

General Savings Conditions

Applicable from 4th December 2013

The conditions in this booklet, along with the relevant account conditions and any additional conditions we have given to you, will apply to your account. These conditions explain how your account works and you should keep them safe for future reference.

General Savings Conditions

Birmingham Midshires is the deposit taker for the AA Savings Accounts. These General Savings conditions apply to all AA deposit accounts provided by Birmingham Midshires.

1 Words with special meanings

In these conditions 'we' 'us' and 'our' means Bank of Scotland plc. Birmingham Midshires is a division of Bank of Scotland. Your 'account' is your savings account with us. In addition, we have put the following words in **bold** type because they have a special meaning throughout these conditions

- **authorisation, authorise and authorising** is the process set out in these conditions by which you authorise us to carry out **transactions** on your account.

- **electronic payments** include automated payments to and from your account and include **CHAPS**, internal payments between your accounts with us, payments made using the Faster Payments Service and payments made through our **telephone service** or our **online service**. (Not all **electronic payments** are available on all accounts.) If you have a telephone or an internet account then your **electronic payments** will normally just be to and from your **linked account**.

- a **bank working day** is any day which is not a Saturday, Sunday or English bank or public holiday. How long a **bank working day** lasts will depend on the cut off time for any particular method of making or receiving payments. You can ask us for further information about the relevant cut-off times.

- **counter cheque** is a banker's draft, which is a type of payment similar to a cheque issued from our own account which we provide for you. We will take the amount of the **counter cheque** out of your account at the same time as we write or print the **counter cheque**.

- **CHAPS** stands for the Clearing House Automated Payment System and is an electronic process for bank to bank same day payments made within the United Kingdom.

- **linked account** is an account that you nominate to make and receive transfers by **electronic payment** to and from your AA Savings internet or telephone account. It must be an account in your name(s) held with a bank or building society which is part of the United Kingdom clearing system.

- **online service** is our service which allows customers who have internet accounts with us to access information and services and make payments to or from their account over the internet.

- **payment account** means any account that can be used for unrestricted regular payments. We may treat **payment** and **non-payment accounts** differently if we make changes to your conditions, interest rates or charges. Your account conditions will explain whether your account is a payment or non-payment account.

- **reference rate** means any rate which is linked or set against an externally set interest rate such as Bank of England Bank Rate.

- **security details** are the **security details** we give you, or which you choose, which allow you to access information; obtain services and facilities; and undertake **transactions** on your account. Types of **security details** include:

- the passwords and/or username used to confirm your identity when using the **telephone service** or the **online service**

- the additional **security details** you set for use with the **online service**

- the personal security password and number, which is the secret number and word which we may ask you to give to confirm your identity when using the **telephone service**

- **telephone service** is our banking service which allows some customers with telephone accounts with us to access certain information and services and make payments by telephone

- **transaction and transactions** are payments of money into and out of your account. The means by which **transactions** can be made are set out in the account conditions.

2 The conditions for your account

- 2.1 Our agreement with you for your account is made up of these general conditions, the account conditions and any additional conditions we may give you, for example, application forms or leaflets.
- 2.2 If the account conditions or additional conditions conflict with the general conditions, the account or additional conditions will apply.

3 How do you use your account?

- 3.1 You must be resident in the United Kingdom to open an account. You can only use your account as a personal account. Unless we tell you otherwise when you open your account, you cannot use your account as a club, charity, trust, company, partnership or other kind of business account.
- 3.2 If you have an account and you move abroad, we may allow you to keep your account. However you must check that the laws of the country in which you are living allow you to have an account with us, and (if your account is a telephone or internet account) your **linked account** must continue to be with a bank or building society that is part of the United Kingdom clearing system.
- 3.3 Children under seven years old that hold an account with us (rather than being named as the beneficiary on an account held in trust), will only be allowed to make a withdrawal at our discretion and with the **authorisation** of the adult who signed the application form for the account. If you are between seven and fifteen years old, withdrawals will only be allowed at our discretion and on your **authorisation**. From the age of sixteen withdrawals by children will not be at our discretion.
- 3.4 We do not have to accept that anyone, apart from you, has any right to or interest in the money in your account (for example, if you are keeping some or all of the money in your account for someone else).
- 3.5 We will only accept **authorisation**, or any other instructions on your account, from:
 - you;
 - anyone who has a legal right to give us instructions (for example, your trustee if you are made bankrupt);
 - anyone who you have **authorised** in writing (for example, someone who has a power of attorney for you) as long as we have accepted that written authority; or
 - where the account is in the name of an organisation, for example companies, partnerships, clubs or similar organisations, anyone who is **authorised** (in writing) to give instructions on behalf of the organisation.

