



OFFSET ACCOUNT TERMS 2018
AND
MORTGAGE CONDITIONS 2016

England & Wales

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Yorkshire Building Society: Offset Account Terms 2018 and Mortgage Conditions 2016 England & Wales

Your terms and conditions are made up of 3 parts.

Part 1 is made up of two sections. Together they are the offset account terms.

Section A is the loan terms. These set out the terms applicable to the money we have loaned to you, including its repayment and how we will charge you interest and charges on your offset loan.

Section B is the savings terms. These set out how the savings account will operate and when we may charge you for services related to a savings account

Part 2 is the mortgage conditions. These set out the terms applicable to the security we have taken over your property, including what we may do with the property if you do not repay.

Part 3 sets out some general terms applicable to the relationship between you and us.

Below is a summary of some of the key terms in this booklet. It is important that you read and consider all of the terms and conditions which apply along with your mortgage offer and any other documents we have provided to you. In the event that there is any inconsistency between the terms and conditions contained in this booklet and the provisions of your mortgage offer, the terms contained in your mortgage offer will apply.

SUMMARY OF KEY TERMS

Monthly payments

It is important that you pay us on time the amount of the monthly payments.

The monthly payments are set out in your mortgage offer and can be varied in certain circumstances. Refer to term 1.4 of your loan terms for further details.

If your mortgage is a repayment mortgage, your monthly payments will include capital (the money loaned to you) and interest.

If your mortgage is an interest only mortgage, your monthly payments will be made up of interest and you will still have to repay all of the capital at the end of the mortgage term. It is very important that you make arrangements to repay the amount of capital at the end of the mortgage term and regularly check to ensure that you will be in a position to repay the capital by the end of the term.

Charging Interest on your loan

We will charge you interest on the amount that you have borrowed at the interest rate set out in your mortgage offer.

Unless your mortgage offer states that your interest rate is fixed, we can vary the interest rate that applies to your mortgage loan for a number of reasons. These reasons are set out in term 3.3 of your loan terms. Please ensure that you have considered those reasons and understand that the amount you pay on your mortgage loan will increase if we increase the interest rate.

We will give you notice either by advertisement or personally of any increase in the interest rate either before or as soon as possible after the increase takes effect. If you would prefer to repay your mortgage loan at that point you can, but you may have to pay an early repayment charge and other charges. The charges are as set out in your mortgage offer. We do not have to give you notice if we decrease the interest rate.

Offsetting savings

You must have at least one offset savings account with us.

No interest will be paid on any savings.

Any money held in the offset savings account is deducted from your loan balance before calculating the interest payable on your loan.

We will work out the difference at the end of each day between the loan balance and the savings you have in an offset savings account. If the loan balance exceeds the savings we will charge interest on the difference.

Our right of set off

If you do not make a payment on time, we can use money you have in any other account you have with us to pay it. The account can also be with another brand of the Society, including Norwich & Peterborough Building Society and Chelsea Building Society. We will give you notice before we do this.

For further copies of these Terms, our Loans Administration Fee Tariff of Mortgage Charges or our Savings Charges and Fees Information leaflet, contact any of our branches, call 0345 1 200 300 or look on our website at www.ybs.co.uk.

Immediate repayment

In certain circumstances we can ask you to repay immediately all the outstanding money under your mortgage, such as if you are in arrears by the amount of two or more of your monthly payments. The full set of circumstances in which we may do this is set out in term 6.1 of your loan terms.

These terms also allow us to give you three month's notice to repay your mortgage in full. The reasons why we may do this are set out in term 6.3 of your loan terms.

Please make sure that you understand these reasons because if we ask you to repay under one of these terms and you do not, then we could take further action against you. This could mean repossessing your property.

Charges

In addition to your monthly payments, we may make charges for items relating to your mortgage, services you ask us to provide or costs incurred because you do not keep to these terms.

Our current list of charges for mortgages and savings is provided to you with these terms. You can also get copies from our website at www.ybs.co.uk, or by telephoning our Customer Contact Centre or from any of our branches. We can change these charges and the reasons why we may do this are set out in term 8 of your loan terms and term 9 of your savings terms.

Property obligations

Your mortgage loan will be secured over the property set out in your mortgage offer.

It is important that the property is kept in a good state of repair. Your mortgage conditions sets out some obligations on you in relation to maintaining the property, for example completing building work. You must also obtain our permission before you carry out certain actions in relation to the property, such as altering, extending, or letting the property.

You are responsible for insuring the property. The property must be insured against the usual risks to a property (fire and flood for example) and for an amount that is sufficient to fully re-instate the property in the event that it is destroyed. Please refer to the mortgage conditions and your mortgage offer for further details about insuring the property.

Action we may take

We or a receiver can take certain action in relation to the property if you breach these terms, such as you fail to make your monthly payments. These actions are set out in your mortgage conditions. They include taking possession of the property and selling it.

Although a receiver would be appointed by us, they would be acting on your behalf and you would be responsible for paying for their services.

GLOSSARY Certain words used in Parts 1 to 3 of this booklet have a special meaning. These are set out below:

Account Document means a passbook, certificate, LINK card or similar item that we designate to be an account document.

Charges and Fees Information Leaflet means the leaflet which contains the current amount of our standard charges in relation to a Savings Account referred to in Savings Term 8. You will receive the current version with the Offer. It is subject to change from time to time in accordance with Savings Term 9. You can always obtain the latest version from our website, at any of our branches or from our Customer Contact Centre.

Interest Rate means the rate of interest shown in the Offer or the new rate of interest if we change it in accordance with these Terms.

Internet Enabled Account means a Savings Account that, once you have registered with us to use this service, you can access or manage through our website, via the internet (our internet banking service).

Loan means any individual amount of money we have lent to you or may lend to you, as set out in an Offer, on the security of the Property. This may include, for example, any additional Loan and any other money you owe us at any time such as interest and unpaid fees and charges. You may have more than one Loan.

Loan Terms means the terms in Part 1, Section A and the Glossary of this booklet.

Login Password means the internet banking access password used by you to access your Internet Enabled Account.

Mortgage Conditions means the terms in Parts 2 and 3 and the Glossary of this booklet and which together are the Mortgage Conditions 2016 England & Wales.

Offer means any written offer of a Loan sent to you which results in a Loan being made.

Offset Account means the Loan account and a Savings Account.

Offset Account Terms means the terms in Parts 1 and 3 and the Glossary of this booklet.

our, us, we and the Society refer to Yorkshire Building Society and includes our successors in title and any party our interest in the Loan and mortgage is transferred to under Part 3, Term 2 of these Terms.

Property means the property which is security for the Loan and where appropriate includes all or any part of the Property.

Rules means the Rules of the Society from time to time. A copy of these can be obtained from any of our branches or by contacting our Customer Contact Centre.

Saver means an individual and, in the case of joint accounts, includes all Savers who have a Savings Account. Subject to Savings Term 6.5 a saver may also, but does not have to be, a borrower.

Savings means savings (if any) in a Savings Account.

Savings Account means an account where we have agreed that the Savings are to be set off against the Loan.

Savings Terms means the terms in Part 1, Section B and the Glossary of this booklet.

Security Details means any passwords, selected personal information or other information used in connection with the internet banking service, and includes your Login Password or PIN.

Tariff means our Loans Administration Fee Tariff of mortgage charges which applies to your Loan. You will receive the current version with the Offer. The Tariff states the current amount of the charges which we may make under these Terms. The Tariff is subject to change from time to time in accordance with these Terms and you can always obtain the latest version on our website, at any of our branches or from our Customer Contact Centre.

Terms means all the terms and conditions set out in this booklet. Where the Terms are issued with an additional Loan or product transfer, Terms means Parts 1 and 3 and the Glossary of this booklet.

Third Party Provider means any online provider that you authorise to access information on your Savings Account, or to give us payment instructions on your behalf in relation to that Savings Account. Third Party Providers must be authorised by the Financial Conduct Authority or another relevant European regulator. Where you use a Third Party Provider, any reference to you giving us an instruction will also include where your Third Party Provider gives us an instruction relating to your Savings Account.

working days means Monday to Friday excluding bank and public holidays in England and Wales.

you and your in these Terms refer to a person who is a borrower except for in the Savings Terms, where you and your refer to a person who is a Saver.

