



Vernon
Building Society

Together, we're greater

General Savings Account Terms & Conditions

(including Online Service)

Effective from June 2024

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Please read carefully

General Savings Account Terms & Conditions (including Online Service)

SECTION A

1. Introduction

At Vernon Building Society, we are committed to providing the best possible service to our Members. As part of that commitment, these Terms & Conditions (known as the 'Conditions') apply to all savings accounts with the Society, except where there are special conditions in a particular product leaflet (known as a 'Summary Box'). If a special condition differs from these Conditions, the special condition will apply. When you sign the account application form or submit the account application form online, you accept the Conditions which relate to the savings account you have chosen. You should read the Conditions carefully. If there is anything that you do not understand, please ask us. You have a right to obtain a copy of the Terms & Conditions that apply to your account at any time while it is open.

These Terms and Conditions also cover the use of Online Service (the Society's interactive online enquiry and transaction request service).

There are additional Conditions relating to cash ISA products offered by Vernon Building Society, which are contained in Section B of this booklet.

Vernon's Online Services Terms & Conditions may vary from those published in this document. To see these, please refer to the Society's website www.thevernon.co.uk.

In these Conditions:

- 'the Society' 'we' 'us' 'our' and 'Vernon' refer to Vernon Building Society;
- 'you' and 'your' refer to the account holder; and
- 'working day' means a day other than a Saturday, Sunday or Bank Holiday

You can contact us at any time using the details at the back of this leaflet

MEMBERSHIP

If these Conditions apply to your account, you will be a Member of the Society and therefore our Rules will apply. However, these Conditions, or any relevant special conditions for your account, will override the Rules in the case of any inconsistency.

2. Communication and legal jurisdiction

All communication between us will be in English. All contracts entered into between you and the Society will be 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.

The Society would prefer to use e-mail to communicate with you, unless you tell us otherwise. Should you require your communication in an alternative method such as large print or braille, this can be arranged upon request.

By registering to use Vernon Online Services, we may at our discretion send account related notices by email to the most recent email address we hold in Vernon online services, instead of letters to your correspondence address, unless you have told us otherwise.

3. Our commitment to you

The Society will treat you fairly and reasonably when providing you with products and services, particularly in the following key areas:-

- Choosing the products and services which meet your needs
- Interest rates, charges, changes to Terms & Conditions and how you will be told about any changes to these

- Running your account
- Protecting your account and your personal information
- Moving or closing your account
- Complaints
- Financial Services Compensation Scheme.

4. Helping you to choose products and services

The Vernon has a wide range of savings products which are intended for the purpose of helping you save and grow your savings. They are not designed for making regular payments to manage your everyday affairs. Before you become a customer we will:

- Give you clear information explaining the key features of the services and products you tell us you are interested in.
- Give you information on a single product or service if you have already made up your mind.
- By law, we have to check your identity. We will tell you what information we need from you to prove your identity.
- Full details of all our accounts, including current and previous interest rates, are available from head office or any branch. Alternatively, you can visit our website www.vernon.co.uk

5. Opening an account

You can apply to open most of our accounts by calling into one of our branches. If you wish to open an account by post, you can call or write to us for an information pack. Alternatively, you can download and complete an application form and then post or email it back to us. If accounts are available to open online, you can open the account using the Society's Online Services.

If the account is in the name of a company, charity, club, or association, you will need to authorise officers to operate it. Under regulations for the prevention of financial crime, we have a responsibility to verify the identity of each applicant, Directors and beneficial owners before opening a new account. Consequently, we require evidence of your name and address before an account is opened. If we receive money without satisfactory evidence of identity, then the money will be returned to you. Please refer to our 'Our Identification Requirements' leaflet for further details of acceptable ID documents.

In order to verify your address, we may make a search of the Electoral Roll through a credit reference agency. These checks are only used to check your name and address and do not affect your credit worthiness. Under regulations for the Foreign Account Tax Compliance Act (FATCA) & Automatic Exchange of Information (AEOI), we have a responsibility to record, and report where required, your tax residency status and information relating to your account. We will therefore require you to confirm, via a self-certification form, your tax residency status before we open an account.

If the account is in the name of a company, charity, club or association, we will have to confirm the tax residency status of all directors/beneficial owners and authorised operators of the account.

You must notify the Society immediately if your tax residency status changes or if you cease to be resident/ordinarily resident in the UK.

If you are unhappy about your choice of savings account, you may cancel it within 14 days from the day you enter into the contract (or within 14 days of first receiving these Conditions if that is later).

You must tell us in writing you have changed your mind by writing to the Society's head office at 19 St Petersgate, Stockport, Cheshire SK1 1HF or by email to 'info@thevernon.co.uk'. We will

treat the cancellation as having been notified on the date you posted it or date the email was received. In order that we can process your request to cancel, we will also require your passbook (if applicable). If you cancel an account within the above period, we will help you to either switch to another of our accounts or we will refund your money to you within 30 days of your notification of cancellation, together with any interest that has been earned, to a bank account in your name(s) or via cheque payable to you. Any cheque paid into the account must be cleared before the money can be returned. We will ignore any notice period which is otherwise applicable to the account.

Once the 14-day cancellation period has elapsed, depending on the specific Conditions of the account, you may have to give notice or incur a loss of interest in order to close the account.

6. Account Details

We will use the address that you provide on the application form as your registered address. It is your responsibility to notify us in writing of any changes to your name, address, telephone number or e-mail address and we may ask for evidence of such changes. All notifications must be made in writing or can be completed in branch where you may be asked to produce evidence of any new name or address. If your account has a passbook, you must produce it to us so that we can note the change in your details.

