



aldermore

General Terms and Conditions

Effective from 7 July 2010

These terms and conditions cover the opening and operation of all Aldermore savings accounts and together with the product literature and the Tariff of Charge (each as defined below) form the basis of the contract between you and us. In these terms and conditions 'we' and 'us' means Aldermore Bank PLC and includes our successors and assigns; and 'you' and 'your' means the person(s) in whose name(s) the account is opened or their appointed representative(s).

You can request copies of these terms and conditions and the product literature at any time.

Meanings

In these terms and conditions:

"account" means your savings account with us;
"account opening criteria" means the information and documents we require from you before we are able to open your account;
"Advance Notice" means notice in accordance with the rules of the Direct Debit Scheme;
"BACS" means Bankers Automated Clearing Service;
"Base Rate" means the Bank of England Official Bank Rate;
"business day" means Monday to Friday excluding Bank Holidays;
"Cash ISA" means an Individual Savings Account under the ISA Regulations;
"CHAPS" means Clearing House Automated Payment Systems;
"fixed rate account" means an account where interest is paid at a fixed rate for all or part of the term;
"Faster Payments" means the UK banking scheme that enables members and agents to make low value payments to an account on a near real-time or same-day basis;
"online account" means an account which may be operated via our internet service;
"internet service" means service provided by us via the world wide web at our website www.aldermore.co.uk or any other website that we notify you of from time to time;
"ISA Regulations" means the Individual Savings Account Regulations 1998 as amended or replaced from time to time;
"nominated account" means the personal UK bank personal or building society account in your name(s) details which you have given us and require payment to be made from and to;
"notice period" means any minimum period of days' notice you must give for withdrawals or closure set out in the product features;
"our registered office" or **"our Head Office"** means Aldermore Bank PLC, 1st Floor, Block B, Western House, Lynch Wood, Peterborough, PE2 6FZ;
"payment account" means an account which is a payment account under the Payment Services Regulations. If your account is a payment account it will be described as such in the product literature or we will otherwise notify you that your account is a payment account. This will include accounts with no notice period but will exclude fixed rate or notice accounts;
"Payment Services Regulations" means the Payment Services Regulations 2009 as amended or replaced from time to time;
"product literature" means the literature setting out the specific terms of your account we give you, or which is supplied on our website, when you open it. An example of this is the summary box containing key features of the account;
"Receivership Order" means a UK court order granting a third party the rights to operate your account on your behalf;

"reference rate account" means an account where the interest rate tracks an external rate such as Base Rate. The product literature will state if an account is a reference rate account.

"Tariff of Charges" means the leaflet showing our standard charges, which may change from time to time as described in condition 4.13;

"your correspondence address" means the address which we hold for the first named account holder except where the account is held under power of attorney or receivership, where it shall be such address as we are notified of;

Words and expression in the singular shall, where applicable, include the plural and the reverse shall also apply.

1. Opening a savings account

1.1 Our savings accounts are only available to private individuals, aged 18 years or over (unless the product literature states otherwise), who are ordinarily resident in the United Kingdom for tax purposes. Except for Cash ISAs, we accept up to two applicants per account.

1.2 You must read and understand these terms and conditions and the product literature and check our current interest rates before submitting your application.

1.3 The account holder(s) will be the person(s) named in the application.

1.4 For applications online or by telephone, we will usually open your account on the business day that the application is received by us and for applications by post we will usually open your account within four business days, provided in all cases that all account opening criteria have been met. If the account opening criteria have not been met we will contact you to confirm our requirements.

1.5 We will ask you for information which helps us maintain security on your account. When you contact us to give instructions on your account, we will ask you for some of this information. We will only accept this information from the account holder(s) or a person with a suitable power of attorney or Receivership Order.

1.6 You confirm to us that any monies deposited in an account with us are not derived from or otherwise connected to any illegal activity.

1.7 We reserve the right to refuse to open an account if, in our reasonable opinion, the account opening criteria have not been completed to our satisfaction. We may also refuse to accept opening deposits at our absolute discretion without giving any reason. We will not enter into correspondence in these circumstances.

1.8 You have a right to cancel your agreement with us within 14 calendar days from the date when your agreement with us was made unless your account is a fixed rate account (you will however have this right for a fixed rate Cash ISA).

1.9 You will be entitled to access and use your savings account in accordance with these terms and conditions once we have confirmed that your account is ready for use.