PART 1: SECTION A - LOAN TERMS

1 Payments

- 1.1 You must repay the Loan to us by the end of the term set out in your Offer.
- 1.2 You will make the monthly payments set out in your Offer until your Loan is repaid. These payments will start in the month after the Loan is advanced to you and will be due on the first day of the month if no other date has been arranged. The monthly payments should be made by Direct Debit. If you wish to change the date on which your monthly payments are made or change the method by which you make your monthly payments, you should contact us at one of our branches or telephone our Customer Contact Centre.
- 1.3 If you have a repayment mortgage you will have to make monthly payments that are made up of interest and the capital loaned to you. Your payments will be calculated so that the whole Loan plus interest is repaid by the end of the term. If you have an interest only mortgage, your monthly payments will be made up of interest. You will need to make a lump sum payment at the end of the term to repay all of the capital.
- 1.4 In certain circumstances we may vary the monthly payment amount. We may do this, for example, if:
 - (a) there are changes in the Interest Rate;
 - (b) there are changes in the amount of any insurance premiums that we may pay on your behalf;
 - (c) payments are being made later or earlier than expected;
 - (d) we lend you more money;
 - (e) there is a change to your mortgage term;
 - (f) you switch your repayment type from interest only to repayment or repayment to interest only;
 - (g) we need to recover any unpaid costs or charges (including unpaid ground rent and service charges) added to your Loan;
 - (h) there is any compulsory change in law or regulation;
 - (i) there is a change to the date on which you make your monthly payments.
 - (j) the Savings balance in your Savings Account to offset against your Loan balance changes.For any change that we make to your monthly payment, we will tell you about this in advance and when the first amended payment is due. If your Loan is subject to the annual account review we may not change your monthly payment to take account of account changes in the previous 12 months until the annual account review takes place. In that case we will tell you about any change in your monthly payment because of changes to your account at the time of your annual account review. Your Offer tells you whether your Loan is subject to the annual account review and where you can find more information about how it works.
- 1.5 Where these Terms are issued with an additional Loan or a product transfer which is made after your first Loan, the Offset Account Terms will apply to the additional Loan or product transfer.

2 Interest charged on your Loan

- 2.1 The way we calculate interest on your Loan balance is set out in your Offer.
- 2.2 You must have at least one Savings Account. The balance of any Savings held in a Savings Account is deducted from your Loan balance before calculating the interest payable on your Loan.
- 2.3 We will work out the difference at the end of each day between the Loan balance and the Savings. If the Loan balance exceeds the Savings balance we will charge you interest on the difference.
- 2.4 If you have different parts to your Loan, in calculating the interest to be charged on your Loan, we will offset any Savings against the different parts in the following order:
 - (a) if your Loan has different Interest Rates, the highest Interest Rate through to the lowest;
 - (b) if your Loan has different Interest Rate types, variable Interest Rates before fixed Interest Rates;
 - (c) if parts of your Loan were completed at different times, the more recent through to the oldest;
 - (d) if parts of your Loan have different methods of repayment, the repayment (capital and interest) method before the interest only method; and
 - (e) in part number order, the highest number to the lowest.
- 2.5 If you do not make a payment on time, you will also be charged interest at the Interest Rate on the unpaid interest that forms part of your outstanding Loan balance.

3 Changing the Interest Rate

- 3.1 A mortgage loan can last for a long time, so the levels of our interest and charges may change during the term. Unless your Interest Rate is stated in your Offer as being fixed, we have the power to vary the Interest Rate for certain reasons.
- 3.2 We may reduce the Interest Rate on the Loan without notice to you at any time, although if that results in a different monthly payment we will tell you before it is due.
- 3.3 Subject to any specific terms in your Offer, we can increase the Interest Rate at any time where we reasonably believe that the increase is needed for any one or more of the following reasons listed below:
 - (a) to take account of any change in the costs reasonably incurred by us in managing our mortgage business and in particular providing and administering our mortgage accounts;
 - (b) to take account of changes or anticipated changes in the law or the interpretation of the law, due to regulatory requirements, decisions or recommendations of an ombudsman, regulator or similar person, any code of practice or industry guidance applicable to the conduct of our business;
 - (c) to take account of changes to the cost of money which we have to borrow from time to time in order to finance our lending;
 - (d) to take account of changes in the Bank of England base rate or the nearest equivalent rate set by the Bank of England or any body which may, in the future, take over responsibility for interest rate setting from the Bank of England;
 - (e) to take account of changes in interest rates charged by our competitors in the mortgage industry;
 - (f) to reflect a change in the credit risk in relation to our mortgage loans generally;
 - (g) to enable us to maintain the competitiveness of interest rates paid to our investors or the providers of funds to us while having regard to the interests of our borrowers and our business as a whole;
 - (h) to enable us to manage our business (and its growth) prudently.Any increase in the Interest Rate we make for any of the reasons stated above will be reasonable and proportionate.
- 3.4 If we increase the Interest Rate, we will give you notice either by advertisement or personally of it either before or as soon as possible after the increase is to take effect. If you do not agree to the increase, you may repay the Loan but if you do this you may have to pay an early repayment charge and any other charges. The charges are as set out in your Offer.
- 3.5 For any change that we make to your monthly payment as a result of a change in the Interest Rate, we will tell you about this in advance and when the first amended payment is due. If your Loan is subject to our annual account review your monthly payment will usually not change more than once in any 12 month period to take account of changes in the Interest Rate in the previous 12 months. We will tell you what your new monthly payment will be because of those Interest Rate changes at the time of your annual account review. Your Offer tells you whether your Loan is subject to the annual account review and where you can find more information about how it works.

4 Set Off

- 4.1 If you do not make a payment on time on any loan (or guarantee) with the Society or another Society brand, we may use money in any account you have with us (including any accounts with other Society brands) to make the payment. This right is sometimes referred to as the right of set off. We can use this right where you have accounts in your sole name and where you have a joint account.
- 4.2 We will tell you (and any joint account holder) at least 14 days before we use our right of set off for the first time and (where appropriate) if we use it again. We will also tell you after we have used our right of set off, including the date we used it and the amount we took from your account.

5 Charitable Donation

- 5.1 If you choose to contribute to our Small Change Big Difference Scheme, once in each year where the amount of interest payable by you on your outstanding Loan balance is not an exact multiple of £1, that amount will be rounded up to the nearest £1 and the equivalent amount of the excess (which will not exceed 99 pence) will be paid to Yorkshire Building Society Charitable Foundation to be used for charitable purposes.
- 5.2 We will not do this if you are in default on your Loan or if you (or if there is more than one of you, any one of you) tells us at any time that you would like us not to do so.

6 When We Can Ask For Repayment of Everything You Owe Us

- 6.1 In certain circumstances you will have to pay to us everything you owe all at once. We will only ask you to do this if:
 - (a) you have failed to make payment of an amount of two or more of your monthly payments on any Loan or any other sums are due to us and you have not paid them;
 - (b) you materially or persistently do not comply with any of your obligations (other than payment of the monthly payments) to us;
 - (c) you are made bankrupt;
 - (d) you enter into an arrangement with or for the benefit of your creditors or you propose to do so; or
 - (e) the Property is compulsorily acquired (for example, a local authority forces you to sell your Property to them).
- 6.2 If you do not repay the outstanding balance when requested and we get a judgment against you for that amount or part of it, you will pay interest on the amount of that judgment at the Interest Rate or a rate set by the Court.
- 6.3 We may also ask you to repay everything that you owe on three months' personal notice in certain circumstances, which are:
 - (a) any information given by you or on your behalf was, at the time it was provided, materially incorrect or misleading and would have affected our decision to provide the Loan to you;
 - (b) we have a good reason to believe that you have been involved in fraudulent or serious criminal behaviour;
 - (c) we have good reason to believe that the relationship between us has irretrievably broken down, such as physical, threatening or abusive behaviour to our staff;
 - (d) we reasonably consider that something that you have done or not done has put our security interest in your Property at risk in a material way; or
 - (e) where we reasonably consider it necessary due to regulatory or tax reasons (we would not rely on this reason without reference to and acceptance by our regulator).

7 Incurring Charges on your Loan

- 7.1 We may charge you for services we provide and costs we incur. There are a number of specific charges which are set out in your Offer and Tariff and which form part of the price for your Loan. These will usually (but not always) be connected to specific costs for the operation of the Loan or mortgage and where you ask us to provide a document or service in connection with the Loan or mortgage, whether to you or anyone else.
- 7.2 Additionally, there are a number of more general costs which may arise through the life of the Loan. These are usually incurred because you ask us to do something or you do not keep to your obligations to us.
- 7.3 Examples of charges include (but are not limited to):
 - (a) **Operation costs:** Charges may be incurred when we:
 - (i) supply or copy deeds or documents to you or anyone acting for you;
 - (ii) discharge our security or release the Property or any related rights from our security;
 - (iii) release any title deeds;
 - (iv) process any request for any change in the terms of the Loan or the mortgage;
 - (v) give you or anyone authorised by you any assistance or information in connection with the Property, the Loan or the mortgage;
 - (vi) incur third party charges in dealing with the mortgage or its discharge, such as Land Registry fees.
 - (b) **Legal costs:** Before the first Loan is made we will have to set up a mortgage over the Property to secure this and any future Loans. You will be responsible for paying the legal costs of any conveyancer who undertakes our legal work in relation to the mortgage. The Offer will state whether we are paying the whole or part of the legal costs involved in setting up the first Loan.
 - (c) **Costs to safeguard our security:** You must pay us all reasonable costs which we incur to safeguard our security or because you fail to fulfil any obligations you have under the Loan or the mortgage. Where we are able to make a genuine pre-estimate (based on our mortgage lending activities as a whole) of the expenses we are likely to incur, the amount of the charge will be set out from time to time in our Tariff and will be limited to this amount. Where we cannot make a genuine pre-estimate we will charge a reasonable amount and any external costs which we may incur. Examples of activities that we may incur costs for are (but are not limited to):
 - (i) any legal proceedings and costs relating to the mortgage (this applies whether or not you are a party to the proceedings);
 - (ii) exercising any of the rights or powers given to us by law, these Offset Account Terms or your mortgage conditions;
 - (iii) recovering any of the outstanding Loan;
 - (iv) insuring the Property or checking that any insurance of the Property which you have arranged is adequate for our purposes.
 - (d) **Arrears Charges:** If your Loan account falls into arrears, then we will charge you arrears administration fees. The time from when we start charging these fees and the amount of these fees will be set out in our Tariff. Arrears administration fees are calculated to cover our administrative costs in dealing with those arrears. Where arrears administration fees are charged, they will be added to your Loan balance each month. Legal costs may also be charged and will be added to your Loan balance if we have to take further action.
 - (e) **Savings Charges:** We may also make charges in relation to a Savings Account. Details are in the Savings Terms.

