

GENERAL TERMS AND CONDITIONS

(2006 EDITION)



CHARITY
BANK

SAVINGS AND
DEPOSIT
ACCOUNTS



CHARITY BANK DEPOSIT ACCOUNTS

General Terms and Conditions (2006 edition)

This leaflet is like the pilot's plea to the passengers to listen to the safety instructions. It may look boring but please do read the small print.

Thank you.

1. Terms

These following terms and conditions ('general terms') apply to deposit accounts held with Charity Bank. They are in addition to the product terms and conditions ('product terms') set out for each type of deposit account. If there is any conflict between a general term and a product term, then the product term will apply.

2. Interpretation and definitions

In these general terms:

- Account holders are referred to as 'you' (whether one or more individuals or corporate bodies)
- The Charity Bank Limited is referred to as 'we' or 'us'
- 'account' includes any type of account in which a deposit is held
- for an account in the name of a corporate body, the words 'you' and 'your' (in the context of referring to an individual and not the corporate body) refer to individual(s) authorised by the corporate body in relation to the account
- 'permanent address' is your main residential address, or if you are a corporate body, your registered office address
- 'registered address' is the address we have registered in our records for the purpose of correspondence with you
- 'working day' means any day of the week excluding Saturdays, Sundays and English bank and public holidays.

3. Deposits / Withdrawals

All postal deposits must be made by cheque (crossed a/c payee only), payable either to yourself, the account holder (if different), or 'Charity Bank a/c (account holder). This is to prevent fraudulent use of your cheque should it go astray in the post and is entirely for your own protection.

If you pay a bank or building society cheque or bankers draft into your account, we will credit your account immediately. If a cheque is returned unpaid we will deduct the amount from your balance and cease crediting interest on the unpaid amount.

Postal withdrawals and payments of interest will be paid by cheque and sent direct to you by first class post, or alternatively can be paid direct to your bank account. The cheque or payment will be made to you and in the case of joint account holders to the account holders. Payments can also be made to a charity of your choice.

We can limit the amount that can be withdrawn from any account at any time without giving you notice if we reasonably consider it necessary in order to protect the interests of depositors as a whole.

4. Joint Accounts

There must be more than one of you but no more than four.

All terms apply to all of you together and to each of you on your own.

Each of you can be held fully responsible for any liability incurred by any of the joint account holders. We will accept instructions from, or rely upon the signature of any one of you for all purposes relating to the account. This includes withdrawals, changes to the account such as to your address or closure of the account.

This term applies:

- unless agreed otherwise at the time the account is opened, or
- until we are told otherwise by any one of you, or unless the provisions of the following paragraph apply.

In these other cases the authority or signature of all of you will then be required.

This paragraph applies if any one of you tells us that there is a dispute between you or we believe that a dispute may exist. From that time:

- we will require the authority or signatures of all of you for any further transactions on the account, including withdrawals and closure, and
- interest where applicable will be credited to the account when it is paid by us, overriding any earlier instructions we may have received.

This paragraph applies if any one of you dies:

- the survivor(s) of you should tell us of the death and provide us with proof of death;
- we will then change the account so that it can be operated by the survivor(s);
- the survivor(s) own(s) the account and only the survivor(s) is /are able to operate the account.

5. Amendments

Requests to amend account details must be made in writing and be signed by any one or all account holders in accordance with the prevailing instructions.

6. Interest Rate Changes

We structure our interest rates on what we can reasonably afford to pay while keeping our charges to our borrowers affordable. We do not seek to compete with any one else offering financial services. Nonetheless, we can change the rate of interest paid on your account where applicable as follows:

- 1) We may change the rate of interest, if any, paid to you on your account at any time, if we reasonably believe that the change is needed for any one or more of the following reasons whether existing now, or which are expected to apply in the near future:
 - to reflect general market conditions (including interest rates generally or interest rates available in the wholesale money markets or similar investments);
 - our costs have increased or are expected to do so;
 - to maintain our financial strength for the benefit of all our customers;
 - to achieve a reasonable balance between the rates of interest payable on loans and savings accounts;
 - to manage the rate of growth of our business and observe statutory operating limits;
 - to retain liquid assets in accordance with our statutory obligations;
 - to take account of changes in the law, decisions of an ombudsman, regulator or similar person, or any code of practice with which we intend to comply.

