

INVESTMENT TERMS & CONDITIONS

1 Introduction

1.1

These terms and conditions referred to as the "Conditions" apply to all savings accounts with the Society, except if they are inconsistent with special conditions for particular accounts (in which case, those special conditions will apply). The Conditions apply to successive operations or a series of operations of the same nature to be performed over time in respect of your accounts.

1.2

In the Conditions:

- "the Society", "we", "us" and "our" refer to Ipswich Building Society and
- "you" and "your" refer to holders of savings accounts and
- "working day" means a day other than a Saturday, Sunday or bank holiday.

1.3

If you are a company, other form of corporation, partnership or unincorporated body (such as a club), please refer to Condition 22.

1.4

The Society's investment products and services are only available to residents of the United Kingdom (excluding the Channel Islands and Isle of Man).

2 Membership

2.1

If these Conditions apply to your account you will (except where the account is a deposit account) be a member of the Society and therefore our Rules will apply. However, these Conditions, or any relevant special conditions for a particular account, will override the Rules in case of any inconsistency. A copy of the Rules is available on request or at any of our branches or on our website.

2.2

If you have a deposit account, you are not a member of the Society. You are, however, bound by some of our Rules, including 4(4) to (7), 5, 8(4) and (5), 12(5) and 46. These are set out in the Society's Rules and Memorandum.

2.3

New investing members from 2 October 2000 are subject to the Society's Charitable Assignment Scheme, full details of which are set out on the application form.

2.4

If your account becomes overdrawn then, unless we have consented to the amount of the overdraw, you will stop being a member in respect of the account.

3 Opening an account

3.1

We will require evidence of your name, address and date of birth before an account is opened. If we receive money without evidence of identity that is satisfactory to us, then we may return the money or retain it pending instruction from any relevant authority.

3.2

Once you have opened an account, you have 14 days after the contract is entered into (or, if later, 14 days from the day you first receive, on paper or electronically, these terms and conditions and other information relating to the account) to notify us in writing at our Principal Office that you want to change your mind. If you notify us within this time, we will help you switch to another of our accounts or (assuming we have received cleared funds) give you back your money together with any interest it has earned. We will ignore any notice period and any extra charges. Please note that this Condition 3.2, and the option to change your mind, does not apply to fixed rate accounts (other than a fixed rate cash deposit ISA), or to accounts where the price depends on rises and falls in financial markets outside our control that may happen during the cancellation period, or to branch based Child Trust Fund accounts (in other words, not sold at a distance).

If you do not exercise your right to change your mind, you will continue to be bound by these terms and conditions and any special conditions that apply to the particular account.

4 Account details

4.1

The address that you provide on the application form for the account will be the registered address for you, and will remain the registered address for you until it is changed in our records.

4.2

It is your responsibility to notify us of any change of address. You should also notify us of any change of name, telephone number and email address (if you have told us you want to be contacted in this way). All notifications must be in writing.

4.3

You agree to produce evidence of any new name or address, if we ask to see it. If your account has a passbook, you must send or produce it to us so that we can note the change of details.

4.4

You agree to provide us with specimen signatures, if we ask for them.

4.5

If you have more than one savings account with us, you must make sure that the registered address we have for you is the same in respect of each account.

4.6

If:

- you lose your passbook; and
- at or about the same time you notify us of a change of address

then we will not issue any cheques from the account payable to anyone other than the account holder for a period of five days from the date we receive the notification. Cash withdrawals will also not be permitted for this time. This is to protect you against possible fraud.

4.7

Your account will have a unique number. Please quote this in correspondence with us. You will also need this when paying money in or withdrawing it.

5 Minimum and maximum account balances

5.1

The minimum and maximum amounts that can be held in any particular account are set out in the special conditions for that account.

5.2

We can close an account if the amount in it is below the minimum for that account. We will give you at least 30 days' notice before doing this. During this period, you can pay in more money to bring the balance up to the minimum. Instead of closing the account (or during any period when it is below the minimum amount) we may not pay you any interest.

5.3

The overall maximum holding by any one person in respect of all savings accounts with the Society is £250,000 (exceptions may be made with the Executive's approval).

