

*I have my
own business*

*I want a better deal
on my mortgage*

THE
FAMILY
BUILDING
SOCIETY

OFFSET SAVER

GLOSSARY OF TERMS

This aim of this glossary is to provide you with a clearer understanding of the language used within our savings literature.

For more information on terms please refer to our A to Z jargon buster at familybuildingsociety.co.uk/savings-jargon-buster



Access charge – This is a charge that is sometimes applied, usually if you need earlier access to your money than permitted within the terms and conditions of certain savings accounts.

Deposit – This is any payment into your savings account. Please refer to your savings account's Summary Box flyer and within this Product Features leaflet for more information on how to make payments into your accounts.

Initial deposit – This is the first payment made into your savings account. Additional deposit rules vary depending on the savings account you hold with us. Please refer to your savings account's Summary Box flyer and within this Product Features leaflet for more information.

Interest rate – This is how much you will earn on your savings account as a percentage amount. Interest will not be paid on this account however the amount of the interest that is charged on the linked Offset Mortgage will be reduced by an amount equivalent to the amount held in the Offset Saver account.

Investment – The amount of money that is placed into a savings account.

Joint account – A savings account shared by two or more individuals.

Offset Mortgage – A mortgage that links your mortgage with your savings. The amount of the mortgage that interest is charged on is reduced by the amount that you deposit in the linked Offset

Saver account. No interest is paid on your savings all the time they are connected to, and reducing the interest charged on, your mortgage.

Online Service – Our easy to use online banking system allows you to view and manage most of your savings accounts anytime and anywhere. You can also send and receive secure messages, update your personal details, and apply for many of our savings accounts without a paper application form. To find out more or to register, please visit familybuildingsociety.co.uk/new-online

Power of Attorney – A legal document which lets you give permission to one or more people (known as 'attorneys') to help you make decisions or make them on your behalf.

Savings Account Certificate – This is sent to you after opening your savings account. It contains your account information and is confirmation of your initial deposit.

Summary Box flyer – This is a summary of the key features of your savings account. This is included within the product pack along with a Product Features leaflet and the General Conditions for our Savings Accounts booklet.

Withdrawal – When you remove money from your savings account. Please refer to your savings account's Summary Box flyer and this Products Features leaflet for more information on how to make withdrawals from your account.




“My own business and my own home”


Jemma Dawkins set up her business as a marketing consultant two years ago. As an experienced marketing professional she has established contracts with four businesses, providing her with regular work. Over the last two years she has been able to earn at a higher level of income than when she was employed. She is now thinking about potentially expanding to take on an assistant to handle some of the smaller projects she has been given.


When it comes to getting a mortgage however, she has found herself penalised by the relatively short time her business has been running and the fact that her income, whilst reliable, comes in on a project by project basis rather than nice and neatly every month. When the money does come in Jemma knows she will need to put aside roughly £30,000 across the year to meet her tax bill. That money can build up in her offset account and including a transfer of a savings account balance, on average Jemma is able to offset the interest on £40,000 of her mortgage each month.

THE MORTGAGE WILL BE SECURED ON YOUR HOME. YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.


HOW TO CONTACT US

 New Business Team: **03330 140141**;

 familybuildingsociety.co.uk;

 Ebbisham House, 30 Church Street,
Epsom, Surrey KT17 4NL

Once your account is opened, if you need to contact us:

 **03330 140144**;

 savings.service@familybsoc.co.uk

IN THIS PRODUCT FEATURES LEAFLET WE'VE SET OUT THE FEATURES AND BENEFITS OF OUR OFFSET SAVER, SO YOU CAN DECIDE WHETHER OR NOT THE ACCOUNT IS SUITABLE FOR YOU.



This account would be right for you if you'd like:

- To use your savings to reduce the interest charged on a linked Offset Mortgage with us
- Easy access to your savings
- To manage your account online.



This account wouldn't be right for you if you'd like:

- To earn interest on your savings
- To manage your account by phone, post or in branch
- To deposit more money into your savings account than the balance outstanding on your linked Offset Mortgage
- To withdraw more than £25,000 on any one day.

IN SUMMARY



The Offset Mortgage and Offset Saver accounts are designed to allow borrowers to “pool” their mortgage and savings together, reducing the interest that would otherwise be charged on the mortgage. The money in the Offset Saver account earns no interest and in return no interest will be charged on an equal amount of the Offset Mortgage to which the account is linked. Family members of the borrower(s) can also offset their savings against the borrower's mortgage in the same way.

The Offset Saver is linked to an Offset Mortgage. Up to four Offset Saver accounts can be linked to an Offset Mortgage but each savings account may not be linked to more than one Offset Mortgage. Single or joint account holders are permitted - for the account held by the borrowers of the linked Offset Mortgage this can be up to four and for family members of borrowers this is limited to two (please see “who can open this account?”).

