

1 Year Fixed Rate E-bond

If you like the idea of a guaranteed interest rate, our 1 year Fixed Rate E-bond is well worth a look. You'll need to act quickly as it is only available for a limited time.

Is a Fixed Rate E-Bond the right product for you?

Our Fixed Rate E-bonds meet your needs if...

- ✓ You have savings which you do not need immediate access to.
- ✓ You want the security of a fixed rate of interest guaranteed for the term of the bond, rather than a variable rate which can move up and down.
- ✓ You want to choose between leaving your interest to build up the value of your bond or receiving your interest monthly.

Withdrawal or early closure is not permitted during the term of the bond. If you are likely to want access to your savings during the fixed rate term please contact us to discuss other savings products which may better suit your needs.

Summary Box – Key Product Information for our Savings Account(s)			
Bond Rates		Tiers available	1 Year Fixed Rate E-bond
Interest rates (AERs)	Annual Options	£500+	1.40% gross pa/AER
	Monthly Options	£500+	1.39% gross pa/1.40% AER
Tax status		Interest is paid net unless you are eligible for gross interest, in which case and HM Revenue & Customs form R85 is required	
Conditions for bonus payment		No bonus payable	
Withdrawal arrangements		No withdrawals are permitted once the account has been opened	
Access		Online on maturity and under condition 5	

Your tax treatment will depend on your individual circumstances and may be subject to change in future.

AER stands for Annual Equivalent Rate and illustrates what the interest rate would be if interest was paid and added each year.

Gross means the interest paid before the deduction of income tax at 20%.

Please make sure you read the Further terms and conditions on the following pages.

The Financial Services Compensation Scheme

This product is covered by the The Financial Services Compensation Scheme. For more information please call us on 0345 850 1722, ask in branch or visit www.skipton.co.uk.

Let us know what you think

If you are not satisfied we have an internal complaints procedure. For more information please call us on 0345 850 1722, ask in branch or visit www.skipton.co.uk. The Financial Ombudsman Service provides a free and independent service for consumers, and can be contacted at The Financial Ombudsman Service, Exchange Tower, London E14 9SR. Telephone: 0800 023 4567. www.financial-ombudsman.org.uk

For products and services bought online you can also refer to the Online Dispute Resolution platform (ODR) at <http://ec.europa.eu/consumers/odr/>. As we're a UK building society, the ODR will still refer you to the Financial Ombudsman Service as the alternative dispute resolution body. The Financial Ombudsman Service will refer you back to our complaints process unless you've already been through this.

Further terms and conditions for our Fixed Rate E-bonds

1. What terms apply?

- 1.1 These Conditions must be read in conjunction with the Society's Investment Account Terms and Conditions, (which apply to all the Society's accounts and are available on our website or on request). Before opening an account, we strongly advise for your own benefit and protection that you read all of the terms and conditions as you will be legally bound by them and we intend to rely on them. If you do not understand any point please ask for further information.

2. Operation of the account

- 2.1 This account is only available to individuals who are UK residents aged 16 years and over. There is a maximum of 2 account holders. For security reasons if you open an account in your sole name you will not be able to add an additional account holder at a later date, but you will be able to apply for a new account in joint names, subject to availability and maximum investment limits.
- 2.2 You can only have an account for personal use by individuals. Sole traders, partnerships, companies, trustees, and associations (whether incorporated or not) or any kind of business, club or charity cannot open or otherwise operate this account.
- 2.3 No certificate will be issued for this account. If you cease to be eligible for this account (e.g. if it becomes necessary for an attorney or deputy to act for you) your account will automatically be changed to an offline version of this account.
- 2.4 In order to guarantee the term offered, an online application must be completed and an electronic payment, debit card payment and/or transfer from another online Skipton Building Society account must be received before the bond is made a closed issue, which may be at any time and without notice.
- 2.5 You will only be entitled to receive an online statement.