- 3.6 You should not post cash to us.
- 3.7 We may limit the amount you or someone else can pay into your account if we think this is necessary to comply with our legal or regulatory obligations or due to system limitations.
- 3.8 We may limit the amount you can take out of your account in any month if we think this is necessary to comply with our legal or regulatory obligations.
- 3.9 If we receive a payment from you that we cannot process (for example because the number of the account it is for is not provided), we will hold the payment in a suspense account in case we become able to process it (for example because the missing information is later provided). If we continue not to be able to process the payment it will be returned within 1 **bank working day** to the bank sort code and account number it was sent from if we have this information. If we receive a direct debit payment from your **linked account** and your account with us is closed at the time we receive the payment, we will return the payment to your **linked account** electronically .
- 3.10 You can change your **linked account** by giving us instructions over the telephone, online or by post. It will take ten **bank working days** from us receiving your instructions to complete the change so that you can transfer funds to and from your **linked account**.
- 3.11 Where your **linked account** is a current account and we are notified by a UK banking industry payment scheme such as the Current Account Switch Service that you have switched your current account to another bank we will update your instruction with the new sort code and account number to make sure that your payment reaches the correct account within the agreed timescales.
- 3.12 Subject to any restrictions in the account conditions and these general conditions, the following type of **transactions** are available to our customers: passbook **transactions** (for certain existing customers who already have passbooks with us); **counter cheques**; cheque payments in; and **electronic payments** (including payments in through the Faster Payments Service). Please refer to the account conditions for details of the **transactions** available on your account. Please note that we will only make **CHAPS** payments out of some accounts, and a charge applies (see the Important information section of this booklet).

4 If money is paid into your account, how long do you have to wait before you can take it out?

4.1 The following table sets out the details of when you can withdraw funds that have been paid into your account.

Type of payment	Where paid in	When you can withdraw funds
1. Cheques	<p>By post received before 3pm on a bank working day.</p> <p>If we receive a cheque from you by post on the morning of a bank working day it will normally be credited to your account within four bank working days.</p> <p>(If we receive a cheque from you by post after 3pm, or on a non-working day, the four bank working day period for crediting, and the six bank working day period for withdrawing, will start to run on the next bank working day.)</p>	Six bank working days after the day the cheque is credited to your account e.g. credit to account on Monday withdraw Tuesday the following week.
2. Electronic payment	<p>Automatically through the UK banking system.</p> <p>(CHAPS payments can only be made and received on a bank working day)</p>	As soon as the funds are received by us.
3. Direct debit from your linked account	Automatically through the UK banking system that applies to direct debit payments.	Three bank working days after the day we request the direct debit payment from the bank at which your linked account is held.

- 4.2 If you pay a cheque into your account and we let you take some or all of the amount of the cheque out of your account, this does not mean that the cheque has been paid by the paying bank. If the cheque is returned to us without it being paid we may take the amount of the cheque out of your account, unless more than six **bank working days** have passed since the day we credited the cheque to your account. After six **bank working days** have passed from the day we credited the cheque to your account we cannot take the amount of the cheque out of your account unless you have been a knowing party to fraud.
- 4.3 If you ask us to pay money into your account by transfer from your **linked account** we will make a direct debit request to the bank or building society at which your **linked account** is held. Three **bank working days** after that you will see the amount of your payment taken out of your **linked account** and credited to your account. We will pay interest on it and you may withdraw the funds from this day.
- 4.4 You will be able to receive payments made to your account using the Faster Payments Service if the payment is made from an account held at a bank which offers this service. Payment instructions made through the Faster Payments Service will normally be credited to your account by the end of the next **bank working day** following the **bank working day** on which the instruction was received. Funds paid into your account using the Faster Payments Service can be withdrawn as soon as they arrive in your account.
- 4.5 The timings in this condition 4 apply where the currency of the payment is sterling. We only accept payments into your account in sterling.

5 Paying interest

- 5.1 If the money in your account is at least the minimum amount we set for paying interest, we will pay interest on your balance at the rate or rates we set out in the documentation for your account. We may fix a new or changed minimum amount under condition 18. You can get details of the current minimum amount and interest rates for your account on our website at theaa.com or by phoning us. Any change to the interest rate on your account must be made in accordance with condition 18.
- 5.2 The following table shows when interest will be paid on any payments into your account.