The maximum amount of the offsetting available is 100% of the mortgage balance. As monies held in an Offset Saver are offset against a linked Offset Mortgage no interest is paid on funds held in the account even if these exceed the amount of the mortgage. Where the total amount in linked Offset Saver accounts exceeds

the amount of the linked Offset Mortgage we will contact the Offset Mortgage borrowers to notify them of this.

Other key features:

- Reduces the amount of the linked Offset Mortgage on which interest is charged by an amount equal to the amount in the Offset Saver
- Account opened and operated via our Online Service
- Save from £100 up to £2 million (up to the maximum amount of your mortgage balance)
- Minimum withdrawal £100
- Maximum withdrawal £25,000 per day per account
- No interest will be earned
- Add to your savings by debit card, by transfer from your bank account or by transfer from another account with us
- Credit card deposits can only be made online not over the phone.
- Easy access to your savings without an access charge
- Withdrawals will be paid by transfer to your bank account or by transfer to another account with us
- View balance and transaction history online.

OFFSET SAVER – HOW IT WORKS

Offset mortgages are different to traditional mortgage arrangements but the difference brings distinct advantages to those who hold savings that they'd like to put to better use or those who have to put aside money for specific purposes but do not need to use it at the present time.

An offset mortgage works in a similar way to a traditional mortgage except for the inclusion of an extra feature, a savings account (your Offset Saver), is attached to the loan arrangement. Any money placed in the savings account is automatically deducted from the amount of the loan on which interest is charged. So if you borrowed £200,000 but held £40,000 in the savings account then you are only charged for the interest which would be due on £160,000. That means by maintaining your payments at the agreed level you are effectively paying back more of your mortgage each month and that can have a dramatic effect on how quickly your loan is paid off. No interest is paid on the savings held in the Offset Saver account.

In addition, you can overpay your mortgage regularly each month or from time to time and that extra credit can be used to reduce your payments at a later date.

On a daily basis our systems look at the amount you are holding in your Offset Saver and deduct that amount from your outstanding mortgage loan to work out how much of the loan you should be paying interest on for that day.



Before completing the application form, please read this leaflet carefully together with the accompanying Summary Box flyer and General Conditions for our savings accounts which are separate enclosures. Please get in touch if you have any questions.

The Financial Conduct Authority is a financial services regulator. It requires us, Family Building Society, to give you this important information to help you to decide whether our Offset Saver is right for you. You should read this leaflet carefully so that you understand the key product features for this account, and then keep it safe for future reference.

For details of all our savings accounts please call our New Business Team on **03330 140141** or visit familybuildingsociety.co.uk/savings

Before completing the application form, please read this leaflet carefully together with the accompanying Summary Box flyer, Offset Mortgage brochure and General Conditions for our savings accounts which are separate enclosures. Please get in touch if you have any questions.

OPENING AN ACCOUNT



The initial account in the name(s) of the borrower(s) will be opened by us on the same day the Offset Mortgage funds are released by us ("completion") with the offset facility commencing the day after. Additional accounts opened by the borrower(s) or their family members can be opened via our Online Service at any time after completion of the Offset Mortgage to which the account is to be linked. The opening transaction can be either by debit card, by transfer from your bank, by cheque or by transfer from an existing savings account with us (subject to normal withdrawal terms of the paying account). The minimum opening transaction amount is £100.

Who can open this account?

You can open an account as an individual, jointly, or as an Attorney and you must be either the borrower(s) under an Offset Mortgage or their direct family members. Direct family members include the borrower's spouse, sibling(s), parent(s), parent's sibling(s) or borrower's grandparent(s). Step-relations in these roles are also acceptable. Account holders must also be ordinarily resident in the UK for tax purposes.

Trustee accounts or accounts held on behalf of individuals are not permitted.

At least one Offset Saver in the same name(s) as the mortgage borrower(s) and, in the case of a joint Offset Mortgage, which states those names in the same order, must be opened and linked to the Offset Mortgage at outset. This account must remain open for the duration of the mortgage term, until the mortgage is redeemed or until the borrower switches to a non-offset product, whichever is sooner.

Up to three additional Offset Saver accounts can be linked to one Offset Mortgage, allowing a wide set of family members to help the borrower reduce the amount of interest charged on their Offset Mortgage. An Offset Saver account cannot be linked to more than one Offset Mortgage.

Family member disclosure

As the money held in the Offset Saver is offset against the linked Offset Mortgage the borrower(s) may need to know your savings balance in order to manage their Offset Mortgage. This may occur at any time, either at the borrower's request or on the occurrence of certain events. For example, no interest is paid on funds held in the Offset Saver even if these exceed the amount of the mortgage. Where the total amount in the linked Offset Saver accounts exceeds the amount of the mortgage we will contact the borrower(s) to notify them of this.