2) We will tell you about rate changes at the earliest opportunity and, in any event, within 30 days of the change by letter or electronic mail.

7. Changes in terms

We can change the terms on which your account is held (other than the rate of interest and charges) as follows:

- 1) We can change these general terms and any product terms at any time. Changes may include the removal of or amendment to terms or the inclusion of new terms and may be made if we reasonably believe that the change is needed for any of the following reasons whether existing now, or which are expected to apply in the near future:
 - to enable us to operate and administer your account more efficiently;
 - to correct errors;
 - to reflect practices and conditions in the banking and building society sectors;
 - to take account of developments in technology;
 - to take account of a decision by a court or tribunal or a ruling by an ombudsman, regulator or similar authority as we interpret it;
 - to take account of changes to laws, codes or practices or other regulations to which we are subject;
 - if you agree.
- 2) We may also change these general terms and any product terms for any other valid reason where we reasonably believe change is appropriate.

- 3) We will notify you of any such changes as follows:
 - where we wish to make a change which is to your advantage, we may make the change immediately and tell you about it within 30 days;
 - where we wish to make a change which is not to your advantage, we will tell you at least 30 days before we make the change;
 - notice of a change will be given by letter or by electronic mail.
- 4) If there have been significant changes in any one year, we will give or send you a copy of the new terms or a summary of the changes.

8. Interest of other persons

We do not have to recognise the interest or claim of any person other than the account holder(s) in respect of money held in any account, nor will we be liable in any way for failing to recognise such interest or claim, except as required by law.

9. Our right to close the account

For a period of 14 days after the receipt of your first deposit into your new Charity Bank account you may instruct us that you have changed your mind and we will return your deposit to you with any accrued interest. No charges will be made during this time.

We can close an account if the amount standing to the credit of the account falls below £10. Where applicable, interest will be paid up to the date of closure.

We can repay to you all or part of your savings at any time, without giving any reason, after giving you at least 30 days' notice, except that we can close the account

immediately if we believe that you have been involved in fraudulent or serious criminal behaviour or that the relationship between you and us has irretrievably broken down.

10. Unclaimed balances

If you cannot be traced after reasonable enquiry, and for a period of 5 years after the expiry of the period of your deposit, you have made no payment to or withdrawal from your account, we may decide to close that account and the money in it will be retained by us. If, however, you contact us at a later date we will either open a new account for you and credit that account with the amount of money in the closed account or repay the money to you, with interest at the rate previously applying to your account.

11. Service of notices

- 1) We will assume that you have received any letter or other personal notice 48 hours after we have sent it to you.
- 2) If we accidentally fail to send to you a communication intended for our savers generally or a category of our savers of which you are one, this will not make the notice invalid.
- 3) Any notice or other communication to us required under these terms must, unless otherwise specified, be given to us at The Charity Bank Limited, PO Box 398, 194 High Street, Tonbridge, Kent TN9 9BD, Phone 01732 774040.

12. Statements

Unless you have instructed us otherwise, we will send you a statement in April and October each year. If your statement has an entry which seems to be wrong, you should tell us as soon as possible so that we can resolve the matter. Should additional statements be required this may be regarded as an exceptional service and we reserve the right to apply a charge. This will be advised to you prior to the statement being provided.

13. Interest

Interest is calculated on a daily basis starting from the day of receipt for cheques and cash, and up to, but not including, the date of withdrawal.

Interest can be waived. If you choose to receive interest, it is normally paid quarterly on the last day of March, June, September and December and can be added to the account or paid by cheque to you. It can also be paid to your CAF account, donated to the Charity Bank Founder Reserve, or donated to the charity of your choice.

You choose the rate of interest, if any, you receive.

14. Tax

If you are entitled to receive interest without tax deducted you need to fill in HM Revenue and Customs registration form R85, available from our office and we will pay your interest gross.

All savers should declare gross interest earned when making a tax return. Remember it is your responsibility, not ours, to make this declaration.