2. Making deposits

2.1 All deposits must be in sterling.

2.2 You may make deposits into your account by direct debit, personal cheque from a UK bank, building society cheque, BACS, CHAPS, Faster Payments, standing order or, where applicable, by transfer from an existing Aldermore savings account. For security reasons, you should make any cheque payable to your name(s) re: your application reference or account number. Direct debit, BACS, CHAPS, Faster Payments and standing order payments (as set out in the product literature) must be made from your nominated account. Where the account type permits (as set out in the product literature), further deposits may be made in the same way.

2.3 You can cancel a direct debit deposit by notifying us via our internet service or by calling us at any time prior to 5pm, 4 business days before the date the deposit is due to be made or by contacting your bank or building society at any time prior to their internal cut-off times on the business day before the date the deposit is due to be made.

2.4 When making deposits by BACS, CHAPS, Faster Payments or standing order, you must provide your bank with our sort code & bank account number, together with your account number or application reference, or any other information that we notify you of from time to time. Our sort code and bank account number are available in your Welcome Brochure, or on our website or by asking us in writing or by telephone.

2.5 For deposits made by BACS, CHAPS, Faster Payments or standing order, you are responsible for ensuring that your bank correctly provides the information that we tell you when they send the payment. If the correct information is not provided and we are therefore not able to allocate the money to your account, we will return the money to you without interest by BACS. This can take up to four business days. In this event, we will not be liable to you for any losses you incur as a result.

2.6 In the event that an error occurs when you make a deposit by BACS, CHAPS, Faster Payments or standing order that is not our fault, we may be able to help you or your bank or building society investigate. We will typically do this without charge however in some instances it may be necessary to apply a charge. In this event we will advise you of the charge and obtain your consent before we take any action.

2.7 For deposits made by BACS and Faster Payments, your bank may apply a maximum limit per transaction. As set out in the product literature you are only able to make one deposit (the opening deposit) into a fixed rate account and you are responsible for ensuring that any money paid by your bank or building society into a fixed rate account is sent as one single payment. Subsequent payments, or payments into your account which would leave the balance in excess of any maximum balance permitted for the account, may be rejected and returned to you by BACS without interest. This can take up to four business days.

2.8 Deposits made by direct debit are protected by the Direct Debit Scheme. This means that in the event of an error, we will resolve it for you.

2.9 We do not accept deposits by cash.

2.10 If you send us funds to open your account before we have successfully completed our verification of your identity and address, we will bank your funds but will not credit the proceeds to your new account. Once your identity has been verified, the funds will then be applied to your account and interest will be paid in accordance with the dates set out in conditions 5.4, 5.5 5.6 or 5.7 as appropriate. If we cannot verify your identity within 30 days then we will return the funds without interest by cheque but this will only be made payable to the bank/drawer and the account number of the source funds. This means that a cheque can only be paid back to the originating source and we will not change this under any circumstances.

2.11 If, in error, we allocate funds to your account that are not yours, you must notify us and arrange to return them to us as soon as you are aware of them. We will reallocate the funds as soon as possible and where necessary you will return such funds.

2.12 When you set up a new direct debit you will need to allow eight business days from the date we receive the completed direct debit and the date on which the first payment is due to be collected.

2.13 If you pay money into your account by direct debit you are stipulating the amount and date of the payment to be debited to your nominated account. You will not receive separate Advance Notice of the debits from your nominated account prior to each such debit.

2.14 Funds deposited by BACS, standing order, Faster Payments, CHAPS or by transfer from another account with us will be credited to your account on the business day on which we receive them and will be available for withdrawal (where permitted by the account features) on the same day (or the following business day if received after 12pm).

2.15 It normally takes up to six business days for cheques to clear the banking system. Only when a cheque has cleared will you be able to draw against it, where permitted by the account features. These periods are in accordance with APACS' central clearing cycle. Interest however will start to be earned on the amount earlier as described in Condition 5.10.

2.16 Funds deposited by Direct Debit will be credited to your account on the business day on which we receive them and will be available for withdrawal (where permitted by the account features) on the third business day following the day on which we receive them.

3. Joint accounts

3.1 Where more than one of you applied for the account, we may act on the instructions given by any one of you, unless one of you has advised us not to.

3.2 Each joint account holder, both individually and together, is bound by the terms and conditions of your account and is fully responsible for all instructions given (even when given only by one of you) and for any money which may become due to us under these terms and conditions.

3.3 On receipt of a notice as described in Condition

3.1, we will only accept future instructions from you in writing, which have been authorised by all account holders. In this case, you will need to operate your account by post. We will not be responsible for any transactions made or instructions given by any of you prior to receipt, and our validation of any such notice.

3.4 Provided that both account holders agree in writing, an account holder can be removed at any time.

3.5 In the event that we become aware of conflicting instructions from joint account holders we reserve the right to refuse to carry out any transactions or further instructions until the instructions are clarified and confirmed by both account holders.