As we may need to disclose the balance of your account to the borrowers the application form includes your consent to do this. Without this consent we will not be able to open your Offset Saver.

What do you need to do?

BORROWER'S OFFSET SAVER

The completed Offset Saver application form for the Offset Saver account to be held by the borrower(s) must be received by us no later than the working day before completion of the linked Offset Mortgage. You will be asked to state in the application form whether the opening

investment will be made by cheque or by transfer from another account with us, subject to normal account withdrawal terms.

If the opening investment is made by cheque, this must accompany the application form. Please make your cheque payable to “Family Building Society”, followed by your name. Unless you are an existing customer, we will require at least one cheque to be drawn against your own personal bank account. If you're unable to provide a personal cheque and your funds are to be drawn from another bank or building society account, please contact our New Business Team to discuss the circumstances before you apply.

To access and operate the Offset Saver after it has been opened the borrower(s) must register via our Online Service. To register, visit our website at familybuildingsociety.co.uk/new-online, click on the link provided and follow the on screen instructions. Once registered, access to the service will normally be activated within two to four working days.

ADDITIONAL OFFSET SAVER(S)

Additional Offset Saver accounts are opened via our Online Service, and opening funds paid via debit card, by transfer from your bank account or by transfer from an existing account with us (subject to normal account withdrawal terms).

As part of the online application process you will need to:

- complete an online application form and return a signed copy;
- deposit an opening investment;
- provide evidence of identity if required (where possible this will be verified online).

To access the account, the second named account holder must register for the Online Service after the Offset Saver has been opened.

Power of Attorney

Power of Attorney applications can be downloaded from our website by visiting familybuildingsociety.co.uk/savings-forms. It can also be requested over the phone and sent to you by post or obtained from our Epsom branch.

The opening deposit can be made by cheque or by transfer from another savings account with us (subject to normal withdrawal terms of the paying account). Once the account is opened, Attorneys can register for our Online Service and operate the account online.

Withdrawals will only be sent to the account holder's bank account. Instructions for the account can only be given online.

Please contact the Family Service Team on **03330 140144** for more details.

Account records

When your Offset Saver account has been opened, we'll send you a Savings Account Certificate as confirmation of your initial deposit.

The Certificate should be kept in a safe place, along with this leaflet and the General Conditions for our Savings Accounts booklet, as your record of your account. We'll issue a statement each January covering the previous 12 months that shows receipts, withdrawals and the latest balance.

In order for you to be kept up to date with information, we ask that you let us know as soon as possible of any changes to your name, address, phone number or email address.

IDENTIFICATION REQUIREMENTS



We are required by law to verify the name and address of all new members.

New members

To check your identity we will carry out searches on you at a credit reference agency that will

supply us with information, including details from the Electoral Register. The searches will not be seen or used by lenders to assess your ability to obtain credit.

If we are unable to verify your identity by this method we will be unable to open your account until we receive further identification. In this instance we will advise you of the additional documentation required.

Existing members

If you are opening a new account via our Online Service, we'll check your identity again using a search about you at a credit reference agency that will supply us with information, including details from the Electoral Register. The searches will not be seen or used by lenders to assess your ability to obtain credit.

You will not need to provide further evidence of your identity if you already have an open savings or mortgage account with us, your signature matches our records, and your name and address haven't changed.

ADDING TO YOUR SAVINGS



You can save from a minimum of £100 up to the maximum account balance of £2 million. Please consider the daily withdrawal limit of £25,000 when considering how much to save in your account.

By debit card

To add to your account using your debit card, you will need to register for our Online Service. If you open your account online, registration is part of the account opening process and you can add by debit card straight away.

If you are not already a user of our Online Service, you can register via our website once you have received your Certificate, by visiting familybuildingsociety.co.uk/new-online. After you have registered, we will send you a verification code. For security reasons this is sent by email or by post, and you will need this code for your first login.

Please note that the debit card you use to deposit money into your Offset Saver must be registered to the residential address we hold for you.

By transfer from your bank account

To send additional savings directly from your bank or building society account, the banking details you will need for us are:

- Payee: Family Building Society
- Payee's bank sort code: 40-02-50
- Payee's bank account number: 21397400
- Payee's reference: Your 10 digit Offset Saver account number.

By transfer from another account with us

If you have another savings account with us you may transfer some or all of your savings to the Offset Saver (subject to normal withdrawal terms of the paying account).

Availability of Funds paid in

Please refer to Section 9 of the General Conditions for our Savings Accounts booklet for more information about when money paid in becomes available for withdrawal or transfer.