- 7.4 We can add charges or costs to your Loan. If costs or charges are added to your Loan balance:
- (a) we will charge interest on the charge or cost from the time it is added to your Loan until it is repaid at the Interest Rate or, where there is more than one such rate, at the highest rate;
 - (b) for any change that we make to your monthly payment as a result of costs or charges being added to your Loan, we will tell you about this in advance and when the first amended payment is due. If your Loan is subject to the annual account review we may not change your monthly payment to take account of costs or charges being added to your Loan in the previous 12 months until the annual account review takes place. In that case we will tell you about any change in your monthly payment because of this at the time of your annual account review. Your Offer tells you whether your Loan is subject to the annual account review and where you can find more information about how it works.

8 Changing Our Charges

- 8.1 We may change our charges at any time. Where the change is not to your advantage (for example, if we increase a charge or introduce a new one), we will only make the change for one or more of the following reasons:
- (a) to take account of, in a proportionate manner, changes in the expenses which we reasonably incur (including our reasonable management, administrative and external costs) in respect of the particular product or service provided to you;
 - (b) to take account of, in a proportionate manner, changes or anticipated changes in the law or the interpretation of the law, due to regulatory requirements, decisions or recommendations of an ombudsman, regulator or similar person or any code of practice or industry guidance applicable to the conduct of our business;
 - (c) to enable us to manage our business (and its growth) prudently.

9 Telling you about changes to our charges

If we make a change to our charges in the Tariff:

- (a) the new charge will be set out in the Tariff which will be provided to you personally at least once a year when changes are made;
- (b) we will tell you when you ask us to do something which incurs a charge; and
- (c) the Tariff will be available from our website, any of our branches or from our Customer Contact Centre.

PART 1: SECTION B - SAVINGS ACCOUNT TERMS

- 1 The Offset Account must always include at least one Savings Account.
- 2 You are not required to hold a minimum amount of money in a Savings Account but a Savings Account cannot be overdrawn.
- 3 The maximum number of Savings Accounts is three. One of these must be held by a borrower named in the Offer.
- 4 **Society membership**

A Savings Account will be a share account. You will therefore be a shareholding member of the Society. A Saver who is also a borrower will also be a borrowing member as referred to in the Offer. The Society's Rules will also apply to you. The Rules are also available on request and are on our website.
- 5 **Charitable assignment scheme**

This is an arrangement under which all members of the Society joining after 8 April 1998 are required to assign to charity any future benefits in the unlikely event of the transfer of the Society's business to a bank or other company announced within 5 years of an account opening. Savings Term 34 sets out the agreement you enter into about this as part of the account opening process.
- 6 **Joint accounts**
 - 6.1 If there is more than one of you:
 - (a) the Savings Terms apply to all of you together and to each of you on your own; and
 - (b) each of you can be held fully responsible for any liability that you may have.
 - 6.2 We will accept instructions from, or rely on the signature of, any one of you for all transactions on a Savings Account. This includes withdrawals, transfers and closure of a Savings Account. This term applies:
 - (a) unless agreed otherwise at the time a Savings Account is opened (other than Internet Enabled Accounts where each of you will operate the Savings Account individually).

If a Savings Account has a LINK card, either cardholder may make withdrawals using the card. If the Savings Account is registered with us as requiring more than one signature, you will no longer be able to use the card facility;
 - (b) other than for the exceptions in (a) above, until we are told otherwise by any one of you; or
 - (c) unless there is a dispute between joint Savers in which case Savings Term 6.3 will apply.
 - 6.3 From the time we are aware of a dispute between you (for example, if we are informed that the relationship between the parties has ended);
 - (a) we may require the authority or the signatures of all of you for any further transactions on a Savings Account, including withdrawals and Savings Account closure; and
 - (b) Standing Orders, Direct Debits and any regular internal transfers on Savings Accounts will be cancelled.
 - 6.4 A maximum of two of you can hold any one Savings Account.
 - 6.5 You can only hold a joint Savings Account with another borrower named on the Offer.
 - 6.6 If one of you dies the survivor should tell us and provide us with the appropriate proof of death. We will then change the Savings Account so that it can be operated by the survivor and the survivor owns the Savings Account and only the survivor is able to operate it.
 - 6.7 A notice in regard to a joint Savings Account can be given to all Savers by us giving notice to whichever Saver is first named on our records.
 - 6.8 Further information about joint accounts can be found in the leaflet 'You and Your Joint Account' which is available on request.
- 7 **Interest**

We will not pay interest on any Savings.
- 8 **Incurring Charges on Savings Accounts**
 - 8.1 We may make charges for opening and administering a Savings Account and for services provided in connection with it and deduct those charges from the balance in a Savings Account. Details of our standard charges are contained in our Charges and Fees Information leaflet.
 - 8.2 We will tell you about a charge which affects a particular product or service before you use it or at any other time you ask.

9 When we can make changes to charges

We may need to make a change to charges applicable to Savings Accounts at any time, including adding new ones, for one or more of the following reasons:

- (a) to take account of, in a proportionate manner, changes or anticipated changes in the law or the interpretations of the law, due to regulatory requirements, decisions or recommendations of an ombudsman, regulator or similar person, any code of practice or industry guidance applicable to the conduct of our business;
- (b) to take account of, in a proportionate manner, changes in the expenses we reasonably incur (including our reasonable management, administrative and external costs) in respect of the particular product or service provided to you; or
- (c) to enable us to manage our business (and its growth) prudently.

10 Telling you about changes to charges

Where we make a change to charges applicable to a Savings Account we will notify you of any such changes giving you at least 2 months advance personal notice of the change. Unless you notify us to the contrary before the change comes into effect you will be treated as having accepted any change we make. At any time before then you may, without notice, switch your money to another savings account with the Society or withdraw all the money from the Savings Account without having to pay any charge for doing so.

11 Payments on your account

- 11.1 The types of payments we allow into and out of a Savings Account are shown in the tables below.
- 11.2 If your Savings Account is an Internet Enabled Account, we will allow you to instruct us to make some types of payments using Third Party Providers. To be able to make a payment in this way, you will need to register separately with the Third Party Provider for the service. You must also be registered to use our internet banking service as you will need to access this as part of the authorisation process. You may need to agree to share some of your Savings Account information with the Third Party Provider in order to use the service requested. You may also need to share with them the Security Details you use to log into our internet banking service. If we receive instructions to make payments in this way, they will be subject to these Savings Terms in the same way as any other payment instruction we receive from you.
- 11.3 You will need enough cleared funds in your Savings Account to carry out any transaction. If you have insufficient cleared funds in your Savings Account on the day a Direct Debit or Standing Order is first due to be paid, for Standing Orders, we will attempt to make the payment again over a number of days. For Direct Debits, another attempt to collect the payment will be made on the following day. If any of these payments ultimately fail, we will apply a charge as set out in our Charges and Fees Information leaflet. We will notify you of this failure personally as soon as possible.
- 11.4 All payments into and withdrawals from a Savings Account must be in Sterling.

12 Electronic payments

12. You can make the following types of electronic payments to and from a Savings Account:
 - (a) **Faster Payments.** If you ask us to make a payment in Sterling to a person with an account in the UK that can receive these payments, we will use the Faster Payments Service. If the payment exceeds the Faster Payment limit we have set or the destination account is unable to accept payments through the Faster Payments Service we will tell you at the time you try to make the payment that it cannot be made through the Faster Payments Service. The payment can then either be sent by CHAPS (for which there will be a charge) or by cheque;
 - (b) **Standing Order.** These are made using the Faster Payments Service and are subject to limits;
 - (c) **CHAPS payments.** Payments out of a Savings Account are subject to separate terms. There is a charge for this service;
 - (d) **Internal transfers.** This is a transfer of money made from a Savings Account held with us to another savings account held with us; and
 - (e) **Direct Debits.**The following electronic payments can only be made into a Savings Account:
 - (f) **Foreign money transfers;**
 - (g) **Debit card** payments through the Society's website; and
 - (h) **BACS** payments.