You agree to provide us with specimen signatures if we ask you for them. 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 for each account.

7. Joint Accounts

Where an account is held in more than one name, all of the money in the account is held jointly. Unless the special conditions for a particular account specify otherwise, accounts can be opened in the names of 2 or more people (up to a maximum of 4).

Joint account holders have the choice as to how many of them must sign for any withdrawals or for any amendments made to the account. If either account holder can sign alone, they have access to all the funds in the account and can decide what to do with them. 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 to transact or make amendments to the account, despite any authorisation that has been given to us previously.

Although joint accounts can be convenient, it is very important that you understand the consequences of having an account in more than one name.

If an account is held in more than one name, then only the holder whose name appears first in our records (the 'representative joint account holder') has voting rights at any subsequent General Meeting of the Society (subject to any rights given to holders by any legislation). Only this account holder will receive notices of meetings and be entitled to attend and vote at any such meeting.

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 and we will change them within a reasonable time of you telling us about the change. Any correspondence relating to your account will be sent to the address or emailed to the first named joint account holder unless you instruct otherwise.

In the event of the relationship between joint account holders breaking down, you should both contact us to arrange for the joint account to be closed and for new accounts to be opened in sole names. We will need you to tell us how the money in the joint account is to be divided between you.

Where one account holder dies, we will, on receipt of satisfactory evidence of the death, treat the surviving account holder(s) as being the beneficial owner of the account. The other terms of the account will remain unchanged. Our Branch staff will be able to advise you of the relevant process to be followed.

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

We may freeze the account (in accordance with Section A Condition 12) 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.

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.

8. Savings Limits

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

We can close an account if the amount is below the minimum amount for that account. We will give you at least two months' notice before doing this. During this period, you can pay in more money to bring the account balance up to the minimum. Instead of closing the account, (or during any period of time when it is below the minimum amount), we may pay a reduced rate of interest.

The overall maximum holding by any one person in respect of all savings accounts with the Society is £4,000,000 (four million pounds Sterling).

9. Paying money into your account

Unless special conditions for a particular account specify otherwise, you can generally pay money into your account at any of our branches, by electronic transfer or by post. Please refer to Section A Condition 10 as to when interest becomes payable on money paid into your account. Payments into your account can only be made in £ Sterling. The Society does not accept cheques drawn on a bank or institution outside the United Kingdom or in currencies other than £ Sterling.

CASH

For security reasons, we will not accept cash sent by post. We may also refuse to accept large sums of money in notes or coins for security reasons.

When paying in money by cash, you need to produce your passbook or provide your account number. Money paid into your account by cash will be available for withdrawal immediately after we receive it, subject to Section A Condition 12.

CHEQUES

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

When paying in money by cheque, you need to produce your passbook or provide your account number. You can withdraw funds from this deposit on the seventh working day after the cheque is paid into the account. This allows time for the cheque to complete the initial 3 day central clearing cycle and the subsequent 3 day period in which it can be returned unpaid.

ELECTRONIC PAYMENTS

Electronic payments can be made to your account by using either CHAPS, the Faster Payments Service or by Standing Order. See Section A Condition 13 for more details.

When paying money in you should quote the following details:

Sort code: **20 - 55 - 34**

Account number: **10920320**

Reference number: **Your Vernon account no.**

The reference number is your Vernon account number. Without this we will be unable to pay the money into your account and the funds will be returned to you. Your Vernon account number is printed at the top of the right-hand page of your passbook.

If money is paid into your account by mistake, we are obliged to provide information about you, your account and the payment, to the payer's bank to help them recover the money. We must provide all relevant information that they need to collect the payment. This information will include your name and contact address.

10. Interest

We will confirm the interest rate earned by your account when you open it. You can check the interest rate on any account at any time by contacting your branch, telephoning us on 0161 429 6262 or by visiting our website.

HOW INTEREST IS CALCULATED

Interest is generally calculated on a daily basis on the sum deposited from the date that we receive it. The interest earned each day is accumulated and then credited (capitalised) to the account or paid to an alternative account at your request depending on the account type or if applicable via your instructions.

The precise frequency and timing of the interest capitalisation are set out in the special conditions relating to individual account types. Amounts transferred across from another Vernon account, or cash paid into a Vernon account, will earn interest on the day of receipt whereas amounts paid in by cheque will earn interest from the following day. Amounts withdrawn do not earn interest on the day of withdrawal. Interest is paid without tax deducted.

INTEREST RATE CHANGES

Subject to any special conditions relating to interest rate changes which cover a particular account, 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 reasonably expected to apply in the near future):

- a) to respond to changes in interest rates (including the Bank of England Base Rate, mortgage rates or interest rates generally), including the interest rates or terms on which similar accounts are offered by other providers of financial services;
- b) to reflect any changes or anticipated changes in the law, regulations, codes of practice or industry guidance or to respond to a decision by a court, ombudsman or regulator;
- c) to reflect changes to our costs, including administrative costs, costs involved in providing services or facilities or changes in the costs to us of borrowing funds;
- d) to maintain our financial strength for the benefit of our Members, having proper regard to our status as a mutual Society. Any change we make to interest rates will be proportionate to the circumstances which give rise to the change.

Where the change is an increase in the interest rate, we will tell you about it in the following ways:

- a) by placing notices in our branches and on our website within three working days of the change; or
- b) within 30 days of the change, by email (if you have told us you want to be contacted in this way) or by letter.

Where the change is a material reduction in the interest rate, we will give you written notification 14 days before we make the change - by email or by letter where we hold only a postal address for communications.