Please note additions by cash or cheque are not available.

TAKING MONEY OUT



Please check our website at

familybuildingsociety.co.uk/savings-faqs for more information on making withdrawals and when you will receive your funds.

Please note that withdrawals by cash or cheque are not available for this account.

There is a minimum withdrawal of £100 and a maximum withdrawal limit of £25,000 per day, per account. Amounts in excess of this must be split into a series of smaller withdrawals over a number of days. Where a withdrawal would leave your account balance below £100, either the withdrawal must be reduced (subject to the minimum of £100) or your account must be closed.

You can make a withdrawal using our Online Service. Occasionally we may make further phone enquiries to confirm the instructions first.

You can withdraw money on an easy access basis without notice or access charge.

Withdrawals are paid by transfer to your bank account or by transfer to another savings account with us.

Please note only family members can close their Offset Saver. The borrower(s) must have an Offset Saver open with a minimum balance of £100 whilst the Offset Mortgage is in place.

By transfer to your bank account

Withdrawals will be paid by transfer to your bank account. Your payment will reach the other bank or building society no later than the end of the working day after the withdrawal is processed.

By transfer to another account with us

You can transfer money from your Offset Saver account to another account with us via our Online Service, by calling our Family Service Team or visiting our Epsom branch.

CLOSING YOUR ACCOUNT



At least one Offset Saver account in the name(s) of the borrower(s) party to the linked Offset Mortgage must remain open for the duration of the Offset Mortgage term, until the mortgage is redeemed or until the borrower switches to a non-offset product, whichever happens sooner. On occurrence of one of these events, all linked Offset Saver accounts will be closed by us and the funds will be repaid to you by transfer to your bank account. Where possible, we will contact you in advance to let you know that the Offset Saver will no longer be required and to inform you of the accounts available for re-investment of your funds.

As a condition of the Offset Mortgage, the Offset Saver account in the name(s) of the borrower(s) must remain open, so long as the Offset Mortgage continues.

Apart from this account in the names of the borrower(s), the Offset Saver can be closed by giving the instruction using the secure messaging facility available within the Online Service. No notice of closure is required.

Due to the maximum daily withdrawal limit of £25,000, customers with balances in excess of this amount will need to request a series of withdrawals over a number of days before the account can be closed.

INTEREST



Interest will not be paid on the account but the amount on which interest is charged to the borrower(s) under the linked Offset Mortgage will be reduced by an amount equivalent to the balance held in the Offset Saver account.

ACCOUNT TERMS



We reserve the right to withdraw the account at any time and without prior notice. Changes to the account terms and conditions will be notified to you by email. The full terms of this account comprise the details set out in this Product Features leaflet and in the separate General Conditions for our Savings Accounts booklet.

ACCOUNT SUSPENSION



If we are notified or reasonably believe that any joint account holders are in dispute, online access will be suspended and the written authorisation of all account holders will be required to lift the suspension and operate the account. Please refer to section 3 of the General Conditions for more information.

TREATING CUSTOMERS FAIRLY



We are committed to treating our members fairly, and it's central to everything we do. As part of our commitment to treating you fairly we will provide information on our products and processes that is clear and easy to understand. If you have a query or need our help and support, we will respond to your needs and treat them sensitively and flexibly. If you have any questions, or need any help with applying for a product or managing your account, please contact us using the information at the end of this leaflet.

COMPLAINTS



We always try to provide a first-class service. Occasionally however, things can go wrong. If they do, we'll try to put them right.

If you have a complaint you should contact us and we will endeavour to resolve the matter quickly and satisfactorily. In the first instance contact should be made by phone or in writing to our Family Service Team at our Principal

Office. A leaflet detailing how we deal with complaints is available on request from our Family Service Team, our Epsom branch or our website familybuildingsociety.co.uk/complaints

If we do not resolve your complaint internally to your satisfaction, you may be able to refer it to the Financial Ombudsman Service. The service was set up by Parliament and is free for customers to use. They will look at the facts of what's happened in a dispute between customers and financial firms.

They may decide that a firm has dealt with a complaint fairly and will explain why to the customer or they may decide that the firm has done something wrong and they will then tell the firm to put things right. A copy of the explanatory leaflet published by the Financial Ombudsman Service is available on request or further information is available on their website financial-ombudsman.org.uk

FINANCIAL SERVICES COMPENSATION SCHEME



Eligible deposits with the Society are protected by the Financial Services Compensation Scheme (FSCS).

This savings product is covered by the FSCS.

If you need this document in an alternative format please call our New Business Team on **03330 140141**.

To find out more, please contact our New Business Team:



familybuildingsociety.co.uk



03330 140141



newbusiness@familybsoc.co.uk

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Family Building Society is a trading name of National Counties Building Society which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

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