13 Payments out

- 13.1 Before asking us to set up an electronic payment transfer you must:
 - (a) provide us with your account number and any other information we may require in order to carry out the transaction for you including the payee's name, their account number and sort code. You must make sure you give us the correct sort code and account number. If you don't, it is unlikely your payment will reach the intended payee even if the payee's name is correct; and
 - (b) complete the request or authority in the form we require depending on the type of transaction you are requesting.
- 13.2 Where we allow you to provide your instructions by telephone, once we have identified you and you have provided all the payment information we require, we will confirm the instructions to you. If you agree the information is correct you will need to confirm this and this will be your consent to make the payment.
- 13.3 Where you give a payment instruction using a Third Party Provider you will also need to consent to the payment being made (they will tell you how to do this).
- 13.4 If you give a payment instruction using the internet banking service or through a Third Party Provider we may ask you to confirm this by means of an automated message service asking you to confirm that you have instructed the payment to be made. If we are unable to get confirmation from you in this way to verify the instruction for a payment, it will not be made.
- 13.5 If you ask us to make a Standing Order payment and we are notified by the Current Account Switching Service that the payee has changed their account details, we will automatically make the payment and any future payments you have asked us to make to the payee, using the new account details we have been provided with through this service. We will continue to make any payments in this way for 36 months or until you either cancel the instruction or amend the details provided. We will tell you if we receive such a notification.
- 13.6 It is important that you understand when money on a Savings Account is available to you as we will not allow a payment where there is not enough money in a Savings Account.
- 13.7 Details of the time of day we need to receive your instructions to pay and the maximum time it will take for the payment to be available to the payee are in the Payments out table. With the exception of Faster Payments instructions received in branches on Saturdays, or via our website at weekend or on public or bank holidays, if you ask us to make a payment on a non-working day we will start to make the payment on the next working day.
- 13.8 All outgoing payments are debited from a Savings Account immediately, apart from Standing Orders, Direct Debits and any future dated payments you have asked us to make, which are debited on the day the payment is scheduled to go out. If this date is not a working day it will be debited on the next working day.

Payments out

Payment Type	Latest time to make request	Latest time available to Payee's bank or building society	Notes
Faster Payments	Branch Monday - Friday 5pm Saturday - 12 noon Website/Internet banking service - Midnight	By the end of the next day Paper Instructions - 2 days after receipt of request	Subject to a maximum limit
CHAPS	Monday - Friday 3pm	Same working day as the request is received	You will be charged for this service. Refer to our Charges and Fees Information leaflet. Separate terms apply.
Standing Order	Monday - Friday 5pm Website/Internet banking service - Midnight	By the end of the next working day from the date the payment is due to be sent	Subject to a maximum limit
Cash	Branch/Agency Opening Hours ATM - 24/7	N/A	Subject to maximum limits
Internal transfers	Branch - Opening Hours Website/Internet banking service - Midnight	Same working day as the request is received Immediately unless advised otherwise at the time of the transaction	

14 Payments in

Payments made into a Savings Account are available for withdrawal as set out in the table below.

Incoming payments

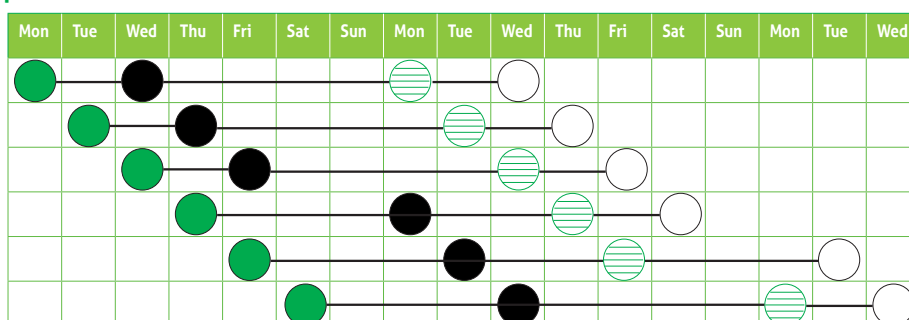
Payment Type	Latest time for us to receive payment	Time taken to reach your account	On reaching the account, when the money is available	Notes
Faster Payments	Available 24/7	Within 2 hours of receipt of payment from our clearing bank	Immediately	For the bank details you need to use for payments into your account within the UK and abroad, look on our website or contact us A payment sent to your Savings Account in a currency other than Sterling will be converted into Sterling by our agents before we receive payment, at the prevailing rate, details of which are available on request.
BACS	Monday - Friday 9am	Usually 3 working days once the payer has instructed their bank	Immediately	
CHAPS	Monday - Friday 5pm	Usually the same working day	Immediately	
Debit Card Payment	Via the Society Website - 24/7	Same day as payment is processed	2 working days after deposit	
Cash Deposit	Branch - Opening Hours ATM - 24/7	Immediately No later than the working day after the deposit is made into the ATM	Immediately Immediately	
Foreign Transfer	Monday - Friday 5pm	Day received at our clearing bank	Immediately	
Internal Transfer	Branch - Opening Hours Website/Internet banking service - 24/7	Same day as the transfer Same day as the transfer	Immediately Immediately	
Cheques				See separate table for cheque clearing timescales

15 Cheques

15.1 We will normally treat cheques as cleared on the fifth working day following the day of receipt.

15.2 The cheque clearance timescales applicable to Savings Accounts are set out in the table below:

Cheque clearance timescales



- Cheque paid in
- Funds start being used to offset the mortgage balance
- ◌ First day withdrawals can be made against the cheque deposit (even though the cheque could still bounce)
- Funds cannot be reclaimed from the Saver's account (unless the payee is a knowing party to fraud)

Please note a cheque paid in on a non-working day will be treated as received on the next working day and the five working day time period will start to run from this point.

15.3 If you pay a cheque into a Savings Account and we receive a notice through the Cheque Redirection Service that the account from which the cheque was issued has been switched to another bank or building society, the time for clearing the cheque will take longer than shown in the table above as the cheque clearing timescales starts again once the cheque is redirected to the new bank or building society account. If we are notified this has happened, we will let you know the new cheque clearance timescale for that cheque.

- 15.4 We will not regard a cheque drawn on a bank with an address outside the UK as cleared until we have received the cleared funds to credit to a Savings Account. This means that you may not be able to withdraw against such a cheque for a period which is longer than set out in the table above and which may be up to 25 working days from the date of receipt of the cheque.
- 15.5 Subject to Savings Term 15.3, if a cheque is returned unpaid before the end of the sixth working day following the day of receipt we will debit the Savings Account with the amount of the cheque even if we have allowed withdrawals against it. A cheque that has been returned unpaid after the sixth working day following the day of receipt will not be taken from the Savings Account without your consent unless we reasonably believe that you are a knowing party to fraud.
- 15.6 We can only stop a cheque written by us if you report it lost or stolen. If you request a replacement cheque, it will be issued with exactly the same details as the original cheque. If you want to cancel a cheque made payable to someone else and you do not want a replacement, you must provide us with the cheque itself or the written consent of the payee.

16 Cancelling a payment

- 16.1 If you have given us your instructions to carry out an electronic payment, and we have accepted your request, you cannot cancel it.
- 16.2 If we are given instructions to carry out an electronic payment using a Third Party Provider and you have given them your consent to instruct the payment, you cannot cancel it.
- 16.3 If you have given us your instructions to carry out an electronic payment for a date in the future including through a Third Party Provider, you can ask us to cancel it provided you tell us by 5pm on the last working day before the day on which the payment is due to be made. You can ask us to cancel it by calling our Customer Contact Centre.
- 16.4 In the case of a Direct Debit, we will not cancel a payment after 5pm on the working day immediately before the day the payment is due to be debited from your Savings Account.
- 16.5 In all other circumstances we will make all reasonable efforts to cancel the payment but cannot guarantee this. In such circumstances we may also charge you our reasonable costs.

17 Restrictions on transactions

- 17.1 We will not allow a withdrawal where:
 - (a) there is not enough money in the Savings Account to cover a payment; or
 - (b) you have not provided us with the correct information, or you have given us insufficient information to carry out your request (see Savings Term 13).
 We will tell you we have done this no later than the end of the next working day following receipt of your payment request. We will attempt to contact you by telephone first but if we cannot contact you in this way we will write to you. You can contact us to find out how to rectify any errors or omissions.
- 17.2 At any time we can restrict the amount which can be withdrawn from a Savings Account, refuse or delay carrying out an instruction you have given us, contact you to confirm an instruction we have received or suspend the use of any payment facilities or operation of a Savings Account, as appropriate, if any of the following apply:
 - (a) we reasonably believe that there may be fraud or some other unlawful activity affecting the Savings Account;
 - (b) we are required to do so by law, our regulator or order of the court;
 - (c) there is a dispute (which we believe may be genuine) about the ownership of, or entitlement to the money in the Savings Account;
 - (d) circumstances beyond our reasonable control prevent us from offering a normal service (such as an act or threat of terrorism, computer failure or industrial action); or
 - (e) circumstances exist which lead us reasonably to believe our financial stability may be at risk (such as actual or potential abnormal levels of withdrawals).
- 17.3 Provided it would not be unlawful for us to tell you why we refused to carry out a transaction we will tell you and (where possible) give you the reason at the earliest opportunity. You can also ask us directly for details of the reason and the procedure for correcting any factual errors causing the transaction not to be made or to satisfy us that the instruction came from you.
- 17.4 If we suspend the use of any payment facilities on your Savings Account we will tell you that we intend to do this and tell you the reasons for doing so. If we are unable to inform you before we do this, we will do so immediately after. We may be unable to let you know the reasons for doing so if this would compromise our reasonable security measures or we consider this to be unlawful.
- 17.5 Where we suspend the operation of a Savings Account in the case of Savings Term 17.2 (a) to (c) you will be unable to make any withdrawals from, or pay any money into, the Savings Account until we are satisfied (acting reasonably) that there is no longer any potential fraud or other unlawful activity affecting the Savings Account or that any dispute has been resolved.
- 17.6 In the case of Savings Term 17.2 (d) and (e) we will:
 - (a) respond proportionately to the circumstances in question;
 - (b) take all reasonable steps to ensure that the restrictions are lifted as soon as practicable so that the inconvenience to you is minimised;
 - (c) take into account the interests of our membership as a whole; and
 - (d) consider exceptions to the restrictions if we are reasonably satisfied that substantial hardship would otherwise be caused.
- 17.7 We may charge you our reasonable costs incurred in informing you of any action we have taken under Savings Term 17.2.
- 17.8 We also have security controls in place to enable account verification for transactions such as large withdrawals or transfers from a Savings Account to another account. If we prevent a transaction in these circumstances then we will inform you of this at the time.