4. Using your savings account

4.1 We will accept instructions through our website, by telephone, or by post. The Welcome Pack we send you will give you up to date numbers and addresses. We may ask you to provide documentation in some instances before we carry out your instructions, for example where you have changed your name. Where you want to make a deposit or a withdrawal, you give us consent to do so when you either give us instructions via our internet service or by telephone or by post. Such consent will apply to all future dated or multiple transactions until such time as you cancel them in accordance with these terms and conditions.

4.2 We will only make withdrawals from your account to your nominated account. We will usually do this by BACS, which takes a maximum of 3 business days from receipt of your instructions (provided we receive your instructions before 12pm on a business day - if not the process will begin on the next business day). We can make a withdrawal by CHAPS if you request. A fee is payable (see our Tariff of Charges) and we will advise you of this before we make the withdrawal. CHAPS withdrawals will be available on your nominated account on the same business day we receive your instructions (if an instruction is received before 12pm if not the process will occur on the next business day). All withdrawals must be in sterling.

4.3 Details of all deposits and withdrawals are available at any time by logging into your account. If you ask us, we will send you written confirmation of any deposit or withdrawal that you make. If you request information regarding a transaction we have made on your behalf, we will provide this to you as soon as possible after you request it.

4.4 The information which we provide or make available under condition 4.3 will include:

- the dates and amounts of any transactions;
- any charges on such transactions (with a breakdown if appropriate);
- a reference enabling you to identify each transaction and the payer or payee as applicable.

4.5 When you send us a written change of instruction, do not assume that we have received it unless we have sent you a written acknowledgement or otherwise confirmed receipt.

4.6 If you make or amend a payment instruction through our website, you agree that the on-screen confirmation of that instruction constitutes an immediate Advance Notice to you of that instruction to make the payment in the amount and on the date stated in that instruction.

4.7 We reserve the right to limit the maximum investment you hold with us for any particular account or in aggregate. This is set out in the product literature.

4.8 We may refuse to carry out any instruction without explanation where in our reasonable opinion and judgement to do so would or might be contrary to any applicable regulations or relevant laws.

4.9 If you change any details (such as your name, address, email address or bank account details) you must notify us as soon as possible. You may be able to make some of the changes yourself through our website. For some types of changes we may require documentary evidence to be provided.

4.10 We will contact you by phone, post or email. All post will be sent to the correspondence address. We will deem post to have reached you two business days after we send it to you.

4.11 For accounts with annual payments we will send you a statement by post annually. For accounts with monthly or quarterly interest we will send you a statement every six months.

4.12 If a cheque is returned to us unpaid by your bank, we will debit the amount from your account. An administration charge will also be applied, as detailed in our then current Tariff of Charges. We will notify you in writing of the amount of charges debited.

4.13 Our current Tariff of Charges is available online at www.aldermore.co.uk/savings and you may request a copy at any time. We may also make charges for non-standard services provided on your account. We will notify you of these in advance. We may change our Tariff of Charges in a proportionate manner in order to reflect changes in reasonable overheads and costs. Reductions in charge can be made at any time. We will give you at least 2 months' notice if we increase the charges contained within the Tariff, at which point you will be deemed to have accepted the changes. In the meanwhile, if your account is a payment account, you will be free to close your account immediately without charge.

5. Interest

5.1 Interest is calculated on a daily basis on the account balance.

5.2 You will continue to earn interest until the day prior to (but not including) withdrawal.

5.3 You may choose the frequency with which your interest is paid and the account to which it is paid from the options we tell you when you open your account.

5.4 Annual interest is paid on the anniversary of the date on which funds were first paid to the account (or the next business day if it is not a business day).

5.5 Monthly interest is paid on the day of the month on which funds were first paid to the account (or the next business day if it is not a business day).

5.6 Maturity interest is paid on the maturity date of the account as dictated by the date on which an initial deposit was made (or the next business day if it is not a business day).

5.7 Quarterly interest is paid on the 31 March, 30 June, 30 September and 31 December (or the next business day if it is not a business day).

5.8 In the event that the balance of an account falls below the specified minimum for that type of account as set out in the product literature, the nominal fixed interest rate specified in the product literature will be paid until such time as the account balance returns to or exceeds the minimum amount.

5.9 If your interest is paid to your nominated account, interest will be paid by BACS and will be in your nominated account on the dates specified in condition 5.4, 5.5 or 5.6 as applicable.

