

SAVINGS & INVESTMENTS

birmingham midshires general investment terms and conditions



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Birmingham Midshires is a division of Bank of Scotland plc, which is authorised for accepting deposits by the Financial Services Authority. It is entered in the FSA's Register and its Register Number is 169628. Registered office: The Mound, Edinburgh EH1 1YZ.

To contact the FSA Consumer helpline, please ring 0845 606 1234, or visit www.moneymadeclar.fsa.gov.uk

Bank of Scotland plc is a member of the Financial Services Compensation Scheme established under the Financial Services and Markets Act 2000. Where a customer has made deposits in a savings or bank account, payments under the scheme are limited to 100% of the first £35,000, subject to a maximum payment to any one depositor of £35,000. This limit applies provided the insolvency or other default of the bank or firm concerned takes place after 1 October 2007. Please note that accounts with Bank of Scotland include accounts in its divisions and trading names, for example, Halifax, Intelligent Finance and Birmingham Midshires. Most deposits denominated in sterling and other European Economic Area currencies and euro made with offices of the bank within the European Economic Area are covered. There are different levels of protection for other investments covered by the Financial Services Compensation Scheme. Further details of the scheme are available on request.

Bank of Scotland plc is a member of The British Bankers' Association and subscribes to the Banking Code, copies of which are available upon request.



General Investment Terms and Conditions

These Terms and Conditions apply to all Birmingham Midshires savings accounts. Please note that the Terms and Conditions should be read together with any Special Terms and Conditions relating to your specific deposit account. If there is any conflict between these Terms and Conditions and the Special Terms and Conditions then the Special Terms and Conditions shall have priority (with the exception of condition I.4).

A. Interest and Charges

1. The rate of interest payable on the money in your account may change in accordance with the Special Terms and Conditions of your account, for example, if your savings fall below or rise above a certain level.
2. We may apply charges to your account, details of which are available from the Birmingham Midshires Corporate Centre at Birmingham Midshires, PO 81, Pendeford Business Park, Wobaston Road, Wolverhampton, WV9 5HZ (the 'Corporate Centre').
3. We may change the rate of interest paid on the money in your account and the charges which apply to your account as follows:

Subject to the terms of any Special Terms and Conditions relating to interest rate changes which cover your particular account, we may change at any time and with immediate effect the rate of interest to be paid for any of the following reasons (which may relate to circumstances at the time or those which are expected to apply in the near future):

- (i) to reflect market conditions (including interest rates generally or the terms on which similar accounts are offered by other banks and building societies or anyone else providing financial services);
- (ii) so that we can compete more effectively with any other providers of financial services;
- (iii) because our costs have increased;
- (iv) to maintain our financial strengths for the benefit of all our customers; and
- (v) to take account of changes in the law or taxation, decisions of an Ombudsman, Regulator or similar person or any Code of Practice with which we intend to comply.

We will publish all interest rate changes for our variable rate savings accounts (excluding postal savings accounts) in the Daily Telegraph and the Guardian within 3 days of our interest rates changing.

For all postal savings accounts we will notify you within 30 days by post if we change our interest rates.

4. If we increase any of our charges or introduce new charges for our savings accounts we will notify you personally at least 30 days before the change takes effect. A change which abolishes a charge or reduces the amount of an existing charge may be introduced with immediate effect. Notice will be given in accordance to section I.4.
5. We calculate the interest on the money in your account every day. For cheques, interest will be payable from the second banking day following receipt. BACS payments earn interest from the day of receipt. If you transfer money from a Birmingham Midshires account into another Birmingham Midshires account, interest is payable from the second banking day after we complete your instructions. The day of a withdrawal is not a day on which your withdrawal will earn interest.
6. Interest will normally be paid net after deducting income tax (currently at 20%), which non-taxpayers may reclaim. Higher tax payers will need to pay the difference between the lower rate and their higher rate. Interest can be paid gross only if we have received a valid declaration of self registration of eligible non-taxpayers status for each account you hold with us. Where interest is paid gross in circumstances where it later becomes apparent that interest should have been paid subject to a deduction of income tax, we shall be entitled to recover any overpayment.