18 Restricting the use of your LINK card

- 18.1 If you have a LINK card, we may withdraw or suspend your right to use the card without notice if we have reasonable grounds to believe that criminal activity, fraud or other abuse in connection with the use of the card has occurred or may occur.
- 18.2 If possible, we will tell you beforehand if we withdraw or suspend the use of your card and the reasons why we have done so. We do not have to tell you or give you such reasons where this would compromise our reasonable security measures or we consider this to be unlawful.
- 18.3 If you wish us to reinstate the use of your card or issue you with a replacement card, please contact us on 0345 1200 300. Following your request to reinstate, and provided we have not already arranged to replace it, we will reinstate the use of your card or replace it with a new one as soon as practicable once we are reasonably satisfied we no longer need to stop its use.

19 Restricting access to Third Party Providers

- 19.1 We may deny a Third Party Provider access to your Savings Account if we reasonably believe that access to the Savings Account by them or any payment instruction we receive from them is unauthorised or fraudulent. If we do this we will tell you we intend to do this and tell you our reason for doing so. If we are unable to inform you before we do this, we will tell you immediately after. We may be unable to let you know that we have done this or the reason for doing so if this would compromise our reasonable security measures or we consider this to be unlawful.
- 19.2 We will restore access once we are satisfied (acting reasonably) that there is no longer any justification for preventing access to the Savings Account.
- 19.3 We may also deny or restrict access to Third Party Providers if we have denied or restricted access to your Savings Account for other reasons set out in these Savings Terms.

20 Responsibility for incorrect, late or failed payments

- 20.1 It is your responsibility to ensure that any instructions that you give us in respect of a Savings Account are clear and accurate. You should double check any details in any payment instruction you provide to ensure we can carry them out correctly.
- 20.2 When you ask us to make an electronic payment and provide us with the correct information we are responsible for it being made correctly.
- 20.3 If we fail to carry out a payment instruction, carry it out late or if we carry out the instruction incorrectly by whichever means we allow you to instruct us, then we will without undue delay refund to you the amount of the incorrect payment and, where applicable, restore the Savings Account to the position it would have been in had the error not taken place. We will be liable to you for any charges for which you are responsible or any interest you must pay as a result of our failure to follow your payment instruction properly.
- 20.4 This general rule does not apply:
- (a) if a payment is made correctly and on time by us and we can prove that the payment was actually received by the other financial institution. In this case the payee's account provider is responsible for ensuring that the payment is available to the payee;
 - (b) your payment instruction was incorrect. In this case we will make reasonable efforts to recover the payment but we may ask you to pay our reasonable costs for doing so. Where we are unable to recover the payment for you, if you write to us we will provide you with all the available and relevant information we have and which we can lawfully provide to you so that you can make a claim for repayment; or
 - (c) if your payment was carried out late or was delayed due to circumstances outside our reasonable control, for example, the need for us to make further checks or, obtain further information or because of abnormal or unforeseeable circumstances the consequences of which would not have been avoided despite all our efforts to the contrary; or because of compliance with legal or regulatory obligations.
- 20.5 If you believe a payment has been made incorrectly or it has failed in some way, please contact us. We will make immediate and reasonable efforts to trace the payment without charge and will advise you of the outcome.
- 20.6 We shall have no liability under this Savings Term 20 if you fail to notify us without undue delay on becoming aware of a failed, late or incorrectly executed payment and in any event within 13 months after the date on which the payment was made or due.

21 Payments by Mistake

- 21.1 If we are informed by another building society or bank that a payment has been made into your Savings Account by mistake and we reasonably believe it is a genuine mistake, we may take an amount up to the value of the payment from your Savings Account. We will tell you if this happens and what you need to do in order to dispute the claim.
- 21.2 Where the payment was made within 2 months of us being told of the error, if you tell us you do not wish to dispute the claim, or you do not contact us within the time we tell you to in order to dispute the claim, we will return the money to the bank or building society that sent the payment.
- 21.3 If the payment was made more than 2 months from us being told of the error, we will not return the money without your agreement.
- 21.4 You will not have access to this money from the time we are notified of the mistake until the time we are satisfied the payment was not made in error.
- 21.5 We are required to co-operate with the bank or building society whose customer made the payment incorrectly in its efforts to recover mistaken payments. This includes a requirement for us to provide them with all relevant information they need to collect the payment. If the payer's bank or building society is unable to recover the funds from us and the payer asks them to do so they will provide all relevant information they have to the payer so they can claim repayment. This information will include your name and contact address.

22 Unauthorised transactions

- 22.1 You should check the Savings Account regularly. If you become aware that a transaction on a Savings Account has been carried out which is either unauthorised or has not been paid correctly or you become aware that an Account Document has been lost or stolen or any of your Security Details become known to anyone else you must tell us without delay by contacting your local branch or by telephoning us on 0345 910 1112.
- 22.2 We will usually refund you by no later than the end of the working day, following the day on which we are notified of the unauthorised transaction and, where appropriate, refund any charges to put the Savings Account into the position it would have been in had the unauthorised payment not taken place.
- 22.3 We will not refund you immediately if:
- (a) we have good reason to believe that you deliberately or with gross negligence failed to comply with any of the requirements to keep your Account Document or Security Details safe;
 - (b) the transaction was by cheque; or
 - (c) we have reasonable grounds to suspect that you are a knowing party to fraud.
- When this happens, we will need to investigate the matter further which we will do as quickly as we can and once complete we will, if necessary, adjust the Savings Account.
- 22.4 If we need to investigate the matter further we will need you to co-operate with us, our agents and with the police if we need to involve them. In some cases, you will be required to give us written confirmation or evidence that you have not authorised a transaction. If we ask for such co-operation, or written confirmation and you do not co-operate with us, we will reapply the transaction to the Savings Account. If we decide not to refund you, we will provide you with evidence of why we made this decision if we are lawfully able to do so.
- 22.5 We will not be obliged to investigate any unauthorised transaction under this Savings Term 22 or make any refund, unless you tell us within 13 months of the day on which the transaction is stated to have taken place.
- 22.6 Subject to Savings Terms 22.7 to 22.10, where any loss resulting from an unauthorised transaction or transactions arises from the unauthorised use of an Account Document or any Security Details, you will be liable for up to a maximum of £35 of that loss.
- 22.7 You will be liable for all losses arising where you have acted fraudulently. Savings Term 22.6 will not apply in this case.
- 22.8 Where losses arise as a result of you deliberately or with gross negligence failing to comply with any of the requirements to keep your Account Document or Security Details safe, Savings Term 22.6 will not apply. You will be liable for all losses arising, subject to Savings Term 22.9.
- 22.9 Except where you have acted fraudulently, you will not be liable for any losses arising:
- (a) where the loss or theft was not detectable by you before the unauthorised transaction was made;
 - (b) after you have notified us of any loss or unauthorised use of any Account Document or any Security Details;
 - (c) where we have not provided you with a notification process for reporting the loss or theft of an Account Document or the compromise of any Security Details;
 - (d) where insufficient levels of security checks required by relevant laws or regulations, were made relating to the payment.
- 22.10 You will not be liable for any losses arising where the loss was caused by something we (including any employee or agent of ours) did or failed to do

- 22.11 Where you have pre-authorized a payment from a Savings Account:
- which did not specify the exact amount of the payment; and
 - the amount of the payment exceeds the amount you could have reasonably expected to pay (taking into account your previous spending pattern, the terms of the Savings Account and the circumstances of the case); and
 - you provide us with such information as is reasonably necessary for us to check whether the terms of Savings Term 22.9 have been satisfied;
- then we will refund the full amount of the payment, or give a reason for refusing a refund, within ten working days of receiving your request for a refund or, where applicable, within ten working days of receiving further information.
- 22.12 You will not be entitled to a refund under Savings Term 22.11:
- where you have given us consent for the specific payment to be carried out and we or the payee gave you specific information about the payment in question at least four weeks before the payment was due; or
 - if you do not request this refund within eight weeks of the payment date.
- 22.13 If you receive a refund you are not entitled to, you must pay it back when we ask you to.
- 22.14 Following loss of an Account Document and after you have:
- provided such evidence as we require regarding the loss;
 - completed such forms as we require regarding the loss; and
 - paid any fee as we may reasonably require;
- we may transfer the amount in the Savings Account in our records to a new Savings Account and afterwards will give you a new Account Document.
- 22.15 For payments by Direct Debt, you have additional refund rights that apply under the Direct Debit Guarantee. This means that should a Direct Debit payment be paid from a Savings Account in error by us or called upon in error by the payee, you will receive a full and immediate refund from us, once we know there is an error.

