) to correct errors, to clarify the meaning of an Investment Condition or make it easier to understand;
 - (f) to enable us to maintain our competitiveness, while having regard to the interests of our savers and our business as a whole;
 - (g) it is necessary to maintain our financial strength in the interests of all our customers.
- 22.14 We can also make a change for :
- (a) any reason (other than a valid reason mentioned in Investment Condition 22.13) if your account is not for a fixed term;
 - (b) any valid reason (other than a valid reason mentioned in Investment Condition 22.13) where we reasonably believe the change is appropriate if your account is for a fixed term.
- We will tell you this, and that we are making the change in accordance with this Investment Condition 22.14, when we give you notice in accordance with Investment Condition 22.15.

- 22.15 If the change is to your disadvantage, or is made under Investment Condition 22.14, we will give you at least 30 days' personal notice in accordance with Investment Condition 21.2 before making the change. At any time up to 60 days from the date of the notice you may switch your account or close it without having to give us any notice or pay any extra charges or lose any interest due up to the date of switching/closure for doing this.
- 22.16 If the change is neither to your advantage nor disadvantage, and is not made under Investment Condition 22.14, we will give you at least 30 days' notice before making the change, using whatever form of notice under Investment Condition 21 we think is appropriate.

23 - Passbook Reference Table

For those accounts that operate a Passbook the box below makes it clear what the most used codes relate to:

Passbook Transaction Code	Explanation
BF	Brought Forward
BC	Bank Credit
TAX	Tax
QRN	Cheque Receipt
QPN	Cheque Payment
CPN	Cash Payment
CRN	Cash Receipt
IC	Interest Credit
CHP	CHAPS Payment
ADJ	Account Adjustment
XRN	Cash & Cheque
IT	Interest Transfer (internal)
IP	Interest Payment (external)

If you are unsure about any entry in your Passbook, please ask a member of Branch Staff or call our Customer Relationship Team on **08456 004 005** and they will be happy to help you.

24 - Our Liability and Enforcement of Terms by us

- 24.1 We will not be liable for any loss or expense incurred by you if we are unable to provide any account services because of strikes, other industrial action, failure of power supply or equipment, or other causes beyond our reasonable control.
- 24.2 We will not be liable, nor will our rights be affected, if we decide not to enforce any term which applies to an account.
- 24.3 No one apart from you or your personal representatives can enforce against us either these conditions or your rights in respect of the account.

25 - Severance

- 25.1 If any provision in these Investment Conditions is found by any court, Ombudsman or other competent body to be unenforceable, the other provisions will not be impaired or affected.
- 25.2 In respect of any provision found to be unenforceable in accordance with 25.1:
- if the removal of any part of that provision would make it valid and enforceable, such removal shall be deemed to have taken place; and
 - if the removal referred to in paragraph (a) above is not possible then an alternative provision which achieves a result as similar as possible to the intended result will be deemed to have replaced the unenforceable provision.

26 - Telephone calls and emails

- 26.1 We will record telephone calls and may monitor calls and e-mails to prevent or detect crime, for service quality or for security purposes.

27 - Governing Law

- 27.1 These conditions are governed by the laws of England and Wales and the language we will use in our communications will be English.

RULES

As mentioned in investment Condition 12, unless your account is a deposit account, you will be bound by the Rules of Nationwide Building Society. You can obtain a copy of these from the Nationwide website (www.nationwide.co.uk) or from any Derbyshire or Nationwide office.

Charitable Assignment Conditions

THE FOLLOWING WORDING APPLIES TO YOU UNLESS:

- YOU WERE A MEMBER OF THE SOCIETY ON 2 NOVEMBER 1997 AND HAVE CONTINUED TO BE A MEMBER EVER SINCE THAT DATE; OR
- YOU FALL WITHIN A SPECIAL CATEGORY OF PERSONS TO WHOM OUR CHARITABLE ASSIGNMENT SCHEME DOES NOT APPLY.

By applying to open an account after 2nd November 1997, you also apply to be a charity member of The Nationwide Foundation ("the Foundation") unless you are already a charity member.

You agree that, if:

- the account is opened by the Society and you are or become a charity member of the Foundation; and
- the Society subsequently enters into an agreement to transfer the whole of its business to a company,

you will assign to the Foundation (or any charity(ies) nominated by it, but to no other person) all rights to or in connection with any conversion benefits to which you would otherwise become entitled as a member or depositor at any time before, or within two years, after your membership of the Society comes to an end.