Type of payment	Where paid in	When you can withdraw funds
1. Cheques	By post received before 3pm on a bank working day If we receive a cheque from you by post on the morning of a bank working day it will normally be credited to your account within 4 bank working days . (If we receive a cheque from you by post after 3pm or on a non bank working day , the two bank working day period will start on the next bank working day)	Two bank working days after the cheque is credited to your account e.g. credit to account Monday, interest paid Wednesday
2. Electronic payment	Automatically through the UK banking system (CHAPS payments can only be made and received on a bank working day)	The bank working day we receive your payment
3. Direct debit from your linked account (This is used when you ask us to request the payment from the bank or building society at which your linked account is held)	Automatically through the UK banking system that applies to direct debit payments	Three bank working days after we request the payment from the bank or building society at which your linked account is held

- 5.3 The timings in this condition 5 apply where the currency of the payment is sterling. We only accept payments into your account in sterling.
- 5.4 We work out the interest daily and pay it into your account on the last day of each interest period. The interest periods are set out in the account conditions.
- 5.5 We will stop paying interest on the amount of a withdrawal the day it is made.
- 5.6 If you or we close your account in accordance with condition 16 we will follow the steps in condition 5.4 to work out the interest we have to pay you on the day your account is closed, unless we have allowed you to transfer the total balance of your account to another account with us.
- 5.7 Subject to the account conditions, you can ask us to send the interest we pay on your account to an account you have with another bank or building society immediately after we have paid it into your account.
- 5.8 Where the date we pay interest on your account is a not a **bank working day**, we will deduct the interest from your account that day but we will not be able to send it to your other account until the next **bank working day** and we will not pay interest in the meantime. For example, if interest is to be paid on your account on a Monday and this is not a **bank working day**, but Tuesday is a **bank working day**, the interest payment should reach your other account no later than Wednesday.
- 5.9 We will use the Faster Payments Service, if it is available and the organisation you are sending a payment to is a member of the Faster Payments Service. If we cannot make the payment using the Faster Payments Service you can contact us to ask if there is any other method available to make payment.

6 When can we take money out of your account and how long does it take?

- 6.1 We can take money out of your account to cover:
- each withdrawal;
 - any cheque which is paid into your account but is later returned to us unpaid, or a direct debit from your **linked account** which is not later cleared);
 - any charge which you owe us on your account;
 - any loss or expense we suffer in connection with your account unless you are not liable (our conditions 12.1, 12.2, 12.3 and 12.4 explain when you are liable).

We may do any of these if your account is in credit or overdrawn or if it goes overdrawn because of the amount that we take out of your account. We can also take money out of your account to cover any other amount you owe us (conditions 6.12 or 6.13 explain when we can do this).

- 6.2 You may instruct us to carry out a **transaction** on your account by phone, online or by letter depending on your account conditions. Before we carry out any **transactions** these must be **authorised** by you in one of the following ways:
- orally or in writing by providing your account details requesting a withdrawal or to transfer money from your account; or
 - providing your account details to arrange an **electronic payment** from the account. (Not all **electronic payments** are available on all accounts).

The **authorisation** for a **transaction** can include a single **transaction** or a series of recurring **transactions**.

- 6.3 In the event that a **transaction** is not **authorised** in accordance with condition 6.3, you may **authorise** a **transaction** after it has been made by providing consent to the **transaction** orally or in writing to us.
- 6.4 Where we receive your instructions to carry out a **transaction** before the relevant cut-off time on a **bank working day**, we will treat your instructions as having been received that day. For any instructions received after 3pm (or midday for a **CHAPS** payment) on a **bank working day**, or received by us on a non **bank working day**, your instructions will be treated as having been received by us on the next **bank working day**. For example, if we receive your instructions to make an **electronic payment** at 4.30pm on Tuesday, we will treat those instructions as having been received on Wednesday for the purposes of determining when the money is transmitted (provided both Tuesday and Wednesday are **bank working days**).
- 6.5 Where you instruct us to undertake a **transaction** which is an **electronic payment** (other than a **CHAPS** payment), the money will be with the bank or building society you have asked us to send it to:

- (unless the **transaction** is initiated by a paper based **authorisation** process) by the end of the next **bank working day** after the day we receive your instructions under condition 6.2;
- where the **transaction** is initiated by a paper based **authorisation** process, within two **bank working days** after the day we receive your instructions under condition 6.2. Subject in each case to the provisions of condition 6.4 where your instructions are received after 3pm (or midday for a **CHAPS** payment) or on a non **bank working day**. We do not accept instructions to transfer funds outside the United Kingdom.