5.10 As the BACS system has a minimum payment limit of £1.00, if you have elected for the interest to be paid to your nominated account and the interest due at the interest payment date is less than this amount, we will not pay the interest to you at that time. The interest will continue to accrue and we will pay the interest to your nominated account when the total amount is greater than £1.00.

5.11 When you pay money into an account by BACS, CHAPS, Faster Payments direct debit, standing order or by transfer from another account with us, you will earn interest from the same day as the date on which the money is credited into the account as described in condition 2.14. When you pay money into an account by cheque you will earn interest from the second business day after the date of receipt into the account.

5.12 We will not vary interest rates for fixed rate accounts during the fixed rate period specified in the product literature.

5.13 When our interest rates change, we will inform you of the change by email (or by post if we do not hold a valid email address for you) in accordance with conditions 17.2-17.5.

5.14 We will contact you at least once a year to notify you of all applicable rates to your account throughout the preceding year, any changes in the Base Rate and to give details of the other accounts we offer.

5.15 Details of our current and historic interest rates are available from our website or by contacting us by post or phone.

6. Protecting your account

6.1 When your account is set up we will notify you of your Customer ID. We will also ask you to set up some security details which you will require, together with your Customer ID, to operate your account through our website or by telephone. You must take all reasonable steps to keep your Customer ID and all security details safe. You must advise us immediately if you know or suspect that someone else has access to your security details.

6.2 You should notify us if you find any delay, failure or error in your account, especially in the sending or receiving of instructions. It is in your interest to notify us as soon as possible in these circumstances. You should report any such problems to us on 0845 604 2678.

6.3 You must contact us immediately if you suspect any fraudulent activity has taken place on your account.

6.4 If you believe that someone has fraudulently used your account, we may ask you to report the matter to the police and obtain a crime reference number. You agree that we may give the police or other financial crime agencies any information they need during an investigation to assist them in establishing whether someone else is using or has used your Customer ID, password or your security details (where applicable to the operation of your account).

6.5 In the following circumstances, we may suspend the service available to you if we are ordered to do so by an appropriate legal or regulatory body or court, or if we have reasonable grounds to believe that:

- you are not adhering to these terms and conditions;
- you have acted fraudulently or negligently;
- someone else is trying to access or use your account;
- your Customer ID and/or security details may be known to or used by someone else;
- the relationship between us has broken down as a result of your conduct, for example you have acted with abusive or threatening behaviour towards our staff;
- there is a dispute about the ownership or entitlement to the money in the account that we reasonably believe to be genuine

If we do this, we will tell you as soon as possible by writing to you, unless we are prevented from doing so by law.

6.6 If we suspend the service available to you, we will resume that service at the earliest opportunity after the circumstances that led to the suspension of the service have been resolved.

6.7 We will never write to you or call you to ask you to provide your online account password or memorable details (although we will ask you to provide selected characters in order to confirm your identity before we give you information about your account). If you receive any such requests, you should contact us immediately.

7. Internet banking

7.1 For accounts where we provide an online capability as referred to in the product literature we will accept instructions from you online.

7.2 You must use a valid and current personal email address to open and operate your account. You should not use an email address which you may not be entitled to use for this purpose, such as your employer's email address. We will not be responsible for misuse of this nature.

7.3 When you apply for your account online and to set your own initial password we will ask you to provide answers to certain questions requiring memorable data. You are required to keep these answers and your initial password secret at all times. Do not select answers that could easily be guessed by a third party or write them down or save them on a computer or mobile telephone.

7.4 For accounts you can operate over the internet we will issue you with a password as well as a Customer ID and ask you to provide memorable security details which will together be required to operate the account.

7.5 For these accounts you will be able to review your recent account transactions online. We strongly recommend that you regularly check the transactions made. If there are ever any transactions you do not recognise or agree with you must contact us immediately.

7.6 You are responsible for the security of the computer you use to access our internet service and to ensure that it is protected from external attempts to gain access to your account information. We strongly recommend that you employ fully up to date virus checking software and personal firewall software.

7.7 We recommend that you do not access your account from a public computer, e.g. in a library or an internet café. When accessing our internet service, if you leave your computer unattended, you must lock your computer to prevent unauthorised access to your account. Accessing our internet service from another country may be an offence in that country. You agree that use of our internet service outside the UK will be at your own risk.

7.8 When you use your account you must ensure that your computer and modem comply with any requirements we tell you about from time to time. You must also follow any procedures and instructions contained in any communication that we send to you or that are contained on our website.

7.9 Our online service is secure but disconnection from the internet does not mean that you have logged off from the website. You should always log off when you have finished.

7.10 You will be responsible for all charges from your internet service provider incurred in accessing the website and your account details.