3. Payments into your account

- 3.1 Payments into your account can be made by:
- cash (branch only; photographic identification will be required in branch for the first cash payment);
 - cheque;
 - standing order;
 - debit card (£5 minimum) or
 - electronic payment from another UK bank or building society account;
 - transfer from another online Skipton Building Society account (subject to the terms and conditions of those accounts and in particular any notice period or restrictions on withdrawal). Please contact us if you want to transfer from non-online Skipton accounts.
- 3.2 Additional deposits can be made as long as the bond remains an open issue and the maximum deposit limit is not exceeded.

4. Minimum and maximum deposits

- 4.1 The minimum opening deposit is £500.
- 4.2 The maximum balance per account is £1,000,000. Joint accounts are allowed with a maximum balance of £2,000,000. The maximum balance can only be exceeded with any interest added to your account.
- 4.3 Electronic payments which do not comply with the minimum and maximum deposit limits will be returned to their source automatically.

5. Withdrawals

- 5.1 Withdrawals are not permitted prior to maturity, except on receipt of satisfactory evidence in respect of the following:
- Death;
 - Terminal illness of you or an immediate member of your family;
 - Bankruptcy (by the Trustee in Bankruptcy).

6. Interest rate and payment of interest

- 6.1 The interest rate is fixed for the term of the bond.
- 6.2 Interest is accrued daily.
- 6.3 If you choose the annual option, interest is added to your account at midnight on the anniversary of the bond opening. The opening date is the date funds are received into your account.
- 6.4 If you choose the monthly interest option interest is added to your account monthly on the same day in the following month as the day upon which your bond was opened (or the last day of the month should the month be shorter).
- 6.5 For either of the options referred to above, you can have the interest paid into another suitable Skipton Building Society account or any other UK building society or bank account. In such event, interest will be paid on the first working day following the date your account was opened the following year for the annual option and the following month for the monthly option. Note: working days exclude Saturdays, Sundays and Bank Holidays.

7. Non Payment Account

- 7.1 This account is intended to be used as a savings account and is not intended to be used for multiple monthly transactions like a current account. It is thus not a Payment Account for the purposes of the Payment Services Regulations 2009.

8. Membership rights & the Society's Rules

- 8.1 This account is a share account which confers membership rights and is subject to the Rules of the Society. Copies of the Rules can be obtained from our website or from any branch or our Principal Office.

9. Maturity of your bond

- 9.1 When your current bond matures, or any further bond you continue your investment in, we will follow the maturity process as set out in the next section entitled "What happens on maturity of my new Fixed Rate E-bond?"

Continued...

What happens on maturity of my new Fixed Rate E-bond?

We will contact you with your maturity notice at least 14 days prior to the maturity date of your bond to explain the options open to you.

These will include:

- Continue your investment in a new 1 Year Fixed Rate E-bond† (the '**do-nothing**' option);
- Continue your investment in an alternative E-bond;
- Transfer to an easy access account;
- Add extra funds to the above three options;
- Withdraw your funds (in full or in part).

If you '**do-nothing**', we will add any interest due to your account and we will contact you within seven days of your E-bond maturity to confirm your investment. You will have 21 days from maturity to cancel this investment.

Our '**do nothing**' option is a new feature. Previously our Fixed Rate E-bond customers who did not respond to the maturity notice transferred to an easy access account with a lower rate of interest.

Where our '**do-nothing**' option applies your investment will continue in a new 1 Year Fixed Rate E-bond from which withdrawals or early closure will not be permitted during the term of the E-bond.

If the '**do-nothing**' option applies, the Further Terms and Conditions shall continue to apply, as well as the Investment Account Terms and Conditions except that the rate of interest, the date that interest will be applied to your account and the minimum and maximum investment limits may differ. Should your investment balance on maturity fall outside the minimum or maximum investment limits, you will be able to continue your existing investment. Any new transactions will be subject to these limits.

†The exact maturity date of the Fixed Rate E-Bond will be confirmed in your maturity notice.