We define a change as 'material' if your Account has a balance of £100 or more at the time we provide the notification.

You will have a period of 30 days from the date of the notification, during which you may close or switch your account without having to give any period of notice or having to lose any interest or pay additional charges. If you do not notify us that you object to the interest rate reduction before the end of these 30 days, you will have been deemed to have accepted it and product specific notice periods or a penalty fee will apply.

The information on our website will be updated within three working days of an interest rate change. We may also change the interest rate on your account for any valid reason (other than those set out above) where we reasonably believe change is appropriate. When we make such a change, we will give you written notification 14 days before we make the change - email or by letter where we hold only a postal address for communications.

You will have a period of 30 days from the date of the notification during which you may close or switch your account without having to give any period of notice or having to lose any interest or pay additional charges.

11. Account Charges

We do not currently charge for routine transactions carried out in the normal course of administering Members' accounts but this may change in the future. There are situations where a charge is made for certain services. Details of our current fees and charges can be found on our website or a leaflet can be obtained in Branch.

We may change our charges 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 associated with providing the product or service, 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.

Where we introduce new charges, or increase existing charges, we will tell you personally at least 60 days before the change comes into force. During this period, you will have the right to close or switch your account without penalty. A change which abolishes a charge, or reduces the amount of an existing charge, may be introduced with immediate effect, without notice.

12. Withdrawals

Withdrawals may be made during our normal opening hours on working days, subject to the special conditions for particular account types and to any withdrawal limits we reasonably impose.

Our current limits for cash withdrawals are £500 per day and cheque withdrawal limits are £100,000 per day. We may consider exceptions to the restrictions if we are reasonably satisfied that substantial hardship would be otherwise caused.

If the specific conditions of your account permit it, electronic payments can be made from your account by using either CHAPS or the Faster Payments system.

Please refer to Section A Condition 13 'Automated and electronic payments' for more information about these types of withdrawals. No withdrawals will be allowed:-

- If it would cause the account to go overdrawn; or
- From a passbook account, if you do not produce the passbook at the time of withdrawal.

At any time, we can restrict the amount that can be withdrawn from any account, but we will only do this if:-

- We reasonably believe that there may be fraudulent activity or other financial crime affecting the account.
- There is a dispute (which we reasonably believe may be genuine) about the ownership of, or entitlement to, the money in the account.
- Circumstances beyond our reasonable control prevent us from offering a normal service (such as a terrorist threat, computer systems failure or strikes).
- 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)
- We reasonably consider it necessary in order to protect the interests of our membership as a whole.
- We are required to do so by any law, regulation or court order.

In the case of the last two scenarios listed 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; and
- 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 and agencies. 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 0161 429 6262.

CHEQUES PAYABLE TO A THIRD PARTY

Where a withdrawal is made from your account by way of a Society cheque payable to a third party, the cheque can only be stopped if we receive written confirmation to this effect from the cheque payee.

13. Electronic payments

Where the specific conditions of your account allow, you may make electronic payments from your account:

- By CHAPS (a same day service for payments made and received in Sterling within the United Kingdom);
- Using the Faster Payments Service (for further details of the Faster Payments Service see website: fasterpayments.org.uk).

The Society does not offer the facility to transfer funds outside of the UK.

When an electronic payment transaction debits your account, we will provide the following information to the intended recipient so that they can easily identify where the funds have come from:

- A reference enabling the payee to identify the electronic payment, its source and any information which has been sent with the payment;
- The amount of the transaction to be credited to the intended account; and
- The credit value date

PAYMENTS BY CHAPS

We will only make a CHAPS payment if you have sufficient cleared funds in your account.

CHAPS payment instructions received after 3pm will be executed the following working day. You will need to provide us with the payee's bank account number, bank account name, sort code and the bank's name and address. You will also need to provide us with some identification and/or security details (we will, on request, let you know what we need for this). Payments sent by CHAPS will normally be received in the destination bank account on the same day it is processed. Instructions received after 12.00pm will be executed the following working day. CHAPS payments incur a charge. (Details of our current fees and charges can be found on our website or a leaflet can be obtained in Branch).

A CHAPS transfer cannot be cancelled once the instruction has been given to us (unless you have asked us to make the payment at a future date, in which case you can cancel it up to the end of the working day before that date) and you remain liable to make a payment even if we cannot debit your account for any reason outside of our control. If you receive a refund of a CHAPS transfer, we will pay the amount of the refund into your account when we receive it. For further details about how CHAPS payments work, and what we will need to make them, please contact us in person at one of our branches or by writing to us at our head office, or by calling us on 0161 429 6262.

FASTER PAYMENTS SERVICE

We will only make a payment using the Faster Payment Service if you have sufficient cleared funds in your account. The maximum amount that can be paid using the Faster Payments Service is £1,000,000 and payments in excess of this amount must be made using the CHAPS system.

Instructions received before 3.00pm on a working day will be processed on that day providing that the Society has received the correct payment details and you have sufficient cleared funds in your account. Payments will normally be credited to the destination account by no later than close of business on the following working day. Any incomplete instructions or instructions received after this cut off time will be treated as having been received on the next working day.

A payment transaction made using the Faster Payments Service cannot be cancelled once the instruction has been given to us (unless you asked us to make the payment on a future date, in which case, you can cancel it up to the end of the working day before that date) and you remain liable to make the payment even if we cannot debit your account for any reason outside of our control.

For further details about how the Faster Payments Service works, and what we will need to make one, please contact us in branch or email us at info@thevernon.co.uk, or call us on 0161 429 6262. If you receive a refund of a payment made using the Faster Payments Service, we will pay the amount of the refund into your account when we receive it.