23 Additional requirements for keeping your Security Details safe where you have an Internet Enabled Account

- 23.1 You must take all reasonable steps to keep your Security Details secret and safe at all times.
- 23.2 It is your responsibility to ensure that your computer or other device and software you use meet the requirements for our Internet banking service. You must take reasonable steps to ensure that:
- the computer or other device that you use to access our internet banking service is safe and secure; and
 - the manner in which you access our internet banking service is safe and secure.
- For guidance on these requirements please refer to the security section of our website.
- 23.3 If you fail to take reasonable steps as required and as a result the safety and security of your Security Details is breached you may be responsible for any losses that arise subject to Savings Term 22.
- 23.4 You must notify us as soon as possible if your Security Details become known to, or if you think they may be known by, anyone else or if you become aware that someone else has used or attempted to use them. You can notify us by calling 0345 1200 300, in person at one of our branches, or in writing to us at Yorkshire Drive, Bradford BD5 8LJ. However, you may be liable for all losses that arise before notification and you are, therefore, advised to use the telephone notification service. For 24hr assistance please use the Security Issue link on the 'Login' section of our website.
- 23.5 When using our internet banking service you will need to quote specific security information which will include random characters from your Login Password. Your full Login Password should be kept secret and only partially disclosed to helpline staff. We will never ask you for your full Login Password.

24 Additional requirements for keeping your card and card details safe where you have a LINK card

- 24.1 When you receive your PIN, you should keep it secret and not write down details of your PIN in a way that can be understood by others. It is the security number that ensures only you have access to the Savings Account.
- 24.2 If you wish to change your PIN, you can do so easily at any of our cash machines.
- 24.3 You should not choose a new number that would be simple for someone else to guess, for example your birth date.
- 24.4 You must take care of your card and PIN to prevent fraud and to protect the Savings Account. The card may only be used by the person to whom it is issued and whose name is shown on it. You must sign the card immediately on receipt and keep it secure at all times. It is essential that you notify us as soon as you can if you suspect or discover that:
- the card has been lost or stolen. You should also tell us as soon as you can if the card is retained by a cash machine;
 - someone else knows your PIN; or
 - someone else has used your card.
- The quickest way to report a card lost or stolen is to telephone our LINKLINE number on 0345 9 10 11 12. Whenever possible you should quote the number embossed on the centre of your card. During normal office hours you can also contact any of our branches. You should also contact one of branches or call us on 0345 1200 300 for any other security concerns. We may inform the police and disclose to them any information that we reasonably believe to be relevant. You can also inform us by completing a form on our website at ybs.co.uk.
- 24.5 You must:
- not let anyone else use your card and PIN;
 - not write down details in a way that can be understood by others;
 - take reasonable steps to keep your card safe and your PIN secret at all times;
 - not tell anyone what your PIN is;
 - keep your card receipts safe and dispose of them carefully; and
 - use your card in accordance with the terms of the Savings Account.
- It is important that you comply with these Savings Terms to ensure that there are no unauthorised transactions on your Savings Account. If you fail to take reasonable steps as required by this Savings Term 24 and as a result the safety and security of your card and/or card details is breached you may be responsible for any losses that arise subject to Savings Term 22.

25 Set off

- 25.1 We may use money in any savings account you have with us (including any accounts you hold under the separate brand names of the Society) to pay any money (whether under a loan, guarantee or otherwise) you owe us which is due for payment but which has not been paid. This includes any money owed to the Society under any of its brand names. This right is sometimes referred to as the right of set off.
- 25.2 We can use this right where you have accounts in your sole name and where you have a joint account. This means that if the savings account is a joint account, we may still move money from your joint account to reduce a debt that is owed to us by only one of you.
- 25.3 We will tell you (and any joint account holder) at least 14 days before we use any money in this way on the first occasion that we propose to use the right of set off and (where appropriate) on any subsequent occasion that we intend to use that right.

26 Your responsibilities

- 26.1 It is your responsibility to advise us of any changes to your personal information and keep your personal details up to date (for example, name, address, telephone number or email address).
- 26.2 When we give you an Account Document:
- it will remain our property;

- (b) you agree to return it to us to be brought up to date whenever we ask or for such other purposes as we may reasonably require; and
- (c) you must produce the relevant Account Document before making a withdrawal or carrying out any other transaction on a Savings Account.

27 Communicating with you

- 27.1 If we have to tell you something we will do so in one of the ways set out in Part 3, Term 3 of these Terms.
- 27.2 For Internet Enabled Accounts, it is very important that you notify us if your email address changes.
- 27.3 All our communications with you will be in English.
- 27.4 All communications with us will be monitored/recorded to improve the quality of our service and for your protection and security.
- 27.5 If we suspect or detect fraud or security threats in relation your Savings Account we will contact you using the contact details we have for you. Whenever possible, you will be contacted by telephone using the telephone numbers we have for you. If we cannot contact you in this way we will then either write to you or contact you through the secure message service using the internet banking service.

28 Right to close the account

- 28.1 A Savings Account will continue until it is either closed by you or us as set out below.
- 28.2 You can close a Savings Account at any time without giving any reason and without notice or charge, subject to Savings Terms 1 and 17.
- 28.3 We can close a Savings Account, repay any part of Savings immediately or transfer the Savings to another instant access account in the same names which allows a Saver to withdraw money throughout the UK if:
 - (a) the Loan has been paid off and the legal charge on the Property has been discharged;
 - (b) the Loan has been transferred to another of our mortgage products which does not include the offset feature;
 - (c) the only Savings Account is held by a Saver who is not also a borrower; or
 - (d) there is a change in law, HM Revenue & Customs practice or interpretation, or a decision or recommendation of a regulator, ombudsman or similar person as a result of which:
 - we are required to deduct or account for income tax in respect of any Savings; or
 - we are no longer able to offer the Savings Account as part of an Offset Account.
- 28.4 If at any time there is no Savings Account or the circumstances set out in Savings Term 28.3 (c) or (d) above apply:
 - (a) the Loan will be transferred to a mortgage account on whichever of our then available mortgage products is most similar to the terms of the Loan; or
 - (b) you will be able to pay off the Loan immediately subject to you paying any charges set out in your Offer.
- 28.5 We can close a Savings Account at any time without giving any reason. If we do this we will normally keep one of your Savings Accounts open and give you 2 months advance notice before we do this. We may, however, repay all your Savings and close all your Savings Accounts immediately if any of the circumstances set out in Savings Terms 28.3 or 28.6 apply.
- 28.6 We can close a Savings Account immediately in the following circumstances:
 - (a) the relationship between you and us has irretrievably broken down (for example, you have been threatening or abusive to our staff); we will not close your Savings Account, or threaten to do so, as a response to a valid complaint that you have made;
 - (b) you have deliberately given us any false information in relation to your mortgage or the Savings Account or there is fraudulent or other unlawful activity on the Savings Account;
 - (c) you were not entitled to open the Savings Account;
 - (d) the agreement between us is void or unenforceable at law; or
 - (e) we have a legal obligation to close the Savings Account.
- 28.7 If we close a Savings Account and you have no other account giving shareholding membership of the Society you will no longer be a shareholding member of the Society.
- 28.8 If we close the Savings Account in full and make repayment to you then you will have no further right or interest in the Savings Account.

29 Use of the internet banking service

It may be an offence to import or use the encryption technology used in our internet banking service in some countries. As this service uses sophisticated cryptography to ensure the safe transit of data across the Internet, you should check with the appropriate consulate or embassy in the country concerned before using our internet banking service outside of the UK. Accessing this service from outside the UK is at your own risk.

We cannot guarantee continuous, uninterrupted access to our internet banking service. On occasions we may need to interrupt the service to carry out maintenance of it, for other operational reasons or for reasons beyond our control. We will not, therefore, be liable to you for a failure to provide a continuous, uninterrupted service.

30 Unclaimed balances

- 30.1 We may close a Savings Account if:
 - (a) you cannot be traced after reasonable enquiry; and
 - (b) for a period of five years (or three years if the amount in a Savings Account is less than £100) no money is paid into, or withdrawn from, the Savings Account.
- 30.2 If you contact us at a later date and provide us with satisfactory proof of your identity, we will re-open the Savings Account and credit it with the amount we owe you in respect of the Savings Account (which will be equal to the balance that was in the Savings Account when we closed it after adjusting it for any fees or charges we would have deducted if the Savings Account had remained open).

31 Tax

It is possible that taxes and costs may exist that are not paid via or by us.