7.11 You undertake not to interrupt or interfere with the working of our website and internet service in any way whatsoever; this includes hacking into the site, tampering with security or any other disruption.

7.12 If we provide you with any software to help you use your account, you must not change it or allow anyone else to copy or use it. You must carry out your own virus checks.

7.13 For technical or other reasons there may be times when you are not able to access our website. We cannot guarantee its availability at all times.

7.14 Links provided from our website to other websites are there solely for your information. We can accept no responsibility whatsoever for these websites.

7.15 If you authorise another person or persons to operate the account via a power of attorney or Receivership Order, you remain responsible for the actions or omissions of the attorney as if they were your own.

8. Telephone banking

8.1 For accounts operated by telephone as referred to in the product literature we will accept instructions from you by telephone unless you have asked us not to or we have notified you of alternative arrangements.

8.2 In some circumstances we may request information or documentation from you by post prior to carrying out certain instructions.

8.3 You will be asked to provide us with a number of pieces of memorable security details as part of your application. We will use this information, together with your Customer ID, to check your identity before taking an instruction from you or providing you with information about your account.

9. Closing your savings account

9.1 Upon closure of your account, we will pay the proceeds into your nominated account. We will not issue a cheque to any third party.

9.2 Upon the death of an account holder, we must see the original death certificate. For accounts held in a sole name a Grant of Probate or an Administration of Small Estates form (if appropriate), will also be required. For joint accounts, the balance will pass to the surviving account holder(s).

9.3 If you move abroad, we may close your account and return the balance to you (this clause does not apply to Cash ISAs).

9.4 Under normal circumstances, we will not close your account without giving you 30 days' prior notice (or 2 months' prior notice if your account is a payment account), sent to your correspondence address. We may however close your account immediately in circumstances which are not 'normal'. Examples of these are where you have carried out threatening or abusive behaviour towards our staff, been in material or persistent breach of these terms and conditions, if you are not eligible for the account, if you have given us false or misleading information in applying for the account, if the account is used illegally or if there are exceptional circumstances affecting our business that makes it commercial prudent to do so.

9.5 We will not close your account, or threaten to do so, in response to a valid complaint made by you.

10. Alterations, amendments and transfers

10.1 You are not able to amend or alter these terms at any time.

10.2 We may change the terms and conditions for your account (other than those relating to changes in variable interest rates or to the Tariff of Charges, which are dealt with in conditions 17 and 4.13 respectively) for any one or more of these reasons:

10.2.1 to reflect, in a reasonable way, changes in the practice of other financial institutions which offer savings accounts to customers;

10.2.2 so that we are better able to attract and retain savers and borrowers;

10.2.3 to improve efficiency (which may include reducing costs), to take account of changes in technology and to reflect changes that we reasonably make in the way we look after your account or in the way we offer savings services and facilities to our customers generally;

10.2.4 because our administrative costs and charges have increased or reduced or we reasonably believe they are likely to do so;

10.2.5 so that we can meet the requirements of our regulator;

10.2.6 to reflect any change in the law or decision by the Courts or an Ombudsman or regulatory guidance or change in the regulatory system governing us;

10.2.7 to make the terms and conditions easier to understand and to correct errors;

10.2.8 to allow us to harmonise the terms and conditions should we acquire the accounts of or take over or merge with another provider;

10.2.9 if it is necessary for us to make changes to maintain our financial stability.

10.3 Any change we make under condition 10.2 will be no greater than is justified by the reason or reasons for making it.

10.4 You will be advised of any alterations to our terms and conditions in writing. We can make changes under condition 10.2 which are to your advantage at any time. If any change is to your disadvantage we will give you at least 30 days' notice of the change (or at least 2 months' notice of the change if your account is a payment account). At the end of this period you will be deemed to have accepted the change. If your account is a payment account then at any time during the 2 month notice period you can close your account without charge.

10.5 We can transfer all or any of our rights or obligations under these terms and conditions and your accounts at any time. We may provide any actual or potential transferee with any information we hold about you and your account(s). If we transfer our rights the transferee can exercise and enforce our rights only to the same extent as we could before the transfer. Any transfer will not prejudice your guarantees or rights under these terms and conditions.

11. Data protection

11.1 In accordance with our standard policy, Aldermore Bank Plc will verify your application. This will involve the search of records held by credit reference and fraud prevention agencies. Such agencies not only provide credit and voters roll information, they can verify your identity and also record the details of searches including whether or not your application proceeds. If false or inaccurate information is provided and fraud is identified, details will be recorded and passed to fraud prevention agencies. Law enforcement agencies may access and use this information.