ELECTRONIC PAYMENTS GENERALLY

Cut off times for electronic payments may vary for online services, please refer to the Specific Online Services Terms & Conditions in Section D Vernon Online Services – Specific Terms & Conditions.

For all electronic payments out of your account (which, where account Terms & Conditions permit, are allowed only to your nominated bank account, for which you must have provided a sort code and account number), you must provide us with a fully completed withdrawal slip specifying the date of the required transaction, the amount, and signed to provide your consent for the payment.

You may withdraw your consent at any time, up until the point we execute your authorised payment instructions by notifying us in writing, including your signature. Changes to your nominated bank account must be made in writing and specify the name, sort code and account number of your new nominated bank account (which must be in your name).

14. Reasonable Use Policy

As Society savings accounts are not 'payment accounts', it is not expected that they will be used for making regular payments to manage your everyday affairs.

Easy Access accounts are intended to provide the reassurance of quick and penalty free access to your savings should you need it, not as a means of using the accounts for day-to-day transactions. We will monitor transaction patterns, and should we believe your account is being used for day-to-day transactions, we may contact you to discuss whether you are in the right account.

15. Account Documents

An 'Account Document' means a passbook, certificate, card, or any similar item relating to your account. Account Documents remain our property and must be returned to us whenever we reasonably request it from you. You agree to keep your Account Documents safe. You must produce the relevant Account Document before making a withdrawal. Account Documents are obviously important, and care should be taken to ensure that they are not mislaid or stolen. If you have reason to believe that an Account Document has been lost or stolen, you must immediately notify us.

When you have notified us of loss or theft, we may issue a replacement Account Document but this may be subject to the following requirements:-

- The provision of reasonable evidence of the loss or theft;
- Presenting evidence of identity documentation;
- Notifying and co-operating with the police;
- Restricting withdrawals from the account for a certain period from the date you notify us of the loss or theft; and/or signing any form of indemnity that we may reasonably require.

We can stop the use of your passbook, certificate, or other similar document if:

- You have notified us that, or we reasonably believe that your document has been lost, stolen, compromised, used without your authorisation, or used fraudulently; and/or
- We are obliged to do so by law, regulation, a court order or the instructions of a regulator or an ombudsman. Provided it would not be unlawful for us to do so, or it would not compromise reasonable security measures:
- We will notify you that we intend to stop the use of your document, either by telephone or in writing. If for any reason we are unable to notify you before we stop or block their use, we will notify you afterwards without delay; and
- We will explain our reasons for stopping the use of your document.

We will allow the use of your document, or we will replace it, as soon as possible after the reasons for stopping its use no longer apply.

16. Unauthorised payment transactions

- a) To dispute a payment transaction that you do not recognise, or you do not believe you carried out, and to claim a refund, you will need to contact us as soon as possible but no later than 13 months from the date the transaction was debited from your account. To notify us of a disputed transaction, you should report it to branch (during opening hours) or call us on 0161 429 6262.
- b) If you notify us of an unauthorised payment transaction, we may investigate the circumstances if, for example, we have reason to suspect fraud or that the payment was in fact authorised, or that you have deliberately or with gross negligence failed to comply with your obligations in relation to any payment instrument relating to your account.
- c) If we do need to investigate under Section A Condition 16(b) you must co-operate with us and with the police if we need to involve them.

- d) If you have acted fraudulently, or you have authorised another person to use your account, you will be liable for all losses incurred as a result of the transaction.
- e) If you have deliberately or with gross negligence failed to comply with your obligations in relation to any payment instrument, you may be liable for all losses relating to transactions up to the date you notify us in accordance with Condition 16(h). Up to the time you notify us of any loss, theft or misappropriation of a payment instrument relating to your account, you will be responsible for:
 - (i) all losses if you, deliberately or with gross negligence, fail to comply with any of the requirements in these Conditions to keep your Account Document, personalised device, passwords, memorable information, or security features safe and failure causes the losses, and
 - (ii) a maximum of £35 for all other losses as a result of your Account Document, personalised device, passwords, memorable information or security features being lost or stolen or your failure to keep them safe. However, you will not be liable in circumstances where the loss, theft or misappropriation of the payment instrument relating to your account was not detectable by you prior to the payment being made.
- f) Subject to Conditions 16(a) to 16(e) inclusive and 17(a), we will refund to your account the amount of an unauthorised transaction.
- g) If we make a refund and then discover that you did authorise the transaction or are otherwise liable, we may reverse the refund. We will notify you before we do this.
- h) You must notify us as soon as possible if you become aware of any unauthorised transaction on your account or suspect that any payment instruments relating to your account have been lost, stolen or made liable to misuse.

17. Mistakes, delays and liability for losses

- a) If we fail to carry out a payment transaction for you correctly, in accordance with these Conditions, then we will be liable to you as set out in Section A Condition 17(c), unless:-
 - You did not give us the correct payment details, as it is your responsibility to make sure that they are correct. If you provide us with the wrong account number or sort code, we will not be liable if the transaction is not carried out or is wrongly carried out. We will use reasonable endeavours to recover any money that has been sent wrongly, but we may charge you any costs we reasonably incur in trying to do this;
or
 - You fail to notify us when you become aware of the mistake or failure without undue delay and in any event within 13 months after the transaction was incorrectly carried out or was due to have been carried out.
- b) We will not be liable to you if we can show that the payee's bank or building society received the correct payment.
- c) Subject to the other provisions of these Conditions, we are liable for losses due to a delay or error by us in carrying out your instructions to make or stop a payment, or for unauthorised payments, but our liability will be limited to:
 - The amount of such payment; and
 - The amount of any interest you do not receive or any interest and charges you have to pay directly as a result of such delay or error.
- d) We will not have any liability to you under Section A Condition 17(c) if any of the circumstances mentioned in Section A Condition 25 caused the delay or error.
- e) If a payment is made late due to our error, you can ask us to make sure the payee's bank adds the payment to the payee's account balance as if it had been made on time.