32 Statements and payment information

- 32.1 We will provide you with a monthly statement. If your Savings Account is an Internet Enabled Account, we will download your statement in our internet banking service. We will also send you an electronic notification to tell you that your statement is available. Otherwise we will send you a paper statement. However, we may not send you a monthly statement in any of the following circumstances:
 - (a) where there have been no electronic payments on your Savings Account during the relevant period; or
 - (b) where the only payments out of your Savings Account during that period have been payments of interest accrued on the Savings Account, or payments of cheques.
- 32.2 Where the only electronic payments on the Savings Account in any month are payments into the Savings Account, we will make Savings Account information available to you online.
- 32.3 You can also obtain information about payments by contacting your local branch or by telephoning 0345 1200 300.

33 Third Party Provider Requests for Savings Account Information

We will allow you to make a request for Savings Account information through a Third Party Provider if you have an Internet Enabled Account. You will need to register with the Third Party Provider to use this service. You must also be registered to use our Internet banking service as you will need to access this service as part of the authorisation process. You will need to agree to share your Savings Account information with the Third Party Provider. You may also need to share with them the Security Details you use to log into our internet banking service. We will treat any request for information we receive in this way as a direct request from you for information about your Savings Account. If you register to use this service we may ask you to confirm that you have made the request. If we are unable to get confirmation from you in this way, the request will not be authorised.

34 Charitable Assignment Terms

This section sets out the agreement you have entered into and which was set out in the application form when you applied for the account.

- 1) By applying to open an account I agree with Yorkshire Building Society and Yorkshire Building Society Charitable Foundation ("the Foundation") that I will assign to the Foundation (or to any charity(ies) nominated by it but to no other person) the rights to any relevant conversion benefits which are defined below.

This obligation will not apply to me or may apply to me for less than five years if I fall within any class of persons, which, as at today's date, Yorkshire Building Society decides would be inappropriate to be bound by this assignment condition. This agreement is irrevocable and authorises Yorkshire Building Society to give the Foundation (or to any charity(ies) nominated by it) any such benefits without further notice to me. I understand that neither Yorkshire Building Society nor the Foundation will release me from this agreement or vary its terms and I will continue to be bound by the above condition even if Yorkshire Building Society decides at some time in the future (and announces any such decision by press release) that it is no longer in the best interests of Yorkshire Building Society to continue with the above assignment condition generally in respect of new members.
- 2) "Relevant conversion benefits" means any benefits under the terms of any future transfer of Yorkshire Building Society's business to a company (i.e. on a conversion or take-over) which I might become entitled to as a member or depositor with Yorkshire Building Society at any time within five years immediately following the date on which this account is opened. Relevant conversion benefits does not include the statutory right to have shares in Yorkshire Building Society (including any balances on share accounts) converted into deposits with the company on a conversion or takeover. If Yorkshire Building Society merges with any other society, after the date of such merger "Yorkshire Building Society" includes such other society.
- 3) I authorise Yorkshire Building Society to pass to the Foundation such information relating to me and all my accounts with Yorkshire Building Society as the Foundation may reasonably require in order to administer this agreement to assign and for no other purpose.

The wording in paragraphs 1) to 3) above does not apply if either you were a member of Yorkshire Building Society on 8 April 1998 and have remained a member since that date or you became a member after 8 April 1998 and have remained a member and have already signed a declaration the same as or similar to the one in paragraphs 1) to 3) above.

PART 2: MORTGAGE CONDITIONS

1 Security

- 1.1 You have given us security over the Property to protect us in case you do not keep to your obligations under these Terms. This Part 2 describes the circumstances in which we may enforce the security. This Part 2 also describes your obligations in relation to dealing or not dealing with the Property in a certain way whilst it forms part of our security.
- 1.2 The security over your Property may be for more than the amount that you owe us under the Loan. It will also be security for any other money that you owe to us under any other agreement, or will owe to us in the future, other than any agreements that are stated to be regulated by the Consumer Credit Act 1974.
- 1.3 Unless we agree otherwise with you, the security will not be released until all money you owe to us (whether due or not) under any agreement has been paid. This will not affect your right to repay any agreement regulated by the Consumer Credit Act 1974.

2 Looking after the Property

- 2.1 As we have an interest in the Property, it is important that you maintain the value of it. There are certain actions that you must take, or must not take, unless we agree to them.
- 2.2 You must:
 - (a) keep the Property in a good condition at all times and carry out any necessary repairs;
 - (b) ensure that any unfinished building or works on the Property are completed without delay and are built to a proper standard;
 - (c) if you hold the Property under a lease, comply with all of the tenants' obligations in the lease;
 - (d) pay all existing and future rents, taxes, outgoings and rent charges affecting the Property;
 - (e) not knowingly take any action relating to the Property that is against the law;
 - (f) send us a copy of any notice or other document affecting the Property within 14 days of receiving it from:
 - (i) a landlord (if the Property is leasehold);
 - (ii) a rent charge owner (if the Property is subject to a rent charge);
 - (iii) anyone claiming a legal right over the Property;
 - (iv) any government department, local or other authority;
 - (v) a commonhold association (if the Property is commonhold);
 - (g) allow us (by our employees or agents) to enter the Property after giving you reasonable notice so that we may:
 - (i) carry out a valuation of the Property;
 - (ii) inspect the state of repair and condition of the Property;
 - (iii) carry out or complete any work which is needed to put right any failure by you to comply with these Mortgage Conditions;
 - (h) tell us before you apply to a local authority or other similar body for any loan or grant for the repair or improvement of the Property. This is because the loan or grant may be subject to conditions requiring the whole or part of the grant to be repaid, for example, if you do not live in the Property for a certain period. You cannot accept any such loan or grant unless we agree in writing.
- 2.3 You must not do any of the following without getting our written consent first:
 - (a) transfer, assign, mortgage, obtain an extended lease of or otherwise deal with or give away the Property;
 - (b) accept the surrender of any lease or tenancy of the Property other than any tenancy we have agreed to under these Mortgage Conditions;
 - (c) alter or extend the Property.

3 Use and Occupation of the Property

- 3.1 You must use the Property for residential purposes as a single private dwelling and must not change the use of the Property, or allow the Property to be used for a trade or business, without getting our consent in writing first.
- 3.2 You must occupy the Property yourself and must not, unless we have agreed in writing, grant or agree to grant or renew any lease or tenancy of the Property or give to any person any contractual or other licence or right to occupy or live in the Property.
- 3.3 We will not refuse our agreement to let the Property where you and the Property satisfy the conditions we reasonably require for letting of properties at that time.

- 3.4 As a condition of allowing you to let the Property we may impose reasonable conditions including an increase in the Interest Rate (an authorised lettings loading) while the letting or occupation continues. Where you let the Property or allow it to be occupied without our consent, or where you fail to observe our conditions of letting, we may impose a higher increase in the Interest Rate (an unauthorised lettings loading) while the unauthorised letting or occupation continues. Any increase in the Interest Rate under this mortgage condition is to reflect the increased risk to our security as a result of the letting or occupation. A full explanation of the loadings and of how they are applied is set out in our Lettings Information Factsheet which is available at any time upon request from any of our branches or from our Customer Contact Centre. The current Interest Rate loadings are also in our Tariff which is available on our website.

4 Insuring the Property

- 4.1 You must insure the Property. Your Property must be covered by buildings insurance for as long as it is security for money that you owe us.
- 4.2 As it is your obligation to insure the Property:
- you must maintain a comprehensive policy against all usual house insurance risks. When we refer to "usual house insurance risks" this includes (but is not limited to) fire, explosion, earthquake, storm, flood, escape of water or oil, subsidence, heave, landslip and malicious damage. The policy must be for the cost of full reinstatement of the Property, including clearing the site and paying all fees and expenses. This means that the amount of the policy must be enough to put the Property back to its original state following any amount of damage or destruction. Further details about your insurance obligations are in your Offer;
 - you will tell the insurer of our interest in the Property as mortgagee and will arrange for our interest to be noted on the policy or you will insure the Property in your and our joint names;
 - you will give us proof of payment of the premiums if we ask for this.
- 4.3 If the Property is leasehold or commonhold and the terms of the lease or the commonhold community statement provide for the Property to be insured along with other properties, then the Property will not need to be insured separately as stated above provided that:
- you tell the insurer of our interest in the Property as mortgagee and arrange for our interest to be noted on the policy;
 - we or our legal advisers have approved the policy and confirmed that the insurance is in force; and
 - you must ensure that the Property remains insured against all usual house insurance risks and for the cost of full reinstatement of the Property.
- 4.4 You will not do anything or allow anything to be done or not done which may make the insurance void or voidable (invalid) or which makes the insurance more difficult or expensive to obtain or maintain or affects the ability to make a claim.
- 4.5 We may settle and adjust any claims against the insurers of the Property. In the event of a payout following a claim on the policy (whether arranged by you or us), we may receive any money paid out under the claim or, if you receive it, you must hold it on our behalf and keep it separate from your other funds. We can choose whether to use any money paid under the insurance policy either to rebuild or repair the Property or reduce or pay off the sum secured by the mortgage (as long as we act reasonably, for example we will use the money to rebuild or repair the Property if this is needed to ensure the Property continues to be habitable).