You make this agreement:

- with the Society (acting for itself and for the benefit of the Foundation), in return for the Society opening the account you are applying for, and you acknowledge that the Foundation may enforce the benefit of your agreement with the Society under the Contracts (Rights of Third Parties) Act 1999; and
- with the Foundation directly, in return for the Foundation granting you charity membership (if you are not already a member).

This agreement means that, without any further notice to you:

- the Society may make over to the Foundation (or to any charity(ies) nominated by it) any such conversion benefits; and
- the Foundation may exercise all your rights in relation to any such benefits.

You understand that this agreement is irrevocable and cannot be amended or varied without the consent of both the Society and the Foundation and that neither the Society nor the Foundation will release you from this agreement.

You understand that (except in the case of any class of person where the Society considers this to be inappropriate) the Society will require on behalf of itself and the Foundation that all applicants for share and mortgage accounts agree to the above condition (or a condition having substantially the same effect), unless the Society decides and announces by press release that it is no longer in the best interests of the Society to do so generally on a continuing basis. Any such decision by the Society would not have retrospective effect and you would continue to be bound by the above condition.

For this purpose:

"conversion benefits" means any benefits under the terms of any future transfer of the Society's business to a company (i.e. on conversion or takeover) except the statutory right to have shares in the Society (including any balances on share accounts) converted into deposits with the company; and "Society" means Nationwide Building Society and, if it merges with any other building society, includes such other society.

Financial Services Compensation Scheme

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

In respect of deposits, an eligible depositor is entitled to claim up to £85,000. For joint accounts each account holder is treated as having a claim in respect of their share so, for a joint account held by two eligible depositors, the maximum amount that could be claimed would be £85,000 each (making a total of £170,000). The £85,000 limit relates to the **combined** amount in all the eligible depositor's accounts with the building society, including their share of any joint account, and not to each separate account.

Nationwide Building Society operates under the trading names of: Cheshire Building Society, Derbyshire Building Society, Dunfermline Building Society and Nationwide UK (Ireland). The FSCS limit relates to the combined amount in all the eligible depositor's accounts with all of the building society trading names including Nationwide.

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

Joint Accounts

In the case of a joint account each joint owner is treated as having a claim for his or her share, and unless there is evidence about their respective shares, they will each be regarded as entitled to an equal share.

Partnerships

If two or more persons have a joint beneficial claim, the claim is to be treated as the claim of the partnership if they are carrying on business together in partnership. Otherwise the joint account rules (above) apply.

Trustees

If a claimant's claim also includes a claim as a trustee, his or her claim as trustee will be treated as being separate from the claim in his or her own right. If the same person claims as trustee for different trusts, these will be treated as claims of different claimants. If a group of people claim as trustees their claim will be treated as that of a single person. If the claimant has a claim as a bare trustee for one or more beneficiaries, the beneficiary or beneficiaries will be treated as having the claim. There are further rules relating to trustees.

Personal Representatives

Where a person numbers among his or her claims a claim as a personal representative for someone who has died, the claimant will be treated in respect of that claim as if he or she were standing in the shoes of that other person.

Agents

If a claimant has a claim as agent for one or more principals, the principal or principals will be treated as having the claim.

Funding the Scheme

The cost of the FSCS in respect of savings and deposits in building societies, banks and others, and the cost of compensation payments under the Scheme, is funded by contributions from the businesses, that are covered by the Scheme (including building societies, banks and others).

FURTHER INFORMATION

The Rules covering the Scheme are very detailed and this leaflet does not deal with every aspect of the Scheme's operation. Information about the operation of the Scheme is available on the FSCS website at www.fscs.org.uk. If you have any queries about the Scheme they may be addressed to -

Financial Services Compensation Scheme, 7th Floor,
Lloyds Chambers, 1 Portsoken Street, London E1 8BN
Tel: 0207 892 7300 Fax: 0207 892 7301/7337
Email: enquiries@fscs.org.uk

Derbyshire Regular Savings Account Special Conditions

(June 2009 edition)