B. Payments and Withdrawals

1. Payment can usually be made into your account at any time unless the Special Terms and Conditions prohibit this. Withdrawals can be made against cleared funds in accordance with the Special Terms and Conditions of your account. For example, you may have to give a period of notice to us if you do not want to lose interest. We will not let you take the amount of a cheque payment out of your account until it has cleared. Cheques will clear six banking days following receipt of the cheque provided we process it before 3.00pm. If we process the cheque after 3.00pm the six banking day clearance period will commence on the following banking day. If the

cheque is returned to us without it being paid, we may take the amount of the cheque out of your account unless more than six banking days have passed since our receipt of the cheque (or the start of the six banking day clearance period if later). After six banking days have passed, we cannot take the amount of the cheque out of your account unless you agree to this or have been a knowing party to fraud or we have made an error in paying the cheque into your account. Funds deposited via BACS are usually cleared on the fourth banking day following receipt.

2. We may limit the amount which may be withdrawn from or paid into your account if we think that it is necessary in order to protect our business interests as a whole, or to comply with any court order, legal requirement or request from a regulator to which we are subject.
3. If you are no longer capable of looking after your financial affairs, then a person may operate your account on your behalf after we have received confirmation that the individual has appropriate authority, for example under an enduring or a lasting power of attorney or from a court, to do so. In such circumstances we may require the person operating your account to give us an indemnity against all claims which may be made in respect of amounts withdrawn.
4. If your account becomes overdrawn at any time we will charge interest on this money until it is repaid and if the money remains unpaid we may take legal action to recover it.
5. We may freeze your account if we suspect that it is being used illegally or if there is a dispute about your account or whenever we reasonably deem such action necessary.
6. Under normal circumstances, unless we have accepted a payment of money into your fixed term account which has not expired, we may without giving any reason, repay to you all or part of the money in your account at any time, after giving you at least 30 days' notice.
7. We may sometimes request proof of identity before a withdrawal can be made from your account.
8. Any payments that cannot be processed by us may be held in a suspense account and returned to you within 10 banking days.

C. Account Documents

1. We will give you one or more account documents on opening your account. Account documents are your responsibility. They may include any passbook, certificate, letter or any other similar item given to you that is designated by us to be an account document. They remain our property; we can revoke or suspend your right to use them at any time; and they must be returned to us on request.
2. Account documents may be required in order to make a withdrawal. You must immediately notify us at the Corporate Centre if you discover that any account document is missing or is held or being used by an unauthorised person. After we have carried out the procedures, which at our absolute discretion we deem necessary, we may transfer any credit balance on your account as shown in our records to a new account provided you have given any indemnity and paid us any fee that we may reasonably require. Afterwards we will issue you with new account documents.
3. YOUR RESPONSIBILITIES: You should always take great care of your account documents. If someone other than you produces an account document to us and pretends to be you or to be authorised by you, and is therefore able to withdraw money from your account, you will be liable for the amount of any withdrawals if you have acted fraudulently or with gross negligence. Gross negligence may be implied if you fail to look after your account documents properly.
4. It is also your responsibility to inform us of any change of your name, telephone number, email address or postal address and to ensure that arrangements for receiving mail at your last notified address are safe.
5. All future communications will be in English.

D. Unclaimed Balances

If for a period of two years you have made no payment to us and have not withdrawn any money from your account and you cannot be traced after reasonable enquiry, we may decide to close your account and retain the money. If you subsequently contact us, we will either re-open the account and re-credit your account, if you request this, or we will repay to you the money with interest at a rate which we consider to be appropriate. We will not unreasonably refuse any request you make to re-open your account. We may debit any cost we incur in tracing you from your account.

E. Retention and Set Off

We may set off all or any of the credit balance on your account against any indebtedness you may have to us, whether under a mortgage, loan, guarantee, overdraft on your account or otherwise, which is due for payment or repayment but which has not been paid or repaid as the case may be. Interest will not be paid on any credit balance after it has been used in this way.