6 Paying money into your account

6.1

Unless special conditions for a particular account specify otherwise, you can generally pay money into your account at any of the Society's offices during our normal opening hours on a working day (branch opening times vary) or by bank transfer or post. However, for security reasons we do not recommend that cash is sent by post. Please see Condition 7.2 regarding when interest becomes payable.

6.2

If money is paid in by bank transfer or by BACS, it is your responsibility to make sure that all the account details are provided correctly. Incorrect and unallocated payments received by bank transfer will be returned to your bank every two weeks.

6.3

For security reasons, we reserve the right to refuse to accept large sums of money in notes or coins.

6.4

You can pay money into your account by standing order or BACS (although you will need to set this up direct with your bank). Payments by debit card can be accepted via the telephone for specific account types (ISAs, Child Trust Funds and Bonds). Security checks will be needed and will be explained before processing the transaction. Our regular saver account accepts payments into your account by direct debit.

Deposits

Method	Date deposit appears in your passbook / statement	When deposit is available for use	When deposit starts to earn interest	Latest date you can cancel deposit
Transfer from IBS account	Same day	Same day	Same day	Before close of business on same day
Standing Order (set up by another bank)	Same day	Day payment in is received	Day payment in is received	Please contact your bank
BACS	Day payment in is received	Day payment in is received	Day payment in is received	Please contact your bank
CHAPS	Day payment in is received	Day payment in is received	Day payment in is received	Please contact your bank
Debit Card	Day payment in is received	From the 3rd working day from and including the day on which the payment was made into your account	Day payment in is received	Please contact your bank
Direct Debit	Day before claim date	At the end of the 8th working day from and including the day on which we claim the payment	Date payment is claimed	7 working days prior to claim date
Cheque	Day payment in is received	At the end of the 7th working day from and including the day on which we pay in the cheque. Ipswich Building Society cheques – immediately	Day payment in is received	Before close of business
Cash	Day payment in is received	Day payment in is received	Day payment in is received	Not applicable

6.5

Cheques made payable to the Society will only be accepted for payment into an account if they contain additional details (such as the name(s) of the account holder(s) or the account number), so that it is clear who the money is intended for.

6.6

When paying money in by cash, you will need to produce your passbook or provide your unique account number.

6.7

Money paid into your account by cash, cheque or electronic transfer will be available for withdrawal as detailed in the table below. Any sums received by us outside normal business hours or on a non-working day will be treated as having been received when we are next open for business on a working day. Please see Condition 10 regarding cheques.

7 Interest

7.1

We will tell you the interest rate that applies to your account (and when it is paid or credited) when you open it. This information is also available:

- in our Investment Rates leaflet
- on our website
- on our telephone helpline
- by asking our staff at our offices
- by looking at notices in our offices

7.2

On our accounts we generally:

- calculate interest on a sum paid in from the day we receive it. Any sum received by us outside normal business hours or on a non working day will be treated as having been received when we are next open for business on a working day
- calculate interest on any amount withdrawn up to the day before you make the withdrawal
- give you the choice of having the interest added to the account, paid into another account with us, or paid into your bank account

However, this may vary depending on the type of account. You should check the special conditions for particular accounts. Further details of how and when interest is payable are contained in our Investment Rates leaflet and the literature relating to individual accounts.

A full explanation of how interest is calculated can be obtained from any of our offices.

7.3

We will give you information regarding your account, as follows:

- if you have a variable rate account with more than £250 in it, and the interest rate has fallen significantly compared with the Bank of England base rate over the previous 12 months, we will contact you within a reasonable period after this has occurred to:
 - tell you that this has happened
 - give you details about how you can switch accounts or withdraw the money in your account.

7.4

Subject to any special conditions that apply to particular accounts, for example, fixed rate or tracker accounts, we can change interest rates as set out in Conditions 7.5 to 7.7 below.

7.5

We may change interest rates at any time if we reasonably believe that the change is needed for any of the following reasons which may relate to circumstances existing at the time or those that are expected to apply in the near future:

- to respond to changes in the Bank of England base rate or mortgage or interest rates generally (including the interest rates paid on similar accounts by other providers of financial services)
- to respond to changes in the law or the decision of a court or ombudsman;
- to meet relevant regulatory requirements
- to respond to new (or changes to) statements or codes of practice or industry guidance designed to enhance consumer protection
- to respond to changes to our costs, including administration costs and costs of providing services or facilities

Any change we make to interest rates will be proportionate to the circumstances giving rise to the change.