1 General

- 1.1 These Special Conditions apply to Derbyshire Regular Savings Accounts.
- 1.2 The words shown in dark letters in this condition have the meanings shown after them and those meanings apply in these Special Conditions.
- 1.3 In these Special Conditions:
 - (a) the words "we", "us" and "our" refer to Nationwide Building Society trading as Derbyshire Building Society;
 - (b) the words "you" and "your" refer to Derbyshire Regular Savings Account holders;
 - (c) "**account**" means Derbyshire Regular Savings Account;
 - (d) "**account year**" means 1 August to the following 31 July;
 - (e) "**month**" means calendar month;
 - (f) "**qualifying payment**" means the monthly payments of a minimum of £10 and a maximum of £1000.
- 1.4 In these Special Conditions the singular includes the plural and vice versa, and duties of more than one person are joint and several duties (in other words, each person is fully responsible for carrying out the duties concerned).
- 1.5 Our Investment Conditions also apply to the account except where they are inconsistent with these special conditions.
- 1.6 We can vary the terms and conditions which apply to the account
- 1.7 These Special Conditions are governed by the laws of England and Wales.

2 Conditions for opening and operating an account

- 2.1 We have a general right to refuse to open an account. In particular, we will not:
 - (a) let you have more than one **account** at the same time (in addition to any **account** you may hold as trustee);
 - (b) allow **accounts** to be held except by individuals either for their own benefit or as trustee for other individuals,
 - (c) allow more than two individuals to hold an **account**.
- 2.2 The basis of the account is that you make monthly payments into it.
- 2.3 You can vary the amounts of your monthly payments but they must be at least £10 and not more than £1000.
- 2.4 As long as you leave at least £10 in your **account**, you can make up to two withdrawals of at least £10 each in an **account year** without us having the right to close your **account**.
- 2.5 If you make more than one withdrawal in an **account year** you will not qualify for interest at the bonus rate for that **account year**.
- 2.6 You can make a withdrawal by cash, cheque, CHAPS or by transfer to another Derbyshire Building Society account.

3 Interest

- 3.1 We will pay you interest on the **account**. The rate of interest we pay you will be either the standard rate or, if you qualify for it, the bonus rate.
- 3.2 When you open your **account**, we will tell you the standard rate and bonus rate which then apply.
- 3.3 If your **account** is open at the end of an **account year** and in that **account year** you have complied with the following:
 - (a) you have made the **qualifying payments** under Special Condition 2.3 in all or all but one of the months during which your **account** was open;
 - (b) you have not made more than one withdrawal in such a period you will qualify for interest at the bonus rate for that **account year**.
- 3.4 We can vary the standard rate and the bonus rate under our Investment Conditions. Where the Investment Conditions refer to "the interest rate", this means either or both of these rates.
- 3.5 We will pay any interest due by adding it to your **account** at the end of each **account year** (i.e. on 31 July), or on closure of your **account**, part way through an **account year**.
- 3.6 If you do not comply with the conditions set out in Special Condition 3.3(a) and (b) above you will not qualify for interest at the bonus rate for that **account year**.

4 Account Closure

- 4.1 We can close your **account** and send you a cheque for the amount in your **account** if either:
 - (a) you make three or more withdrawals in an **account year**;
 - (b) you fail to make payments under Special Condition 2.3 in any three or more **months** during which your **account** was open in an **account year**.
- 4.2 You can close your **account** part way through an **account year** and (subject to special condition 4.3 below) you will qualify for interest at the bonus rate up to the date of closure of your **account** if you have, during the **account year** up to the date of closure, complied with the following:
 - (a) made no withdrawals;
 - (b) made the **qualifying payments** under Special Condition 2.3 in all but one of the **months** during which your **account** was open.
- 4.3 Where the account is closed within three **months** of your death or (in the case of a joint account) the death of one of you, we will pay interest at the bonus rate for the **account year** up to the date of death if Special Conditions 3.3a and b were complied with in the **account year** up to the date of death.
- 4.4 When your **account** is closed, you will no longer be a member of Nationwide Building Society in respect of that **account**.