18. Closing your account

You can close your account at any time, subject to any special conditions that apply to particular accounts and normal administration requirements. We can close your account at any time but (except in the cases of suspected fraud or other criminal activity, threatening or abusive behaviour or in response to a bankruptcy notice) we will give you at least 2 months' written notice. However, we will not use this right to repay a fixed term savings before the end of the fixed term. If we close your account, we will pay interest at the agreed rate up to and including the date of repayment. We may make repayment by sending you a cheque to your last known address. If we close your account in full and make repayment to you, in person or by post, then you will have no further rights or interest in the account.

19. Statements

- a) We will send account holders an annual statement of account unless:
- 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); or
 - The account is a passbook account.

We do not issue statements more frequently unless a product term states otherwise, or it is required by regulation, or Section A Condition 19(b) applies.

- b) Whenever you make a payment out of your account, we will give you information about that payment, in one of the following ways:
- If you instruct the payment in branch and have your passbook, we will update your passbook and provide you with a payment notification in writing setting out the details of the payment; or
 - If you do not instruct the payment in branch, we will send you a payment notification in writing within a month of the payment. However, we do not have to do this where the payment is a regular outgoing payment of interest, or it is a payment by cheque.
- c) Information about automated payments (of any kind) into or out of your account can be provided on request at any time upon presenting your passbook for updating, by accessing our online services (where the special conditions of your account provide that these apply) or by asking at a branch.
- d) Replacement copies of statements can be provided on request. We may charge an amount to reflect our costs in producing copies and will notify you of this cost at the time of your request. Details of our current fees and charges can be found on our website or a leaflet can be obtained in Branch.
- e) You should check all statements and your passbook regularly. If you notice an entry which seems to be wrong, you should tell us as soon as possible, so that we can investigate the matter. Please refer to Section A Condition 15 for more details.

20. Business and Charity accounts

Business and charity accounts are only subject to regulation by the Financial Conduct Authority where:

- The business falls within the regulatory definition of a 'micro-enterprise', that is a business (irrespective of legal form and including self-employed persons and family businesses, partnerships or associations) which:
 - a) Employs fewer than 10 persons; and
 - b) has a turnover or annual balance sheet that does not exceed 2 million Euros.
 - the charity (defined by Section 1(1) of the Charities Act 2006) has an annual income of less than £1 million.

The Society will treat all savings customers in the same way, regardless of their regulatory status. However, business and charity customers falling outside these FCA definitions, will not have the statutory protections afforded by the FSCS.

TRANSACTION AUTHORITIES

On opening your account, you will be required to provide written authorisation for individuals able to discuss the account. We will not discuss your account with, or accept instructions from, anyone not specifically authorised by you. You may change your authorisation list at any time by providing written notification.

PARTNERSHIPS

Partners in a partnership (and other joint signatories) have joint and several liability for the conduct of their account. In the event that you authorise a single individual to transact, that individual may withdraw the entire contents of the account, subject to account specific Terms & Conditions relating to withdrawals.

Before instructing us to act on a single authority, partners should consider the implications, including those if the relationship with the other partner ends. In the event that the relationship between partners in a partnership (or other joint signatories) breaks down, all joint signatories should contact us to arrange for the joint account to be closed and for new accounts to be opened in sole names. We will need you to tell us how the money in the joint account is to be divided between you. If there is evidence of a dispute, we may freeze the account in accordance with Section A Condition 12 until you reach a resolution.

Where one account holder dies, we will, on receipt of evidence of the death, treat the surviving holder(s) as being the beneficial owner(s) of the account. Our branch staff will be able to advise you of the relevant process to be followed. If requested, we can arrange for copies of statements to be provided to up to two parties to a joint business or charity account at a different address.

21. Changes to these conditions (including Vernon Online Services)

We will provide you with written details of the Terms & Conditions when you open an account. However, it may be necessary to introduce changes at a later date.

We can change the Terms & Conditions on which your account is held 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 which are expected to apply in the future):

- To improve a service, or to provide additional services which otherwise benefits or does not materially alter the nature of our contract with you;
- To give extra benefit to investors (including making the terms of accounts easier to understand);
- To improve efficiency and/or to reduce costs;
- To reflect general market conditions and standards (including the terms on which similar accounts are offered by other building societies, banks or other providers of financial services);
- To take account of changes in the law, the decision of a court or the instructions of an ombudsman, regulator or similar person;
- To respond to new (or changes to) any code of practice or industry guidance with which we intend to comply;
- To correct errors; or
- The needs of the business justify a change.

Any change we make in accordance with the above will be proportionate to the circumstances giving rise to the change.

If a change is not to your disadvantage, we may implement it immediately and without prior notice. We will tell you about the change within 30 days by general notice in our branches and website.

Where we change terms and conditions dealing with the way cash or electronic payments (but not cheque payments) can be made into or out of your account, we will send you at least two months' personal notice by email (unless we hold only a postal address for communications) before the change comes into effect. At any time, up to the date the change comes into effect, you have the right to switch your account or close it without having to lose any interest or pay any additional charges. 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.