11.2 We and other organisations may access and use from other countries the information recorded by fraud prevention agencies. We and other organisations may also access and use this information to prevent fraud and money laundering, for example, when checking details on applications for credit and credit related or other facilities, managing credit and credit related accounts or facilities, recovering debt, checking details on proposals and claims for all types of insurance, checking details of job applicants and employees. Should you have any queries relating to the use and storage of information or if you want to receive details of the relevant fraud prevention agencies we use please write to us at: The Compliance Department, Aldermore, 1st Floor, Block B, Western House, Lynch Wood, Peterborough PE2 6FZ. Please note, you can (on request) receive a copy of all the information which we hold on file for you if you so wish; we may levy a small charge for this service.

11.3 Information about all applicants will be collected and held on Aldermore Bank PLC systems and database and will be used to process your application and for ongoing account maintenance and administrative purposes.

11.4 We will process it in accordance with the Data Protection Act 1998 and we will only disclose it to other companies within our group, our lawyers, auditors, external advisors, agents and third parties as well as anyone to whom you have given us consent to disclose it or to whom we transfer our rights and duties under your agreement with us, together with their lawyers, auditors and external advisors, agents and rating agencies.

11.5 We will also disclose your personal information to third party service providers who we engage from time to time but we will always endeavour to ensure that they hold it in accordance with the Data Protection Act 1998.

11.6 We will use the information you provide to us to contact you to update you on our products and services and those of third parties which we think may be of interest to you.

11.7 By submitting your information to us you consent to us processing your personal information in this way and contacting you by telephone, post, fax, sms and/or email. You may withdraw your consent at any time by writing to The Compliance Department, Aldermore, 1st Floor, Block B, Western House, Lynch Wood, Peterborough PE2 6FZ.

12. Liability

12.1 We will not be liable to you if we do not act on your instructions for any reasons set out in these terms and conditions or if we cannot carry out our responsibilities to you because:

- of something we cannot reasonably control (this would include for example failure in the internet service not caused by us); or
- where complying with legal requirements means we cannot act on your instructions

12.2 In the absence of fraud or gross negligence on our part, we will not be liable for any loss or damage incurred by you arising directly or indirectly out of us acting on telephone or email instructions. In particular, you acknowledge that the giving of instructions in either of these ways is not secure and is vulnerable to abuse by other unauthorised parties.

12.3 Subject to the rest of this Condition 12:

12.3.1 Where a transaction on your account occurs which was not authorised in accordance with these terms and conditions we will refund the transaction amount and where applicable restore your account to the state it would have been had the transaction not occurred;

12.3.2 Where we have not correctly executed any payment instructions that you have given us in accordance with these terms and conditions we will refund the amount of the incorrectly executed transaction (to the extent it was incorrect) and restore the account to the condition it would have been in had the incorrect transaction not taken place;

12.3.3 We will be liable to you for any charges or interest you incur as a consequence of any valid transaction which you have correctly instructed us to undertake under these terms and conditions where we do not execute or execute incorrectly;

12.4 If you wish to claim from us for the matters referred to at condition 12.3 you must notify us without undue delay after becoming aware of any unauthorised or incorrect transaction and in any event no later than 13 months after the debit date. This time limit will not apply if we have failed to provide you with the relevant information about the transaction.

12.5 Subject to the provisions of Condition 12.6 you will be liable up to a maximum of £50 for any losses incurred in respect of unauthorised payment transactions arising where you have failed to keep any security features of your account safe.

12.6 You will be liable for all losses incurred in respect of any unauthorised transaction on your account where you:

- (a) have acted fraudulently; or
- (b) have with intent or gross negligence failed to comply with the terms and conditions (including in particular any condition which refers to your keeping security features safe).

12.7 Except where you have acted fraudulently you are not liable for any losses incurred in respect of any unauthorised transactions on your account:

- (a) arising after you have notified us under condition 6.3; or
- (b) where we have failed to provide appropriate means for you to notify us.

13. Set-off

We may use any funds deposited with us to repay or reduce any debt which you may have with us (subject to any borrowing terms you agree with us) either in your own name or jointly with anyone else as borrower, guarantor or in any other way. We may do this without giving you prior notice, but you will be notified immediately after we have done this.

14. General

14.1 Your account may become dormant if there has been no activity and/or contact from you for a period normally of three years. The account will always be your property or, upon your death, will become part of your estate, no matter how many years have passed.

14.2 We will respond to any request to gain access to dormant account funds in a reasonable and timely manner to confirm the eligibility of the claimant in line with our current Dormant Account policy. The British Bankers Association has produced a leaflet entitled 'Dormant Bank Accounts - how banks handle losing touch with personal customers', which is available from them or us upon request.