Derbyshire Cash Account Special Conditions

(November 2009 Edition)

General

- 1 These Special Conditions apply to Derbyshire Cash accounts.
- 2 The words in dark letters in condition 3 have the meanings shown after them and those meanings apply in these Special Conditions.
- 3 In these Special Conditions:
 - (i) the words "we", "us" and "our" refer to Nationwide Building Society trading as Derbyshire Building Society;
 - (ii) the words "you" and "your" refer to Derbyshire Cash account holders;
 - (iii) "account" means Derbyshire Cash account;
 - (iv) "card" means any card we issue for use with the account;
 - (v) "cardholder" means the person or persons to whom we issue a card;
 - (vi) "PIN" means the personal identification number which we notify to a cardholder;
 - (vii) "ATM" means an automated teller machine used with the account.
- 4 In these Special Conditions the singular includes the plural and vice versa, and duties of more than one person are joint and several duties (in other words each person will be fully responsible for carrying out the duties concerned).
- 5 Our Investment Conditions also apply to the account except where they are inconsistent with these Special Conditions. You must also comply with any notes or instructions we issue about the operation of the account.
- 6 We can vary the terms and conditions which apply to the account under our Investment Conditions.
- 7 These Special Conditions are governed by the laws of England and Wales.

Issue and use of a card

- 8 We will issue you with a card for your use with the account only. Cards will be re-issued from time to time and these conditions will apply to new cards.
- 9 Two of you (but no more) may have a joint account, in which case you may each have a card.
- 10 A card is for the use of the cardholder only. It is our property and must be returned to us when we ask for it. We can cancel a card, refuse to issue a new card or remove or limit your ability to use a card if we reasonably believe it is appropriate to do so. We can also cancel a card and/or refuse to issue a new card where you have not used it in the preceding 12 months.
- 11 A cardholder must follow the guidance on Care of Your Account in the Account Terms leaflet. If a cardholder does not do this, it may amount to acting without reasonable care.

Operation of the account

- 12 The minimum balance we will allow in the account is £1.
- 13 You may make withdrawals from the account without notice:
 - (i) from ATMs at our branch premises;
 - (ii) from other ATMs where these can deal with transactions on the account;
 - (iii) in any other way we allow."Withdrawal" includes any transfer of funds from an account which we allow.
- 14 Withdrawals from ATMs must be in multiples of £10, with a minimum withdrawal of £10. We can substitute other amounts for these figures.
- 15 If you wish to close the account, you must do so personally at one of our branches, and not at an ATM.
- 16 You authorise us, subject to these Special Conditions, to debit the account with (i.e. take from the money in the account) the amount of any withdrawal made using a card including the amount of any charge made by the owner of the ATM from which the withdrawal is made.
- 17 You are not allowed to make withdrawals if they are greater than the amount in the account available for withdrawal by you.
- 18 The position regarding deposits at an ATM is as follows*:
 - (i) you must comply with any instructions we give you about deposits; and
 - (ii) our liability as a recipient of a deposit will not arise until we have opened the envelope containing the deposit and checked.
- 19 You must be at least 14 years old to hold an account.

Charges

- 20 We can make charges for any transactions carried out in relation to the account, under our Investment Conditions.
- 21 You authorise us to take the amount of any charges due from the account.
- 22 You can find details of current charges in our Account Terms leaflet.

Loss or theft of the card etc

- 23 In relation to the loss or theft of the card etc the provisions of our Investment Conditions 18-20 inclusive will apply.

Joint Accounts

- 24 If your account is a joint account, you authorise us to take from the money in the account the amount of any withdrawal made by one of you only (whether by card or otherwise).
- 25 The authority given by condition 24 (or any other authority) can be revoked by either of you giving us 14 days' notice in writing. Once the authority has been revoked, the use of the card or cards will not be permitted, and you will be able to make withdrawals only on both your signatures.

Notes:

Withdrawals

Withdrawals are not permitted on the account if the account would be overdrawn following the withdrawal. If the account does become overdrawn for any reason you must pay the amount overdrawn immediately in one lump sum.

* Deposits (Condition 18)

With effect from June 2010, it is not possible to make deposits at an ATM.

Derby Rams Account Special Conditions

(September 2007 Edition, with references updated following merger with Nationwide Building Society.)