We are not liable for failing to make a payment if the organisation you are sending the payment to is not a member of the Faster Payments Service.

- 6.6 Where you wrongly identify the person or account (including account number and sort code) to which a payment should be made, we will make reasonable efforts to recover the payment made, but we will not be liable for any losses which may be incurred by you. We may ask you to pay a fee to cover our costs of tracing the payment.
- 6.7 **Authorisation** for a **transaction** may not be withdrawn (or revoked) by you after the time your **authorisation** has been received. However, the following **transactions** may be withdrawn if you give us notice:
- any **transaction** which is agreed to take place on a future date provided the notification of cancellation is received by us no later than 3pm on the **bank working day** before the future date; or
 - any recurring **transactions** if they occur after the date of the withdrawal of consent.
- 6.8 Important: You cannot stop or cancel a **counter cheque**.
- 6.9 We can refuse to carry out a **transaction** if we reasonably think that:
- we are required to do so by law;
 - your account is being used for illegal purposes;
 - you are not keeping to these conditions or the account conditions;
 - you enter into a voluntary arrangement with anyone you owe money to (or you are going to do so);
 - you apply to a court for an interim order (that is, a court order which gives you temporary protection from claims made by somebody you owe money to);
 - a bankruptcy order is made against you or we think that one is likely to be made;
 - an administration order has been made under the appropriate legislation, which covers how you are to repay money which you owe;

- the relationship between you and us has irretrievably broken down (for example if you have been threatening or abusive to our staff);
- there is a dispute (which we reasonably believe may be genuine) about the ownership of, or entitlement to, the money held in your account (including a disagreement between the account holders on a joint account);
- the terms of another account you have prevent completion of the **transaction**;
- your certificate or **security details** (or any other mechanism we provide to you for accessing your account) have been lost, stolen or are being used by someone else or your account is being used illegally or fraudulently;
- the **transaction** is not properly **authorised**;
- we need to check that the **transaction** is **authorised** (for example, for your security, because it is a large amount); or
- there are insufficient funds in your account to cover the **transaction**.

We will notify you either verbally or in writing when we have done this at the earliest opportunity, and in any event no later than the end of the next **bank working day** following the time of receipt of your instructions (unless it is unlawful for us to do so or would compromise our reasonable security measures). Following receipt of this notification you can contact us on the telephone for details of how to rectify any errors.

6.10 We can also refuse to carry out a **transaction** if you tell us that you want to change the account that is your **linked account** until we have had time to verify the details of your new **linked account** (see condition 3.10).

- 6.11 We may be unable to carry out a **transaction** if:
- action is taken by a **third party** which prevents us from executing the **transaction**;
 - there are technical issues which prevent us from executing the **transaction**;
 - the recipient organisation is not a member of the Faster Payments Service; or
 - circumstances beyond our reasonable control prevent us from offering a normal service (such as an act or threat of terrorism, computer failure or industrial action).

In the case of the last bullet above, we will respond proportionately to the circumstances in question, will take reasonable steps to ensure that the restrictions are lifted as soon as practicable to minimise the inconvenience to you and will, if practicable, give advance notice.

6.12 If any money you owe us is overdue for payment, we may use any money you have in any accounts with us to reduce or repay (by way of set off or otherwise) what you owe us. If we do use any money to reduce or repay what you owe us, we will do so in accordance with any Code of Practice that applies to us. We can use our set off right where you have accounts which are only in your name as well as joint accounts you hold with another person (x):

Money in account for:	Set off against money owed by:
You only	You
You only	You and X
You and X	X
You and X	You

7 International payments into and out of your account

You cannot make international payments into or out of your account. This means you cannot make payments to an overseas account.

8 Paying a cheque into your account

- 8.1 If you want to pay a cheque into your account it must be made out to you. We will not pay a cheque into your account unless you are named on the cheque as payee.
- 8.2 If you want to pay a cheque into your account:
- more than six months after the date on the cheque; or
 - after the expiry date (if there is one shown on the cheque)

You will have to ask the person who made it out to you to write a new cheque or re-date the old cheque and put their initials next to the change. If you send us an out-of-date cheque, we may return it to you.