14.3 We do not have to recognise any third party's interest in the account nor will we be liable for failure to do so.

14.4 You may be liable for other taxes and costs which are not payable through us.

14.5 We are members of the Financial Services Compensation Scheme. Deposits made with Aldermore are protected under this scheme. This means your savings are guaranteed up to 100% of the first £50,000 of your total savings with us. The scheme limit relates to each account holder and not for each account. For

joint account holders the scheme will assume that the money is split equally unless evidence shows otherwise. If you have any further queries about the scheme, more information can be found on the scheme website www.fscs.org.uk.

14.6 These terms and conditions will be governed by English law and the courts of England and Wales will have exclusive jurisdiction. We will only communicate with you in English for any purpose relating to your account.

14.7 If we waive any breach of these terms and conditions that shall not be considered to be a waiver of any subsequent breach.

15. Complaints

15.1 If you are not satisfied with the service you have received, or wish to make any other complaint, you should contact us. Your complaint will then be dealt with in accordance with our Complaints Handling Procedure. If we are unable to resolve the complaint to your satisfaction you may refer it to the Financial Ombudsman Service. You can obtain details of this from our website or by telephoning our helpline.

16. Terms and conditions applicable to payment accounts only

If you account is a payment account then certain different notice periods and rights apply. There are set out in conditions 4.13, 9.4, 10.4 and 17.5.

17. Terms and conditions applicable to no notice, notice savings accounts and notice Cash ISAs

17.1 Interest rates are variable. We may reduce the interest rate on your account from time to time, subject to any minimum rate guarantee in the product literature (and subject to conditions 17.4 and 17.5), for one or more of the following reasons:

- following a change in the Base Rate;
- in order to manage the volumes of business so that we can provide appropriate levels of customer service;
- because our administration costs have changed or we have reason to believe they will;
- in order to comply with any changes in regulation, legislation, guidance, or any decision of the Courts or an Ombudsman.

17.2 If we increase your interest rate, we will notify you within 30 days of the increase. If we decrease your interest rate, we will notify you at least 30 days prior to the decrease (subject to conditions 17.4 and 17.5).

17.3 If the interest rates have guarantees linked to the Base Rate and if it is necessary to do so, we will amend the interest rate on those accounts within 10 business days of an announcement of a Base Rate change by the Bank of England to meet the guarantee obligations given.

17.4 Where your account is a reference rate account we will only vary the rate within 10 business days of a change in the relevant reference rate.

17.5 If your account is a payment account but is not a reference rate account, we will give 2 months' notice of reductions in interest rates, at the expiry of which period you will be deemed to have accepted the change. In the meanwhile you will be able to close the account without charge.

18. Terms and conditions applicable to no notice, notice savings accounts and fixed rate accounts

18.1 Interest will be paid after the deduction of tax at the standard rate applicable at the time.

18.2 We are able to pay interest without tax taken off upon receipt of the required notification that you are eligible. For joint accounts where one account holder is a taxpayer and the other is not, we will, upon your confirmation for the non-taxpaying account holder, arrange to pay interest without tax taken off on their share of the interest from the account. Interest is split equally between account holders and we will deduct tax from the remainder.

18.3 If required by law, we will deduct any necessary withholding tax.

18.4 If you are a non-taxpayer, or are taxed at a lower rate, you may be able to reclaim the tax from HM Revenue & Customs.

19. Terms and conditions applicable to fixed rate accounts

19.1 Interest rates are fixed and will not change during the fixed rate term of the fixed rate account.

19.2 Following an initial deposit into a fixed rate account, no further deposits, withdrawals or closures are permitted during the fixed rate term. Any additional deposit must be placed in a new fixed rate account and will be subject to the Terms and Conditions and features for that account.

19.3 We will contact you prior to maturity to advise you of the options open to you. If we do not receive a reply from you before the maturity date of your fixed rate account, we will place the proceeds of your fixed rate account into a new fixed rate account of the same term.

20. Terms and conditions applicable to notice Cash ISAs and fixed rate Cash ISAs

20.1 Aldermore Bank PLC is the ISA Manager.

20.2 These terms and conditions are governed by the ISA Regulations and words and phrases have the meaning in these terms and conditions as they have in the ISA Regulations, unless the context otherwise requires.

20.3 Provided that your account is operated in line with the ISA Regulations we will pay interest gross (tax free).

20.4 The maximum that can be paid into the account each Tax Year is set by the Government and may change from time to time. If the amount you pay in exceeds the subscription limit, upon identification we will return the surplus amount to you. No interest will be paid on the surplus amount and it may not be returned to you immediately upon receipt. Joint accounts are not permitted.