1 General

- 1.1 These Special Conditions apply to Derby Rams Accounts.
- 1.2 The words shown in dark letters in this condition have the meanings shown after them and those meanings apply in these Special Conditions.
- 1.3 In these Special Conditions:
 - (a) the words "we", "us" and "our" refer to Nationwide Building Society trading as Derbyshire Building Society;
 - (b) the words "you" and "your" refer to Derby Rams Account holders;
 - (c) "**account**" means Derby Rams Account;
 - (d) "**account year**" means 1 May to 30 April;
 - (e) "**beneficial owner**" means the person for whom the money in the account is held;
 - (f) "**Derby County**" means Derby County Football Club;
 - (g) "**month**" means a calendar month;
 - (h) "**savings incentives**" means the gifts and opportunities provided from time to time by **Derby County** and which we will tell you about;
- 1.4 In these Special Conditions the singular includes the plural and vice versa, and duties of more than one person are joint and several duties (in other words, each person is fully responsible for carrying out the duties concerned).
- 1.5 Our Investment Conditions also apply to the **account** except where they are inconsistent with these special conditions.
- 1.6 We can vary the terms and conditions which apply to the **account** under our Investment Conditions.
- 1.7 These Special Conditions are governed by the laws of England and Wales.

2 Conditions for opening and operating an account

- 2.1 We have a general right to refuse to open an **account**, in particular, we will not allow an **account** to be held except by individuals either for their own benefit or as trustee for one **beneficial owner** who is not an **account holder**, is named in the **account** title and is aged under 18;
 - (a) let you have more than one **account** at the same time (except that you may hold an **account** as trustee for a **beneficial owner** other than yourself);
 - (b) allow more than two individuals to hold an **account**;
 - (c) let you open an **account** if you have held (other than as trustee) another **account** in the preceding 12 months.

- 2.2 The minimum payment into, withdrawal from and amount in the **account** is £1.
- 2.3 You cannot make more than 12 withdrawals from an **account** in an **account year**.

3 Interest

- 3.1 The rate of interest on your **account** will initially be the rate we tell you about when you open the **account**; after that we can vary it under our Investment Conditions.
- 3.2 We will pay any interest due by adding it to your **account** on 30 April in each year or on closure of your **account**.

4 Savings Incentives

- 4.1 The **savings incentives** will be subject to the terms and conditions which we tell you about at the time. They are subject to availability and may be withdrawn or changed at any time.
- 4.2 If you have any complaints about the **savings incentives** you should direct them initially to **Derby County**.

5 Account Closure

- 5.1 We can close your **account** and send you a cheque for the amount in your **account** if you make more than 12 withdrawals in an **account year**.
- 5.2 When your **account** is closed, you will no longer be a member of Nationwide Building Society in respect of that account.

Derbyshire Young Savers Account Special Conditions

(November 2009 Edition)

1 General

- 1.1 These Special Conditions apply to Derbyshire Young Savers Accounts.
- 1.2 The words shown in dark letters in this condition have the meanings shown after them and those meanings apply in these Special Conditions.
- 1.3 In these Special Conditions:
 - (a) The words "we", "us" and "our" refer to Nationwide Building Society trading as Derbyshire Building Society;
 - (b) The words "you" and "your" refer to Derbyshire Young Savers Account holders;
 - (c) "account" means Derbyshire Young Savers Account;
 - (d) "YS advance card" means any card we issue for use with the account;
 - (e) "the beneficial owner" means the person for whom the money in the account is held;
 - (f) "PIN" means the personal identification number we notify to a cardholder; and
 - (g) "ATM" means an automated teller machine used with the account.
- 1.4 In these Special Conditions the singular includes the plural and vice versa, and duties of more than one person are joint and several duties (in other words each person is fully responsible for carrying out the duties concerned).
- 1.5 Our Investment Conditions also apply to the account except where they are inconsistent with these Special Conditions.
- 1.6 We can vary the terms and conditions which apply to the account under our Investment Conditions.
- 1.7 These Special Conditions are governed by the Laws of England and Wales.

2 Conditions for opening and operating an account

- 2.1 We have a general right to refuse to open an account, in particular, we will not -
 - (a) let you have more than one account at the same time (except that you may hold an account as trustee for a beneficial owner other than yourself);
 - (b) allow an account to be held by more than one person or by anyone over the age of 19 except where you are holding an account as trustee for a beneficial owner who is not an account holder, is named in the account title and is aged 19 or under, in which case the account can be held by up to two people on behalf of the beneficial owner;
 - (c) let you open an account if you have held another account in the preceding 6 months.
- 2.2 The minimum initial payment into and amount in the account is £1.
- 2.3 We will not accept any more payments after the amount in your account has reached £10,000.
- 2.4 You may make withdrawals from the account without notice. Our branch/agency/ATM limits will apply.