We can also change the rate of interest for any valid reason (other than a reason mentioned above) where we reasonably believe the change is appropriate.

7.6

Changes may include the introduction or alteration of 'bands' under which:

- interest is not paid where the amount in the account is below a certain level and/or
- different rates apply depending on the amount in the account

7.7

When we make these changes in the interest rate, we will tell you about it:

- by placing notices in the Society's offices, on our website and advertising the new rates in the East Anglian Daily Times within three working days of the change or
- within 30 days of the change, by letter, email (if you have told us you want to be contacted in this way) or other personal notice

7.8

If you have a variable rate account with £500 or more in it and the interest rate falls by more than 0.25 per cent on a rate change compared with the Bank of England base rate, we will notify you personally within a reasonable period of time after making the change. This does not apply to:

- current accounts
- interest rate tiers applicable to balances below the minimum operating balance for the account (provided we have clearly told you about the minimum balance requirements)
- accounts where we have told you that the interest rate payable on them will be fixed or less than 0.5 per cent a year while the balance remains below a certain level
- fixed rate or tracker accounts

7.9

The information on our telephone helpline and our website will be updated within three working days of an interest rate change.

7.10

Where we make a change under Condition 7.6, then Conditions 18.3, 18.4, 18.5 and 18.7 will apply instead of Condition 7.7

8 Account charges

8.1

We do not make any charges relating to the day-to-day running of your account.

8.2

However, we may charge for products or services relating to your account. We will tell you about these before we provide the product or service, or at any other time you ask. These charges are detailed in our Customer Information leaflet.

8.3

Charges incurred will be debited to your account. We will notify you before we do this.

8.4

We can change the charges we make at any time, if we reasonably believe that the change is needed, for any of the following reasons (which may relate to circumstances existing at the time or those that are expected to apply in the near future):

- to respond to changes to our costs, including our administrative costs
- to respond to changes in the law or the decisions of a court or ombudsman
- to meet relevant regulatory requirements
- to respond to new (or changes to) statements or codes of practice or industry guidance designed to enhance consumer protection

Any change we make to our charges will be proportionate to the circumstances giving rise to the change.

8.5

We can also change the charges we make for any valid reason (other than a reason mentioned above) where we reasonably believe the change is appropriate.

8.6

Except where the account is a fixed term account, we can also change the charges we make by notifying you personally not less than 30 days before the change comes into effect.

8.7

Changes may include the abolition or alteration of existing charges or the introduction of new charges.

8.8

If we introduce or increase a charge relating to the day-to-day running of your account under Condition 8.4 or 8.5, we will give you at least 30 days written notice before the charge comes into effect.

8.9

If we give you notice of a change in the charges we make under Condition 8.4 or 8.5 then we will tell you that this is the case and, at any time up to the date the change comes into effect, you have the right to switch the account or close it without having to lose any interest or pay any additional charges.

8.10

If you do not notify us that you object to a change before the date on which it comes into effect, you will be deemed to have accepted it.

8.11

There may be other taxes or costs that are not paid through us or charged by us.

9 Withdrawals

9.1

Withdrawals may be made during our normal business hours on working days subject to the special conditions for particular accounts and to any branch/agency withdrawal limits that we reasonably impose. The current limits are set out in our Investment Rates leaflet. Information on the various withdrawal methods are detailed below.

Method	Date deposit appears in your passbook / statement	Date deposit appears in your passbook / statement	Date deposit appears in your passbook / statement
Transfer to another IBS account	Same day	Working day before withdrawal	Same day
BACS (only available on specific products)	Up to 3 working days after the Society sends the withdrawal	Working day before withdrawal	3 working days prior to the withdrawal date
CHAPS (if under £100,000 then subject to charge, currently £25.00 which is debited from your account)	Day Society sends the withdrawal	Working day before withdrawal	CHAPS cannot be cancelled once processed
Cheque	Same day	Working day before withdrawal	Same day
Cash	Same day	Working day before withdrawal	Same day

9.2

No withdrawal will be allowed:

- if it would cause the account to be overdrawn
- from a passbook account, unless you produce the passbook at the time of withdrawal

9.3

We may refuse to allow a withdrawal if we are not satisfied that we have the proper written authority for the withdrawal, in accordance with the mandate you have given us. A signed withdrawal form will be required in order to make a withdrawal. Withdrawals are not permitted against uncleared funds (see Condition 10).