In all other cases (including but not limited to where we change the terms and conditions relating to cheque payments), if a change is to your disadvantage, we will advise you individually by email (unless we hold only a postal address for communications) at least 30 days before implementing it. At any time, up to 60 days from the date of the notice, you may switch your account, or close it without notice, and without having to pay any extra interest or charges. If you do not notify us that you object to the interest rate reduction before the end of these 60 days, you will have been deemed to have accepted it.

If we have made a major change or a number of minor ones in any one year, we will provide you with a copy of the new Terms & Conditions or a summary of the changes.

22. Service of notices

You will be taken to have received any letter or other personal notice 72 hours after we have posted it to you. If we accidentally fail to:-

- a) send to you a communication intended for our savers generally or a category of our savers of which you are one; or
- b) display a notice at our head office or any branch office; this will not make the notice invalid.

23. Transfers

You can transfer your savings to another person, subject to the Conditions applying to your account, our prior approval, and the payment of any necessary fee. No transfer will be valid unless made in a form approved by us and until registered in our records. We may refuse to permit such a transfer without giving any reason.

24. Retention and set-off

We have the right to retain and set-off all money in any account you hold with us, against any money you may owe to us (whether under a mortgage, loan, guarantee or otherwise) which is due for payment, but which has not been paid. We will not use our right of set-off in relation to money in your account, if we have grounds to believe that the money is needed to meet your essential living expenses or priority debts (such as rental/mortgage payments on your home, utility bills or obligations under court orders or legislation).

We will write to you a minimum of 14 days before we exercise our right of set-off, detailing the date and amount to be debited from your account.

25. 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 or as a result of our having to comply with any law.

26. Dormant accounts (unclaimed balances)

We follow the Building Societies Association guidance for 'dormant accounts' (previously referred to as unclaimed balances). We are a member of the Reclaim Fund Limited.

If:-

- a) you cannot be traced after reasonable enquiry; and
- b) for a period of 15 years, you have made no payment in to or withdrawal from your account and the amount in that account is less than £500, we may decide to close the account and the money in it will be transferred to the Reclaim Fund.
- c) Accounts that are both dormant and have balances greater than £500, will be written to. We will give 90 days' notice in which you can reactivate your account or request closure (once identification has been provided).
After 90 days has elapsed and if no contact has been made, the account will be closed and the money will be transferred to the Reclaim Fund.

If, however, you contact us at a later date, we will either open a new account or repay the money to you, with interest at a rate we reasonably consider to be appropriate if your original type of account no longer exists.

To help prevent fraud, we will require evidence of your identity before reactivating a dormant account.

27. Inactive Accounts

An inactive indicator will be added to your account if you have not made a payment into or withdrawal from your account for a period of 48 months. A transaction can be any of the following:

- Physically paying into or making a withdrawal from an account;
- Updating your passbook.

If you do not transact at all within the 48-month period, the 'inactive' memo code (marker) will be automatically applied to the account.

To remove this marker, you will need to provide one form of acceptable identification documents (see the Society's 'Our Identity Requirements' leaflet) or confirm your identity in a Branch with one of our Branch staff.

SECTION B

ADDITIONAL CONDITIONS WHICH RELATE TO CASH ISA PRODUCTS

If you are found to have breached the ISA rules governing subscription limits or the number of Cash ISAs which may be opened in any one year, or your application is incorrect, your Cash ISA will cease to be exempt from tax and any interest earned in that year may be liable to tax. Full details of the Cash ISA scheme can be obtained by visiting HM Revenue & Customs's website, www.hmrc.gov.uk/isa or by calling them on 0300 200 3300 (Monday to Friday 8.00am - 8.00pm, Saturday 8.00am - 4.00pm).

You must notify the Society if you cease to be resident and ordinarily resident in the UK or if not so resident, cease to perform duties as a crown employee serving overseas or to be married to, or in a civil partnership with a person who performs such duties which allows you to subscribe to a Cash ISA. The Cash ISA will continue to be exempt from UK tax but no further subscriptions can be made until you meet the residency requirements again.

Investment in a Cash ISA will be, and must remain in, the beneficial ownership of the investor and must not be used as security for a loan.

Your Cash ISA application ceases to be valid at the end of a tax year in which you do not make a subscription. Where this happens, you must make a fresh application before subscriptions can re-commence.

In the event of your death, whilst the Cash ISA remains open, interest to the date of death will remain tax free but interest earned after that date will be subject to tax. No further deposits can be made into your Cash ISA account.

At this time your Cash ISA account will be designated as a continuing Cash ISA account until the first event of either the administration of your estate or the third anniversary of your death.

If the account remains open after this time, under ISA Regulations we will either close your account and send the funds to your Executor(s), or change your account to a suitable non-Cash ISA account, where interest earned may be subject to tax.

On your instructions, we will transfer or pay you all or part of the investments held in your cash ISA within a period of 15 days, although in the case of a notice account, some loss of interest will apply if the required notice is not given. The relevant product terms show the actual period we will require (if any) and whether other conditions apply.

In respect of cash ISA transfers to us, in order to protect your interests, we offer you a 14 day cooling off period. We will notify you if, by reason of any failure to satisfy the provisions of the ISA regulations, we have been advised that your cash ISA has, or will, become void.

The ISA Manager will satisfy themselves that any person to whom they delegate any of their functions or responsibilities under the terms agreed with the investor is competent to carry out those functions and responsibilities.

SECTION C

PROTECTING YOUR INTERESTS

Our Privacy Policy describes how we collect your information, how we use it and why. To view our current Privacy Policy, please visit www.thevernon.co.uk/privacy, or contact us to find out more.

What can you do to protect your accounts?