3 Interest

- 3.1 The rate of interest on your account will initially be the rate we tell you about when you open the account; after that we can vary it under our Investment Conditions.
- 3.2 We will pay any interest due by adding it to your account on 25 June in each year or on closure of your account.

4 Savings Incentives

- 4.1 We may from time to time make various offers and incentives available while your account is open. These offers will be subject to terms and conditions which we will tell you about at the time. We will be entitled to withdraw any offer at any time.

5 Account Maturity

- 5.1 After you or the beneficial owner (if a different person) reach the age of 19 we will ask you to transfer to another account with us. If you do not choose another account at that time, your account will be converted to a Derbyshire Cash Account, or if Derbyshire Cash Account is no longer available, another account which we reasonably believe is of a similar type to Derbyshire Cash Account. The terms and conditions of Derbyshire Cash Account (or other similar account type) will then apply except that we will not send you a card for the account unless you already have a YS advance card on the date the account is converted.

6 Issue and use of a YS advance card

- 6.1 You are entitled to request a YS advance card if you are 14 or over, the sole holder of the account and also the beneficial owner. If you request a YS advance card the provisions contained in this condition and conditions 7 and 8 will apply.
- 6.2 The YS advance card is for your use only. It is our property and must be returned to us when we ask for it. We can cancel a YS advance card, refuse to issue a new YS advance card or remove or limit your ability to use a YS advance card if we reasonably believe it is appropriate to do so. We can also cancel a YS advance card and/or refuse to issue a new YS advance card where you have not used it in the preceding 12 months.
- 6.3 You must follow the guidance on Care of Your Account in the Account Terms leaflet. If you do not do this, it may amount to acting without reasonable care.

7 Operation of the YS advance card

- 7.1 You may make withdrawals from the account with a YS advance card:
 - (a) from ATMs at our branch premises;
 - (b) from other ATMs where these can deal with transactions on the account;
 - (c) in any other way we allow."Withdrawal" includes any transfer of funds from an account which we allow.
- 7.2 Withdrawals from ATMs must be in multiples of £10 with a minimum withdrawal of £10. We can substitute other amounts for these figures.
- 7.3 If you wish to close the account you must do so personally at one of our branches, and not at an ATM.
- 7.4 You authorise us, subject to these Special Conditions, to debit your account with (i.e. take from the money in the account) the amount of any withdrawal made using a YS advance card including the amount of any charge made by the owner of the ATM from which the withdrawal is made.
- 7.5 You are not allowed to make withdrawals if they are greater than the amount in your account available for withdrawal by you.
- 7.6 * The position regarding deposits at an ATM is as follows:
 - (a) you must comply with the instructions we give you about the deposits;
 - (b) our liability as a recipient of a deposit will not arise until we have opened the envelope containing the deposit and checked and accepted the contents; until then our responsibility will be for safe custody only.

8. Loss or theft of the card etc

- 8.1 In relation to the loss or theft of the card etc the provisions of our Investment Conditions 18-20 inclusive will apply.

Notes:

Withdrawals

Withdrawals are not permitted on the account if the account would be overdrawn following the withdrawal. If the account does become overdrawn for any reason you must pay the amount overdrawn immediately in one lump sum.

* Deposits (Condition 7.6)

With effect from June 2010, it is not possible to make deposits at an ATM.

Derbyshire Cash ISA Special Conditions

(April 2011 Edition, effective 6 April 2011) **Note: From and including 6 October 2009, the figure of £5,340 in condition 12a applied to Derbyshire Cash ISA holders born on or before 5 April 1960.**

1 General

1 These special conditions apply to Derbyshire Cash ISAs and also apply as indicated in condition 16 to any accounts previously validly opened as Derbyshire TESSA Only ISAs. Subject to the special conditions Derbyshire Cash ISAs are ISA (Individual Savings Account) cash accounts as defined by the Individual Savings Account Regulations 1998 as amended (the Regulations) and qualify (as mentioned in the Regulations) for exemption from income tax on any interest credited (i.e. added) to the account. The favourable tax treatment of ISAs may not be maintained. It is the Government not us, which is responsible for the tax treatment.

2 In these special conditions:

- (a) the words "we", "us" and "our" refer to Nationwide Building Society trading as Derbyshire Building Society;
- (b) the words "you" and "your" refer to a Derbyshire Cash ISA holder;
- (c) "tax year" means 6 April to the following 5 April.