20.5 You may subscribe to more than one Aldermore Cash ISA in any given Tax Year as long as you do not exceed your annual HMRC ISA subscription amount across all the Cash ISAs you hold with us. You must not have subscribed to another Cash ISA with another provider in the Tax Year in which a subscription is made to the account.

20.6 When you first subscribe to a Cash ISA with us, we will issue you with a unique reference number called an ISA Wrapper Number in addition to your Account Number. This ISA Wrapper Number will apply to all the Cash ISAs you hold with us and you should use it for any correspondence with HM Revenue & Customs relating to your Cash ISAs.

20.7 If you cease to be a resident in the UK, or otherwise qualified for the purposes of the ISA Regulations, you will retain the benefits of the account as at that date but no further subscriptions to the account may be made unless you become UK resident or otherwise qualified again.

20.8 If you die, the interest earned to the date of death will be exempt from tax. Thereafter the balance of the account will be transferred to your no notice savings account (if you don't have one we will open one in your name) and any interest will be paid net of basic rate tax at the prevailing no notice savings account interest rate.

20.9 We will advise you if this account is or will become no longer exempt from tax under the ISA Regulations.

20.10 You agree that you will be, and will remain, the beneficial owner of your account. You must not transfer the benefit to anyone else or use it as security for a loan or hold a Cash ISA as security against a loan.

20.11 If you are dissatisfied with your choice of account and decide to close the account or switch, with our approval, to another account within 14 days of the first payment into the account, no extra charges will be payable.

20.12 If you pay in more money to your Cash ISA than is permitted under the HMRC ISA rules, upon identification we will return the surplus amount to you. No interest will be paid on the surplus amount and it may not be returned to you immediately upon receipt.

20.13 Your Cash ISA is deemed to be open from the date on which we receive the first deposit into your account

20.14 If you transfer money out of your Cash ISA to a Cash ISA held with another provider, you may not make a partial transfer of funds that have been invested in your Cash ISA in the same Tax Year as that in which you make the transfer.

20.15 We will notify you if your ISA has or will become void because of any failure to satisfy the provision of the ISA Regulations.

20.16 We will ensure that any person to whom we delegate any of our functions or responsibilities under the terms agreed with you is competent to carry out those functions and responsibilities.

21. Terms and conditions applicable to notice Cash ISAs

21.1 Fee-free withdrawals, transfers-out and closure may only be made upon provision of the full notice period applicable to that account.

21.2 A charge will be applied to withdrawals, closures and transfers-out made without the provision of the full notice period. We will tell you the details of this charge as part of the product literature.

21.3 Partial or total transfers of the account to or from another Cash ISA provider may be made at your request. Transfers out will usually be processed within 10 business days of receipt of the correctly completed transfer form and are subject to any account restrictions.

22. Terms and conditions applicable to fixed rate Cash ISAs

22.1 Part withdrawals are not permitted during the fixed term.

22.2 Partial or total transfer of the account to another Cash ISA provider and closures during the fixed term are permitted subject to a charge. We will tell you the details of this charge as part of the product literature.

22.3 Transfers of the account to another Cash ISA provider may be made at your request. Transfers out will usually be completed within 10 business days of receipt of the correctly completed transfer form and are subject to any account restrictions.

22.4 Cash ISAs held with another Cash ISA provider may be transferred to this account as your initial deposit only.

22.5 Interest rates are fixed and will not change during the term of the fixed rate Cash ISA.

22.6 Following an initial deposit into a fixed rate Cash ISA, no further deposits are permitted during the fixed rate term.

22.7 We will contact you prior to maturity to advise you of the options open to you. If we do not receive a reply from you before the maturity date of your fixed rate Cash ISA, we will place the proceeds of your fixed rate Cash ISA in a notice Cash ISA.

23. Terms and conditions applicable to notice savings accounts

Withdrawals and closure by you may only be made upon provision of the full notice period applicable to that account.

Documentation is available in large print, Braille and audio versions, on request.

Contacting us:

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Email: service@aldermoresavings.co.uk

Telephone: 0845 604 2678

Telephone calls may be recorded for monitoring and training purposes.

Website: www.aldermore.co.uk/savings

All reference to Aldermore refers to Aldermore Bank PLC. Registered in England and Wales under Company No. 947662

Registered Office: Aldermore Bank PLC, 1st Floor, Block B, Western House, Lynch Wood, Peterborough, PE2 6FZ. Aldermore Bank PLC is authorised and regulated by the Financial Services Authority and is on the FSA Register: 204503.