You can help to prevent the misuse of your account by:

- Taking care of your passbook and other account information.
- Letting us know as soon as possible if your passbook is lost. Please refer to Section A Condition 15 for details on informing the Society of a lost Account Document.
- Letting us know as soon as possible of any change of your name, address, telephone number or email address or if you do not receive any information that you were expecting to receive from us. Please refer to Section A Condition 5 for information on changing your personal details.
- Updating and checking your passbook or statements regularly.
- Taking care when getting rid of information about your account (people who commit fraud use many methods to get this type of information - you should take simple steps such as shredding printed personal material).
- Co-operating with us (or the police) in investigating transactions; and
- Never giving your account details or security information to anyone unless you know who they are and why they need them.

Complaints

We aim to provide high standards of service. However, there may be occasions when you feel that you may have a complaint. If this is the case, please speak with our staff who will tell you how to make a complaint. You may request a copy of our Complaints Policy and Procedure Leaflet at any time or download a copy from www.vernon.co.uk. When we receive a complaint, if we cannot sort it out quickly, we will send you a prompt written acknowledgement to confirm that we are dealing with it and to keep you informed of our progress.

Complaints about payment transactions

If your complaint (or part of it) concerns a payment transaction, we will endeavour to deal with

your complaint within 15 working days. If circumstances beyond our reasonable control prevent us from sending you our final response to your complaint in this timeframe, we will instead send you a holding response explaining clearly why this is the case and specifying when we will be able to. In those circumstances, you will receive our final response within 35 working days.

You may also complain to the Financial Conduct Authority for complaints regarding payment services we have provided.

Financial Ombudsman Service

Whilst we hope we can resolve any problems through these internal procedures, we are also a member of the Financial Ombudsman Service, to which you can refer a complaint after the internal procedures have been exhausted. Details of the Financial Ombudsman Service will be provided on request from any branch or our Head Office.

You can contact the Financial Ombudsman Service at:

Financial Ombudsman Service, Exchange Tower, London E14 9SR.

or

www.financial-ombudsman.org.uk Telephone 0800 023 4567

Important information about compensation arrangements

We are covered by the Financial Services Compensation Scheme (FSCS). The FSCS can pay compensation to depositors if a building society is unable to meet its financial obligations. Most depositors - including most individuals and small businesses - are covered by the scheme.

In respect of deposits, an eligible depositor is entitled to claim up to £85,000. For joint accounts each account holder is treated as having a claim in respect of their share so, for a joint account held by two eligible depositors, the maximum amount that could be claimed would be £85,000 each (making a total of £170,000).

The £85,000 limit relates to the combined amount in all the eligible depositor's accounts with the Society, including their share of any joint account, and not to each separate account.

For further information about the compensation provided by the FSCS (including the amounts covered and eligibility to claim) please ask at your local branch, refer to the FSCS website www.fscs.org.uk or call the FSCS on 020 7741 4100 or 0800 678 1100. Please note, that only compensation related queries should be directed to the FSCS.

Branch Closures

If we plan to permanently close or move your branch of the Society, we will tell you at least 12 weeks before we do this, unless there are exceptional circumstances. We will tell you how we will continue to provide our services to you.

SECTION D

VERNON ONLINE SERVICES – SPECIFIC TERMS & CONDITIONS

The following terms and conditions apply when you register and use Vernon Online Services to open, view or transact on your Vernon account.

1. Definitions

Online Services	The service we provide to allow you to open accounts, obtain your account information and carry out transactions on your account over the internet.
Account	Means any savings or other account with us which is held either in your own name or by somebody else.
Account Holder	Means the person(s) in whose name the account is held.
Activation Key	Means the code we send to you to be used the first time you access your account details using Online Services or when your use of Vernon Online Services is being re-activated.
Nominated Bank Account	The bank account you have chosen to receive withdrawal payments.
Password	Means the combination of letters, numbers and other characters you select when you register for the Online service, as amended by you from time to time, which we use to check your identity when you access Vernon Online Services.
Society, we, us and our	Refers to Vernon Building Society.
Secure Message	A facility to communicate with the Society securely through Vernon Online Services.
Security Details	This refers to your User ID, Password and any Two Factor Authentication codes.
Two-factor authentication and 2FA	This is the security system that requires 2 separate, distinct forms of identification in order to access Online Services. The first factor is a password, the second factor is a text with a code sent to your landline or mobile phone.
User ID	Means the unique number we give you to identify you when using Vernon Online Services.
Working Day	Means 9:00am to 5:00pm not including public holidays and any other day which the Society is not open for business.
You and Your	Means the customer. In Online Services this means the customer who registers with us to use Vernon Online Services.

2. Joint Accounts

Online Services only allows for joint accounts where one signature is required to authorise an instruction. Therefore, Online Services is unavailable for accounts that require two or more signatures to jointly authorise transactions.

By registering for Online Services, you confirm that your joint account holder(s) is(are) happy for you to access your joint account(s) via our Online Services. If a joint account holder notifies us that they wish to change the Account mandate to require joint authorisation, we will immediately suspend use of Online Services.

Each joint account holder must register separately to access their account(s) for Online Services and use their own User ID and Password.

3. Security

When you register to use Online Services, we will ask you to select a Password. You will need to remember this to operate Online Services.

Online Services uses Two Factor Authentication (also known as 2FA), as this adds an extra layer of security to protect your account if your Password is stolen. A 6-digit code will be sent to either your landline or mobile telephone number.

Prior to the first time you log into Online Services, you will be prompted to confirm your preferred telephone number, and preferred delivery method, this can be a text message or telephone call. When you access Online Services in the future, you will be sent the 2FA code by your preferred method. You can change your contact details or preferred method for Online Services at any time.