3 Our Investment Conditions also apply to Derbyshire Cash ISAs except where they are inconsistent with these special conditions.

4 Derbyshire Cash ISAs are also subject to all provisions about ISAs at any time contained in, or made under, any Act of Parliament including any guidance issued by HM Revenue & Customs. If those provisions are inconsistent with these special conditions, they will apply instead of the special conditions and/or our Investment Conditions.

5 We can vary the terms and conditions which apply to the account, under our Investment Conditions.

Conditions to open Derbyshire Cash ISAs and to retain tax-exemption

6 We must have received the application form and declaration completed and signed by you.

7 You must be 16 or over to open a Derbyshire Cash ISA.

- 8 You must not subscribe to another Cash ISA in the same tax year that you subscribe to a Derbyshire Cash ISA but this will not prevent you transferring your Derbyshire Cash ISA to another account manager as mentioned in condition 21. You can also subscribe to a Stocks & Shares ISA either with us (if we offer this) or another provider, as described in the Regulations, if you are 18 or over.
- 9 You must either be resident and ordinarily resident in the United Kingdom for tax purposes, or if you are not so resident, you must perform duties (or be married to a person who performs such duties) which by virtue of Section 132(4)(a) of the Income and Corporation Taxes Act 1988 (Crown employees serving overseas) are treated as being performed in the United Kingdom.
- 10 The account must be held in your sole name (joint accounts are not allowed).
- 11 You must not hold the account on behalf of anyone other than yourself.
- 12 The conditions regarding subscriptions to a Derbyshire Cash ISA (effective from and including 6 April 2011) are as follows:
- (a) You cannot subscribe more than £5,340 per tax year in a Cash ISA (with one provider as mentioned in condition 8), and this limit will be reduced by any amount above £5,340 which you subscribe in the same tax year to a Stocks & Shares ISA either with us (if we offer this) or another provider.
 - (b) If you reach the subscription limit for any tax year and then make a withdrawal(s), you cannot make any further subscriptions in that tax year.
- 13 You cannot assign (i.e. transfer) your rights in your Derbyshire Cash ISA to another person, or use it as security for a loan.
- 14 If at any time we become aware that you have broken any of the conditions applying to the account:
- (a) we will tell you if the account (or particular amount(s) subscribed to it) will fail to have, or cease to have tax exemption, as the case may be;
 - (b) any interest previously credited may then become liable to an immediate deduction of tax by us;
 - (c) we can deduct any tax payable from the amount in your account.
- 15 Interest earned on your account (provided it is still an ISA) will qualify for income tax exemption for the period before your death or bankruptcy, but not afterwards.
- 16 These conditions (other than condition 12, relating to subscriptions) will also apply to any validly opened Derbyshire TESSA Only ISAs.

Interest - Variable Rate Derbyshire Cash ISAs

- 17 If you open a Variable Rate Derbyshire Cash ISA:
- (a) The rate of interest on your account will initially be the rate we tell you about when you open the account; after that, we can vary it under our Investment Conditions. The rate we pay may depend on the amount in the account.
 - (b) We can pay different rates on different "issues" of Derbyshire Cash ISAs.
 - (c) We will credit interest to the account at the appropriate rate(s) on 5 April each calendar year.

Interest - Fixed Rate Derbyshire Cash ISAs

- 18 If you open a Fixed Rate Derbyshire Cash ISA:
- (a) The rate(s) of interest on the account is fixed and is set out in the product leaflet produced for each issue of Fixed Rate Derbyshire Cash ISAs.
 - (b) We will credit interest to the account at the appropriate rate(s) on the dates referred to in the product leaflet.

Subscriptions, withdrawals and transfers - Variable Rate Derbyshire Cash ISAs

- 19 If you open a Variable Rate Derbyshire Cash ISA:
- (a) The minimum subscription and minimum withdrawal allowed is £10. You can make further investments, subject to condition 12 together with any amounts transferred under condition 22.
 - (b) You can make withdrawals and transfers without notice, loss of interest or other charges provided the amount in the account does not fall below £10.
 - (c) The minimum amount you can hold in the account is £10; and if you make a withdrawal after which the amount in the account is below £10 we can close the account.
 - (d) You can choose the date funds are withdrawn or transferred subject to us having sufficient time to implement your request. Please allow 15 business days for the full process to be completed. Please note, you are not required to contact your current provider to let them know you wish to transfer your ISA to us, we'll do that for you. We will contact you if we require any additional information or have any queries. The account interest will be backdated to the date we received your ISA transfer application provided that your funds are free to move and not subject to any notice period.