5 Action We May Take

- 5.1 We have certain rights to take possession of the Property and deal with it in other ways if you have become obliged to pay the full outstanding balance under these Terms or have not kept to these Terms. We may appoint a receiver to take this action for us. A receiver is someone we can appoint to manage the Property for us. Although we would appoint the receiver, they would act for you (not us) and you would have to pay their fees.
- 5.2 We or any receiver may do any of the following to protect our position as lender to you and to protect the Property as security for the Loan:
- generally manage the Property including collecting and receiving all rents, arranging any necessary repairs and maintenance, ensuring compliance with local authority requirements, maintaining, insuring, or increasing insurances and serving notices under any relevant housing legislation;
 - take possession of the Property and take any action or proceedings necessary to do so;
 - sell the Property (whether or not we have taken possession) for a price and on such terms as we may think fit (always ensuring that we obtain the best price possible in the circumstances);
 - lease or sublease the Property, vary, renew, terminate, surrender or accept surrenders of leases, tenancies or licences over the Property for a price and on such terms and for such rent and payment as we think fit;
 - sell any freehold or leasehold reversions so created (your legal adviser can explain what these are); and
 - exercise, on your behalf and without having to give you prior notice or obtain your consent, all the powers and duties conferred on a landlord by legislation from time to time in force without having any liabilities or responsibilities to you as a result of doing so.
- 5.3 If we or a receiver appointed by us, take possession of the Property, you must remove all furniture and other moveable property (personal items) from the Property within 14 days and must not remove any fixed items without our agreement in writing as these form part of the Property.
- 5.4 If all furniture and moveable items are not removed within 14 days then you agree that we or the receiver may:
- deal with them as your agents and at your expense;
 - sell or otherwise dispose of anything which belongs to you (we or the receiver will give you any proceeds received less all expenses of the sale); and
 - remove and store anything which we know does not belong to you.
- 5.5 Where more than one receiver is appointed each joint receiver may act separately and independently of any other joint receiver (unless the document appointing such receiver states otherwise).
- 5.6 A receiver may charge any amount for their services as we agree with them and you will be responsible for paying those fees. We and any receiver may also employ and pay agents to undertake some of the duties. They will be your agents and you will be responsible for their fees also.
- 5.7 Specific legislation (the Law of Property Act 1925) sets out certain rules in relation to the appointment of a receiver and the enforcement of security. It is typical for a mortgage lender to disapply certain of those rules and we do that as set out below. Please ask your legal adviser if you require further information:
- Section 109(8) of the Law of Property Act 1925 is amended to allow a receiver to pay any money owing by you in such order of priority as we and the receiver reasonably agree, rather than a specific order set out in those rules;
 - Sections 99, 100 and 103 of the above Act set out some specific powers in relation to dealing with a Property, but we or a receiver are able to dispose of the Property in any way that we see fit provided that it does not breach these Mortgage Conditions.

6 When We Can Act On Your Behalf

- 6.1 Sometimes we may need to take certain action (such as to sign documents) on your behalf to protect our security. You therefore appoint us to be your attorney to take such action where necessary. This means we are legally entitled to act on your behalf. We are appointed for as long as the mortgage remains in force securing any money you owe to us.
- 6.2 If there is more than one of you then you agree that we will be attorney for one of you and a person or persons authorised by us may act as attorney for the other(s) as necessary.
- 6.3 You give us a power of attorney authorising us and any receiver to act on your behalf to take any action which you are obliged to take under these Mortgage Conditions, including but not limited to:
 - (a) signing and completing any document which is needed to make good any defect in your title to the Property or in the mortgage;
 - (b) transferring your share or interest in any residents' society or management company, or your legal or beneficial interest in the freehold or leasehold reversion of the Property when we exercise our powers as mortgagee to sell or lease the Property;
 - (c) entering into any variation of your title to the Property in order to protect or enhance our security; and
 - (d) settling any claim made by your landlord, management company or commonhold association (if your Property is leasehold or commonhold) or rent charge owner (if your Property is subject to a rent charge) if we think it reasonable for us to settle it in order to protect our security or maintain its value, even though you may dispute the sum claimed.

7 Compensation from Third Parties

- 7.1 You may at some time be entitled to recover money or damages:
 - (a) to correct or compensate for defects or damage relating to the Property or the title to it; or
 - (b) for any breach of contract or wrongful act or omission which may have caused damage to the Property or to the title to it or caused you to accept the Property or the title to it in a damaged or defective condition.
- 7.2 If you do, you must use the money or damages recovered either towards making good the damage or defects or towards payment of the money secured by the mortgage.

PART 3: GENERAL TERMS

1 Joint Borrowers

If there is more than one of you

- (a) these Terms apply to all of you together and to each of you on your own;
- (b) each of you can be held fully responsible for keeping to these Terms.

2 Transferring the Mortgage

- 2.1 We may transfer our interest in the Loan and the mortgage to another party at any time on such terms as we may decide.
- 2.2 This will not reduce your rights under the mortgage. However, as the Society will not be your mortgage provider anymore, your borrowing membership of the Society may also cease.
- 2.3 Unless the terms of the transfer state otherwise, a transferee of the Loan and the mortgage will be able to exercise all the rights, powers and remedies which we could exercise before the transfer. You will have to do everything that you have to do under these Terms for our benefit for the transferee's benefit instead (such as making payment to them).

3 Notices

- 3.1 If we have to tell you something we may do so either:
 - (a) personally, which means:
 - (i) by post to your last known address (which unless you have told us otherwise means the Property); or
 - (ii) by email to any email address you have given us for this purpose; or
 - (b) by advertisement, which means notices or leaflets in our branches and in advertisements in national newspapers of our choice (you can find out the current newspapers we use by contacting any of our branches or by contacting our Customer Contact Centre).
- 3.2 If we give you such notice either personally or by advertisement then it will be considered as given on the following days:
 - (a) Post: The second working day after date of posting (regardless of class of post).
 - (b) Email: The day the email is sent;
 - (c) Press advertisement: The day on which the advertisement first appears in the newspapers we use.

4 Other Terms To Be Aware Of

- 4.1 All communications between us may be monitored or recorded to improve the quality of our service and for your protection and security.
- 4.2 Where the Property is in Scotland or Northern Ireland and it is our policy to do so we require that we hold the title deeds to that Property. Where we hold the deeds to the Property you may ask us to send them to your legal representative or to supply extracts from or copies of the deeds to you or your representative. We can impose conditions in doing so and you may have to pay a charge for these services.
- 4.3 Each of the provisions of these Terms are distinct from each other. If one or more provisions becomes illegal, invalid or unenforceable, this will not affect any of the remaining provisions.
- 4.4 Laws and regulations imply certain terms into our agreement with you. For example, as well as the powers set out in these Terms, we and you both have some other legal rights. Unless these Terms explicitly disapply those rights, they will be applicable to you or us.
- 4.5 If we decide not to enforce any part of these Terms or delay enforcing it on a particular occasion, this will not affect our right to enforce the same part at a later date.
- 4.6 No person other than a party to these Terms may enforce any rights under these Terms or under any other agreement made in connection with the mortgage under the Contracts (Rights of Third Parties) Act 1999. This law allows certain people to use the rights of an agreement even though they are not a party to it, so it is excluded to ensure that this cannot happen. A party to these Terms and any related agreements includes anyone we transfer our rights to.
- 4.7 These Terms are governed by the laws of that part of the United Kingdom where the Property the subject of the Offer is situated.

Important information about compensation arrangements

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. 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.

Yorkshire Building Society (YBS) also operates under the trading names of Chelsea Building Society (CBS), Norwich & Peterborough Building Society (N&P) and Egg. YBS is a participant of the FSCS. Therefore, depositors with any of YBS, CBS, N&P and Egg have an overall limit of £85,000 under the FSCS. Any total deposits you hold above the £85,000 limit between these brands are unlikely to be covered.

Accord Mortgages Limited is a wholly owned subsidiary of YBS. Accord has offset mortgage products where the customer's deposits are held on behalf of Accord by YBS. Accord offset depositors are therefore also covered (along with CBS, N&P and Egg depositors) by YBS being a participant in the FSCS. There is no additional protection for depositors with Accord Mortgages Limited.

For further information please call us on 0345 1200 100, ask at your local branch, visit the FSCS website www.FSCS.org.uk

Not happy with our service?

If at any time you're not satisfied with the service you've received, please let us know. We have a simple process enabling you to do this, the details of which are in our leaflet "We're here to help you - our complaints process", which you can obtain at any of our branches or by calling us on 0345 1200 100.

If we cannot come to a resolution to your satisfaction, you may have the right to refer the matter to the Financial Ombudsman Service, of which we are a member.

Contact Us

 **Call our Customer Contact Centre on:
0345 1200 200**

 **Visit ybs.co.uk**

 **Write to us at:**
**Yorkshire Building Society,
Yorkshire House,
Yorkshire Drive,
Bradford BD5 8LJ**

 **Visit your nearest branch**

Our printed material is available in alternative formats e.g. large print, Braille or audio.
Please visit us in branch or call us on **0345 1200 100**.

Yorkshire Building Society is a member of the Building Societies Association and is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Yorkshire Building Society is entered in the Financial Services Register and its registration number is 106085.

All communications with us may be monitored/recorded to improve the quality of our service and for your protection and security. Calls to 03 numbers are charged at the same standard network rate as 01 or 02 landline numbers, even when calling from a mobile.