9.4

We can restrict at any time the amount which can be withdrawn from any account. We will only do this if:

- a) we reasonably believe that there may be fraudulent activity or other financial crime affecting the account
- b) we are requested to do so by any law, regulation or court order
- c) there is a dispute (which we reasonably believe may be genuine) about the ownership of, or entitlement to, the money in the account
- d) circumstances beyond our reasonable control prevent us from offering a normal service (such as in the event of terrorist threat, computer systems failure or strikes)
- e) circumstances exist which lead us reasonably to believe our financial stability is under threat (such as where rumours cause actual or potential abnormal levels of cash withdrawals)

In the case of (d) and (e) above:

- (i) we will act proportionately to the circumstances in question
- (ii) we will take all reasonable steps to ensure that the restrictions are lifted as soon as practical and to minimise the inconvenience to you
- (iii) we will take into account the interests of the Society's membership as a whole
- (iv) we will, if practical, give advance notice
- (v) we may consider exceptions to the restrictions if we are reasonably satisfied that substantial hardship would otherwise be caused

Where the restrictions on withdrawals affect accounts generally, we will notify the restriction by notices on our website and in our branches. If the restriction affects your account only, we will write to you to notify you. You can contact us to discuss any restriction in person at any of our branches, or by telephoning us on 0845 230 8686.

9.5

If a withdrawal is made by a cheque in favour of someone other than you, we will not stop payment of the cheque unless we have clear evidence of fraud, or written confirmation from a payee that the cheque has been lost, stolen or destroyed.

9.6

Please also note that:

- we will not send cheques to third parties by post
- we do not permit withdrawals to be made by direct debit or standing order

10 Uncleared funds

10.1

Subject to any special conditions for particular accounts, and to Condition 9, we will allow withdrawals against a cheque on the seventh working day from and including the day on which you pay in the cheque (see Customer Information Booklet for further information), provided we have not received notice that it has not been cleared. If the cheque is not cleared then you will have to repay us the amount of the withdrawal to the extent that there is enough other money in the account to cover it. However, we will not take money from your account, or require you to repay us, in respect of a cheque that has not cleared unless:

- the cheque is not in Sterling
- the cheque is drawn on a bank or institution outside the United Kingdom
- you agree otherwise
- you are knowingly a party to a fraud in respect of the cheque
- the money is reclaimed from your account before close of business (5 pm) on the sixth day after it was deposited with us

If a cheque that is deposited by you is not cleared, we will tell you about this by writing to you.

10.2

Withdrawals are not allowed against cheques paid into your account that are drawn on non-UK banks and/or non-sterling cheques until confirmation of the funds being cleared is received from the Society's bankers.

10.3

For the purpose of Condition 10.1, the day of deposit of the cheque is the day it is paid in at a branch counter or the day we receive the cheque by post.

11 Closing your account

11.1

You can close your account at any time, subject to any special conditions that apply to particular accounts and to normal administration requirements.

11.2

We can close your account at any time without giving any reason, but (except in exceptional cases):

- we will give you at least 30 days' notice
- we will not use this right to repay a fixed term investment before the end of the fixed term
- we will not close your account, or threaten to do so, as a response to a valid complaint that you have made

The exceptional circumstances mentioned above are:

- you have deliberately given us any false information in relation to your account
- you were not entitled to open the account
- you do not comply with any of your obligations under these terms and conditions, and do not put this right within a reasonable time of our asking you to do so
- the contract between us is void or unenforceable at law
- we have a legal obligation to close the account

11.3

If we close the account, we will pay interest at the agreed rate up to the day before repayment. We may make repayment by sending you a cheque.

11.4

If we close the account in full and make repayment to you, in person or by post, then you will have no further right or interest in the account.

12 Statements

We will send you an annual statement of account, unless:

- the account is a passbook account
- there have been no transactions on your account (other than the crediting or payment of interest) during the period since the last statement was sent
- you have elected not to receive them

You should check all statements and passbooks carefully. If there is an entry which seems to be wrong, you should tell us as soon as possible by telephoning our helpline 0845 230 8686.