Subscriptions, withdrawals and transfers - Fixed Rate Derbyshire Cash ISAs

- 20 If you open a Fixed Rate Derbyshire Cash ISA:
- (a) The minimum subscription to open an account is as set out in the product leaflet. You can make further investments, subject to condition 12 together with any amounts transferred under condition 22, if the particular issue of Fixed Rate Derbyshire Cash ISA is still open for new investments.
 - (b) If a withdrawal or transfer is made before maturity, the stated interest rate will not be achieved.
 - (c) Withdrawals or transfers will be allowed on the death of an account holder or subject to a charge on the amount withdrawn or transferred at the interest rate applying to the account at the date of withdrawal or transfer, even if we have to take money out of the account. The amount of the charge is as set out in the product leaflet.

- (d) The minimum amount you can hold in the account is as set out in the product leaflet; and if you make a withdrawal or transfer after which the amount in the account is below this figure we can close the account.
- (e) You can choose the date funds are withdrawn or transferred subject to us having sufficient time to implement your request. Please allow 15 business days for the full process to be completed. Please note, you are not required to contact your current provider to let them know you wish to transfer your ISA to us, we'll do that for you. We will contact you if we require any additional information or have any queries. The account interest will be backdated to the date we received your ISA transfer application provided that your funds are free to move and not subject to any notice period.

Transfers to or from another account manager

- 21 You can transfer your Derbyshire Cash ISA to another account manager authorised under the Regulations subject to any restrictions on transfers contained in these special conditions or the product leaflet. You can transfer all of the current tax year's subscriptions and/or all or any part of previous tax years' subscriptions. For a cash ISA, subject to any restrictions on paying money in and withdrawals (see account specific conditions for further information):
- (a) If you wish to transfer all or part of your ISA to another cash ISA manager, we will send the funds and accompanying information to the new manager within 5 business days of the date of receipt of a transfer instruction from the new manager.
 - (b) If you wish to transfer all or part of a cash ISA you hold with another ISA manager to us:
 - i. On receipt of a transfer instruction from you, we will send it to the other manager together with a confirmation that we will accept the transfer within 5 business days of the date of receipt, and
 - ii. On receipt of the funds and accompanying information from the other manager, we will credit the funds to the account within 3 business days of the date of receipt.
- 22 Unless we tell you otherwise in the product leaflet you can transfer to us, to open your account, your Cash ISA or TESSA Only ISA held with another account manager authorised under the Regulations, or another Cash ISA or TESSA Only ISA held with us. You can transfer all of the current tax year's subscriptions and/or all or any part of previous tax years' subscriptions.

For a Stocks and Shares ISA, subject to any restrictions on withdrawal (see account specific conditions for further information), if you wish to transfer all or part of your ISA to another ISA Manager we will transfer the account within the time stipulated by you or within 30 days of receiving the request from your new provider, whichever is the longer.

Maturity - Fixed Rate Derbyshire Cash ISAs

- 23 If you open a Fixed Rate Derbyshire Cash ISA you may withdraw your investment on the maturity date without having to pay the charge mentioned in condition 20(c). Shortly before maturity we will tell you about the available options for continuing your investment. If we do not receive written instructions from you before the maturity date we will transfer the amount in the account on maturity into a Cash ISA account which we consider appropriate.

Stakeholder Status

- 24 Derbyshire Cash ISAs are not deposit based stakeholder products.

Call us on
08456 004 005

Visit
thederbyshire.co.uk

Or talk to us
in branch

Derbyshire Building Society is a trading division of Nationwide Building Society which is authorised and regulated by the Financial Services Authority under registration number 106078. Credit facilities other than regulated mortgages are not regulated by the Financial Services Authority. Head Office: Nationwide House, Pipers Way, Swindon, Wiltshire SN38 1NW.

All calls are recorded and may be monitored for service quality or security purposes to prevent or detect crime.

Derbyshire Building Society - Savings & Investment Team, PO Box 29216, Dunfermline KY12 2BZ

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FSC Guide

Derbyshire
Building Society