15. Charges

We may make a charge for transactions undertaken or services provided in connection with an account and can deduct the amount of that charge directly from the account. We will always give prior notice of such charges (or changes to existing charges) in accordance with the provisions of these general terms or any applicable code of practice. A charge may be made, or an existing charge varied, if:

- you request or we provide new services;
- you request an unusual transaction;
- in our reasonable opinion it is uneconomic to provide existing types of transaction or services without charge;
- charges are imposed upon us;
- or in any other circumstances where it is reasonable to impose or vary a charge.

16. Governing law

These terms are governed by the laws of England and Wales.

17. Recording of telephone conversations

To improve the quality of our services, all communications with us may be recorded for staff training and your protection and security.

18. Contracts (Rights of Third Parties) Act 1999

This contract is between the applicant(s) and Charity Bank. The terms of the Contracts (Rights of Third Parties) Act 1999 and any other legal third party rights are specifically excluded. This means that only parties to the contract (or their legal successor(s), assignee(s) or other security holder(s) may have contractual rights.

19. Status enquiries

We will not answer requests for banker's references or status enquiries relating to you.

20. Confidentiality

We will treat all your personal information as private and confidential and will not disclose any details to anyone except where:

- the law compels us to do so;
- there is a duty to the public to do so;
- we give the details upon your request or with your agreement.

21. Personal information and data protection

When you complete an application form we ask for your consent to allow us to process your personal information. Typically, we process your data so that we may assess your application, provide you with the account for which you applied, manage and administer your account, produce management information, prevent fraud, and auditing. A more detailed summary of the purposes for which we use your data and to whom we may disclose it are listed in the Data Protection Register. This is a public record.

We will only use your data fairly and lawfully. We will endeavour to ensure that it is accurate and up to date, that we don't keep it for longer than is necessary and that adequate measures are taken to protect this information from destruction, loss, alteration, unauthorised disclosure or other unlawful use.

We may search the files of credit reference agencies who will supply us with credit and Electoral Register information for use in, for example, verifying your identity. You may apply

direct to these credit reference agencies for copies of the information they hold about you.

We may share your data with third parties, but only where necessary. This would include providing you with the service for which you have applied, for the purposes of transmitting money and collecting payments, investigating/resolving complaints, preventing fraud, administering and processing your account, or for auditing purposes.

When you open your account, we ask you whether you would like to opt out of receiving information on our products and services and/or those of other members of the CAF family. From time to time we may remind you that you have the option of renewing this decision. In any event, you are able to write to us at any time should you want your name removed from our mailing list.

Under the Data Protection Act 1998 you can make a 'subject access request' that means you can ask for a copy of the personal information we hold about you. If any of the data is wrong you are entitled to have it corrected. Should you wish to make a subject access request you should write, enclosing a cheque for £10 made payable to The Charity Bank Limited, to:

Data Controller
The Charity Bank Limited
PO Box 398
194 High Street
Tonbridge
Kent TN9 9BD

We may monitor and record any telephone calls for training and security purposes.



Evans's Hospital is an almshouse charity provides accommodation for poor elderly widows and spinsters in Shrewsbury. A loan of £55,000 assisted in the purchase of an additional one bedroom bungalow for rent.

DEPOSIT ACCOUNTS

A 21ST CENTURY SOLUTION

Charity Bank is a new way for you to make your money work over and over for the common good, without the need to donate capital. It also provides you with the opportunity to earn a financial return either personally or for the charity of your choice.

We all sense a need to do more for charity, but there is a limit to what many of us can afford to give away. There is a limit too, on what governments choose to do, yet the traditional source of finance for many charities - the grant - may be time limited and restricted in use. For most charities, this lack of readily available finance is a serious problem.

Our mission at Charity Bank is to develop new financial solutions for charity wherever there are depositors willing to invest and social needs to be met. Today, we draw investment and deposits from all over the UK as well as more modest sums from overseas. In just a short time, we have enabled everyone who places their money with us to help thousands of people in communities throughout the country to face a better future.

To find out how we are growing and for information on our latest projects, please visit our web site.



The Charity Bank Limited

PO Box 398
194 High Street
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E.mail
enquiries@charitybank.org

Web site
www.charitybank.org

FRONT PAGE
PHOTOGRAPH

Community Wise, a thriving and popular centre in Eastbourne, is one of many charities where a loan from Charity Bank has helped them reduce costs and increase their security by purchasing their own premises.