F. Identity

We are obliged by law to confirm your identity and address prior to opening your account. This may happen if you are a new customer or have been a customer for some time.

G. Minors

If you are under seven years old, withdrawals will only be allowed at our discretion and on the authorisation of the adult who signed the application form. If you are seven years old or more but under 18, withdrawals will only be allowed at our discretion and on your authorisation.

H. Joint Accounts

1. Accounts can be opened in the name of a number of people up to a maximum of four.
2. If your account is a joint account, you are bound by these Terms and Conditions and the Special Terms and Conditions and are liable to us:
 - (i) jointly (that is, each joint account holder equally); and
 - (ii) severally (that is, each joint account holder is bound as though he or she were the only account holder).
3. On proof of death of any joint account holder, the survivor or survivors will be the only person or persons recognised by us as having any ownership of, or interest in, the account and that person or persons will be entitled, subject to these Terms and Conditions and our prior approval, to transfer such account into another name or to withdraw money from it or both.

I. Errors and Changes

1. Whilst we will try to operate your account accurately, mistakes may occur. If you are aware that an amount has been incorrectly credited or debited to your account you should notify us immediately. If you use funds with the knowledge that they were incorrectly transferred into your account, we may take steps to recover the money from you or take it from your account and take such other proceedings or actions as may be appropriate.
2. If we become aware of an error we will notify you and amend the error accordingly, including removing any money incorrectly transferred into your account.
3. We may vary, replace or amend these Terms and Conditions and any Special Terms and Conditions (other than the rate of interest, for which see A3 above) at any time for any of the following reasons (which may relate to circumstances existing at the time or those which are expected to apply in the near future):
 - (i) to reflect general market conditions and standards (including the terms on which similar accounts are offered by other banks, building societies or anyone else providing financial services);
 - (ii) so that we can compete more effectively with any other providers of financial services;
 - (iii) to improve efficiency and/or reduce costs;
 - (iv) to give extra benefit to investors (including making the terms of accounts easier to understand);
 - (v) to take account of changes in the law or taxation, decisions of an Ombudsman, Regulator or similar person or any Code of Practice with which we intend to comply;
 - (vi) to correct errors;
 - (vii) because you agree; or
 - (viii) because the needs of our business justify a change.We can also vary these Terms and Conditions for any other valid reason where we reasonably believe that change is appropriate.
4. Please note that if we reasonably believe that an amendment does not disadvantage you or materially change the terms of your account it may be introduced with immediate effect, and we will personally

notify you within 30 days of the change. Any amendment which, in our reasonable opinion, materially changes the terms of your account or disadvantages you will only be effective after 30 days of you personally being notified and we will ignore any notice period on your account for at least 60 days starting from the date of the notice so that you can, if you wish, change your account or close it. You will not have to pay any additional charges or additional interest as a result of changing or closing your account during this 60 day period.

5. Details of our complaints procedure are available on request from the Corporate Centre. We will abide by the guidelines outlined under the Financial Services and Markets Act 2000 in seeking to resolve any complaint from you.

J. Governing Law and Jurisdiction

1. These Terms and Conditions and the Special Terms and Conditions are governed by:
 - (i) the laws of Scotland, if your last notified address is in Scotland; or
 - (ii) the laws of England and Wales, if your last notified address is anywhere else.
2. You and we agree that the only courts to have jurisdiction over any dispute relating to your account or its operation will be:
 - (i) the courts of Scotland, if your last notified address is in Scotland at the time proceedings are begun; or
 - (ii) the courts of England and Wales, if your last notified address is anywhere else at the time proceedings are begun.

K. Money Back Guarantee

Our accounts (excluding Fixed Rate Bonds and Guaranteed Equity Bonds) are covered by our 14 day money back guarantee. This gives you the opportunity to transfer your money to another account within 14 days or have your money back (including any set up fees where applicable) with interest, once all initial cheques have cleared