Once your registration has been accepted by us and your identity confirmed, we will write to you with your User ID and an Activation Key. You must not disclose your Activation Key to anyone before using it and if it's not used within 28 days, it will expire. You must keep your Security Details such as your User ID and Password secret. In particular you must:

- Not disclose your Security Details to anyone else (including any joint account holders or Vernon Building Society employees), write them down or otherwise record them in a form that would be recognisable to anyone else.
- Take all reasonable care to ensure that no-one sees your Security Details when you use them;
- Not allow anyone else to use any of the computer or electronic equipment you use to access Online Services without taking suitable precautions;
- Ensure you have fully logged off Online Services when you're not using it;
- Follow any instructions we give regarding the safe keeping and use of your Security Details or other matters relating to the security of your account.

You must notify us as soon as possible by calling our Customer Services team on 0161 429 4306 or by emailing onlineservices@thevernon.co.uk if you discover or suspect that:

- Someone else knows your Security Details; or
- Someone else (other than a joint account holder) is trying to access your Account without your authority.

If you notify us under the above condition or we reasonably believe it's necessary in order to protect your Security Details on your Account, we may suspend the use of your Security Details as a means of accessing your Account. Unless it's unlawful for us to do so or would

compromise our reasonable security measures, we will notify you either verbally or in writing in advance to tell you that we intend to suspend the use of your security details and our reasons for doing so. If we are unable to contact you in advance, we will tell you as soon as possible afterwards. As soon as the reason for the suspension has ended, we will either remove suspension or provide you with new security details.

Provided you have not acted fraudulently, or you have not, intentionally, or with gross negligence, failed to take all reasonable steps to keep your Security Details safe, you will not be liable for any unauthorised withdrawals from your Accounts(s).

In the event of a dispute regarding whether or not you originated a transaction or instruction through Online Services, you agree to co-operate with us, the police and / or our insurers in any investigations.

We cannot guarantee that information passing over the internet will remain confidential or will not be interfered with or disrupted and your use of Online Services will indicate your understanding and acceptance of this risk.

4. Liability for Loss

We will not be liable to you for any loss or damage whatsoever if:

- We do not act on your instructions or provide you with account information for any reason set out in these conditions;
- We are unable to act on your instructions or provide you with Account information because of something we cannot reasonably control such as failure of disruption of the internet through no fault of ours;
- We need to suspend access to our website for maintenance, technical or security reasons;
- The equipment and / or software you are using fails or is incompatible with Online Services.

5. Provision of Service

Online Services is designed to be used with a range of internet browsers and equipment and it is your responsibility to provide compatible equipment and software with which to access it. In order to continue using Online Services you must ensure your equipment and software remains fully operational and take all reasonable steps to keep it free from viruses and other malicious software.

Online Services is intended to be available constantly; however, we cannot always guarantee its availability and there may be times when you are not able to access our website. This may be because the internet may fail through no fault of ours or we may need to suspend access for maintenance, technical or security reasons.

6. Withdrawals and Transfers

You can request a withdrawal by entering the required security information. Your confirmation can be withdrawn at any time prior to the transaction date by using the 'Pending Requests' menu in Online Services.

Withdrawal and transfer requests received before 12 noon on a working day will be processed on the same day. Requests received after that time, or not on a working day will be deemed to have been received on the next working day.

Electronic withdrawal requests can be carried out in two ways:

- **By Faster Payment**

Payments will be credited to the Nominated Account held in your name no later than the end of the working day when the instruction was received or deemed to have been received by us (see above regarding instructions received after 12 noon).

- **Internal Transfers**

Transfers to another Account held with us will be credited on the day when the instruction was received or deemed to have been received by us (see above regarding instructions received after 12 noon).

Nominated Account

The bank account you nominate to receive withdrawal payments must be a personal account held in your name, operated in the UK and have valid UK sort codes and account numbers.

Withdrawal requests will not be accepted until the nominated account has been validated by the Society, this can take up to one week to process after proof of ownership of the bank account has been received by the Society.

The Society is entitled at any time to refuse to act on instructions given via Online Services, or to ask you to confirm them in writing, if for any reason we think they were not given by you or were not clear. We will inform you in writing as soon as practical, giving our reasons, if we decide to do this unless we are prevented from doing so for legal reasons or where it would compromise our reasonable security measures.

7. Deregistration

If you no longer wish to be registered for Vernon Online Services, you should inform us by Secure Message through the Online Services, via email or in writing. We will process the cancellation request within 5 working days of receipt.

Head Office

19 St Petersgate
Stockport,
Cheshire, SK1 1HF
Tel: 0161 429 6262
Email: info@thevernon.co.uk

Bramhall

12b Woodford Road
Bramhall,
Stockport, SK7 1JJ
Tel: 0161 429 4312
Email: bramhall@thevernon.co.uk

Hazel Grove

190 London Road
Hazel Grove,
Stockport, SK7 4HF
Tel: 0161 429 4313
Email: hazelgrove@thevernon.co.uk

Marple

1 Ridgedale Centre
Marple,
Stockport, SK6 6AW
Tel: 0161 429 4316
Email: marple@thevernon.co.uk

Poynton

87 Park Lane
Poynton,
Cheshire, SK12 1RD
Tel: 01625 855 830
Email: poynton@thevernon.co.uk

Reddish

4 Gorton Road,
Reddish,
Stockport, SK5 6AE
Tel: 0161 429 4315
Email: reddish@thevernon.co.uk



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Telephone calls are recorded and may be monitored for regulatory and training purposes to help maintain service quality.

Vernon Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority (registration number 195475)