13 Taxes

Where required by legislation, interest will be paid or credited after deduction of income tax at the appropriate rate. Please see our customer information leaflet for further details.

14 Joint accounts and trusts

14.1

If an account is held in more than one person's name, then only the holder whose name appears first in our records will be entitled to membership rights (such as the right to receive notices of, and to attend and vote at, meetings). This is subject to any rights given to other holders by any legislation.

14.2

You can choose the order in which the names appear in our records. Any change in the order will happen when our records are actually changed. We will make the change within a reasonable time after you tell us about it.

14.3

For tax purposes only, we will treat joint account holders as being entitled to the money in the account in equal shares. This does not affect the operation of Condition 14.4 which takes precedence.

14.4

Where one account holder dies, we will, on receipt of satisfactory evidence of the death, treat the surviving holder(s) as being entitled to the account. We do not accept accounts on any other basis. The other terms of the account will remain unchanged. (Under the Rules, joint accounts cannot be held by the holders as tenants in common).

14.5

Withdrawals and other transactions on a joint account need the signatures of all account holders, unless all of them have authorised us to accept the signature of any one of them or (if there are more than two holders) any combination of them. If we have this authorisation, then any of the account holders can withdraw all of the money in the account.

14.6

Any authorisation given under Condition 14.5 can be stopped by any account holder. However, we will need all parties to the account to sign to put this into effect.

14.7

If we have reason to think that there is a dispute between account holders we may (but will not be obliged to) require the signatures of all account holders, despite any authorisation that has been given to us previously under Condition 14.5.

14.8

If there is a relationship between the account holders which ceases, you or a solicitor will need to inform us if the account is to be closed or you want any name to be removed from the account. If you or a solicitor do not inform us then, even if we know about the relationship breakdown, we will continue to operate the account in accordance with the instructions that you have given us. This may mean that withdrawals and/or closure of the account will be permitted on one signature.

14.9

We may, in accordance with Condition 9.4, freeze the account if we have reason to think that there is a dispute in relation to the money in the account. However, we will not be obliged to do this, unless we are ordered to do so by a court.

14.10

Any correspondence relating to the account will be sent to the address of the first-named account holder, unless you instruct us otherwise.

14.11

The liability of joint account holders is joint and several. This means that each of you is separately responsible to us for the performance of all the obligations of the account holders, and not just a share of them.

14.12

We do not have to recognise the interest or claim of any person other than the account holder(s) in respect of any money held in the account (and we will not have any liability for failing to do so), except as may be required by law.

Further details about the rights and responsibilities of joint account holders are contained in the leaflet 'You and Your Joint Account'. A copy of this is available on request.

15 Transfers

Unless the special conditions for a particular account say otherwise, you may ask us to transfer your investment to another person. We do not have to agree to this and if we do agree, it may be subject to conditions and/or payment of a charge.

16 Unclaimed balances

16.1

If no payment into or withdrawal from your account is made (other than interest and charges initiated by the Society) for a period of five years, and we cannot trace you (after having made reasonable efforts to do so), then we may close the account. However, any money in it will remain yours, and if you contact us later (and provide any necessary evidence of identity) we will repay the money from the closed account to you, together with interest at a rate that we reasonably consider to be appropriate if the account had remained open.

16.2

Condition 16.1 is subject to any rules that may be made under any legislation.

17 Account documents

17.1

We may issue you with a passbook, certificate or other similar document relating to your account. If we do:

- the document will belong to us
- you agree to return it to us for updating, or for any other purpose we reasonably require
- you agree to keep it safe, and to tell us in person at one of our branches or by telephoning us on 0845 230 8686 as soon as you discover it has been lost or stolen and
- the document must be produced to us before any withdrawal from the account is made.

17.2

We may issue a replacement for a lost or stolen passbook/certificate but this may be subject to payment of a charge and/or other conditions. These conditions may include:

- providing us with reasonable evidence of the loss or theft
- notifying, and co-operating with, the police
- restricting withdrawals from an account (for a lost passbook) from the date you notify us of the loss or theft until you receive a new passbook

17.3

If someone other than you produces your account document to us, pretends to be you or to be authorised by you, and is therefore able to withdraw money from the account, you will be liable for the first £50.00 of the unauthorised withdrawals. You will be liable for the amount of all withdrawals if you have acted fraudulently or you have, intentionally or with gross negligence, failed to comply with your obligations under these Conditions or failed to take all reasonable steps to keep your account document or any personal account or security information safe. However, you will not be liable for any withdrawals after you have told us of the loss, theft or unauthorised use of your account document, unless you have acted fraudulently.

17.4

You should check your passbook regularly. If there is an entry which seems to be wrong, you should tell us as soon as possible, in person at any of our branches, or by telephoning us on 0845 230 8686, so that we can resolve the matter. If you do not notify us within 13 months after the date of the entry, we will not be obliged to correct the error. Subject to Condition 17.3, we will be liable for unauthorised transactions on your account.

18 Changing these Conditions

18.1

We can change these Conditions and/or terms on which your account is held [if we reasonably believe that the change is needed] for any of the following reasons (which may relate to circumstances existing at the time or those which are expected to apply in the near future):

- to respond to changes in the law or the decisions of a court or ombudsman;
- to meet relevant regulatory requirements;
- to make the terms clearer or fairer;
- to provide you with extra benefits or services;
- to respond to new (or changes to) statements or codes of practice or industry guidance designed to enhance consumer protection;
- (except in relation to fixed term investments) for any other reason that we reasonably consider appropriate.

18.2

Any change we make under Condition 18.1 will be proportionate to the circumstances giving rise to the change.

18.3

A change which is not to your disadvantage may be made immediately and without prior notice. We will tell you about the change within 30 days.

18.4

A change which is to your disadvantage will be effective only after at least 30 days written notice is given to you.

18.5

If we give you notice of a change under Condition 18.4 then we will tell you that this is the case and, for a period of 60 days from the date of the notice you have the right to switch the account or close it without having to lose any interest or pay additional charges.

18.6

If you do not notify us that you object to a change before it comes into effect, you will be deemed to have accepted it.

18.7

Notices under Condition 18.4 will be sent by individual letter or e-mail (if you have told us that you want to be contacted in this way). Notices under Condition 18.3 may be given in this way, or instead be given by general notice in our branches, principal office and website in conjunction with advertisements in a local daily newspaper of our choice. The current newspaper we use is the East Anglian Daily Times.

18.8

This Condition 18 does not apply to changes to interest rates or charges, which are dealt with in Conditions 7 and 8.

18.9

If we have made a major change or a lot of minor changes in any one year, we will give you a copy of the new terms and conditions or a summary of the changes and tell you where you can find a full copy.

19 Notices

19.1

You will be taken to have received any letter or email or other personal notice 72 hours after we have sent it to you.

19.2

If we, accidentally, fail to:

- send to you a communication intended for our investors generally or a category of investors of which you are one or
- display a notice at any of our offices

this will not make the notice invalid.

19.3

If an error is made in a notice, but this is corrected shortly afterwards by a subsequent notice, the notice period will run from the date of the original notice.

20 Matters Beyond Our Control

We will not be liable to you if we are unable to provide any service in connection with your account because of abnormal and unforeseeable circumstances such as strikes, power failures or other causes beyond our control.

21 Set off

We may use the money in your account towards payment of any money that you owe us which is due for payment but has not been paid. We will notify you if we do this. No interest will be earned on money used in this way.

22 Companies, etc

22.1

If you are a limited company or other type of corporation, you will need to authorise officers to operate the account. The application form has further details. We will also require evidence of identity and address for these persons.

22.2

Accounts in respect of unincorporated organisations, such as English partnerships and clubs, cannot be held in the name of the organisation. Accounts must be held in the name(s) of individual(s) on behalf of the organisation. The application form has further details. Your attention is drawn to Condition 14 if there are joint account holders.

22.3

If you are a limited company or other type of corporation, or an unincorporated association, then you must provide us with such information regarding your business and/or your constitution as we may reasonably request from time to time.

23 Law

These Conditions are governed by the laws of England and Wales. Those laws are also taken as the basis for the establishment of relations with you prior to the conclusion of any contract between us.

24 Language

All communications between you and us will be in English unless we specifically agree otherwise.

Ipswich Building Society

We are authorised and regulated by the Financial Services Authority ("FSA") and entered on the FSA register, registration number 104875.

Principal Office:

PO Box 547

Freehold House

The Havens

Ipswich

Suffolk

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Website: www.ibs.co.uk