9 Telephone and online services

- 9.1 When you phone the **telephone service**, we may ask you:
- to tell us (or key into your phone) numbers to identify you and your account; and
 - to tell us (or key into your phone) a selection of characters from your password
- 9.2 Once you have registered with our **online service** you must provide us with your username and access token before we will allow you to use the **online service** for the first time. We will send you your username by post and your initial access token by email. Every time you use our **online service** you must give us your username and password and the answer to an additional security question.
- 9.3 You must take all reasonable steps to keep your **security details** secret.

- 9.4 You must not write down or store (whether encrypted or otherwise) your **security details** on your computer, mobile phone or anything usually kept with them. If you do write your **security details** down you must disguise them so that no one will know that they are your **security details**.
- 9.5 We may stop the use of the **telephone service** or the **online service**. For example we may do this if we believe that your **security details** are being used by someone else, or we are otherwise concerned about the security of your account, or we suspect the account is being used in breach of these conditions or the account conditions in an unauthorised or fraudulent manner. Where we stop the use of the **telephone service** or **online service** under this condition 9.5 we will, if practical, notify you immediately before, or where we cannot notify you immediately before, after stopping the use of the **telephone service** or **online service** and inform you of our reasons for doing so unless it is unlawful for us to do so or it would compromise our reasonable security measures.
- 9.6 Our **online service** is only available to customers who are resident in the United Kingdom. If you live outside the United Kingdom you can only use our **online service** to view information but not to open an account or carry out any **transactions** on your account. If you want to use our **online service** from outside the United Kingdom you must check that the laws of the country where you are allow you to do this.
- 9.7 By registering to use our **online service** you agree that we may communicate with you by email or through our website. You must have a valid and current email address to enable you to open and operate your account.
- 9.8 We do not accept any responsibility for any loss you or anybody else may suffer because any instructions or information you send us are sent in error, fail to reach us or are distorted unless you are the victim of fraud.
- ## 10 Protecting your account
- 10.1 If a **counter cheque** or passbook is lost, stolen, or might be used by someone who should not use it, you must tell us without delay by phoning us on 0845 603 6302. We will then do what we reasonably can to stop the **counter cheque**.
- 10.2 If you think that someone else knows any of your **security details** for your online or telephone account, you must: tell us as soon as you can by phoning us on 0845 603 6302;
- change your online password as soon as possible, if you have any difficulty doing this please call us on the above number
 - If your access token has been lost or stolen, call us on the above number and we will re-issue a new access token.
- You must give us any help we think is necessary to try to find out who might have used your **security details**. We may give the police or any prosecuting authority (for example, the Crown Prosecution Service) any information we reasonably think relevant about the loss, theft or misuse of your **security details**, passbook or a **counter cheque**.
- 10.3 You must not use your **security details** if they have been reported as lost, stolen, or likely to be used by someone else (although you can give us your **security details** if that is necessary for us to change them). If you use them to make a withdrawal, we may still take the amount of the withdrawal out of your account.
- 10.4 If you become aware that someone else has unauthorised knowledge of any of your other bank or building society account details, or may have unauthorised access to any of your bank or building society accounts you must tell us immediately by phoning us on 0845 603 6302 as the details of your account(s) with us may also be compromised.
- 10.5 Disconnecting from the internet or leaving our website will not automatically sign you off from our **online service**. You must always use the sign off facility when you are finished and never leave your machine unattended while you are signed in. As a security measure, if you have not used the site for more than a specified period of time we will ask you to sign in again.
- 10.6 You must make sure that any email address you give us is safe and secure and cannot be accessed or used by anyone else.
- 10.7 You will not be held responsible for any instructions or information sent after you have told us that someone knows your **security details** or has used them to access our **online service**.
- 10.8 If you are the victim of fraud through our **online service** we guarantee that you will not lose any money on your accounts and will always be reimbursed in full.
- ## 11 When are you responsible if you lose your security details or they are stolen or are used by someone else?
- 11.1 You will not be responsible for your **security details** being used after you have reported that they are lost, stolen or might be used by someone else (unless they are used by you or on your behalf);
- 11.2 If someone uses your **security details** or passbook you will be liable for up to £50 of any **transactions** unless you have been fraudulent or grossly negligent in connection with the loss or theft of your **security details** or in allowing someone else to have your **security details**. For example, if you have not followed the instructions in these conditions setting out the steps you should follow to protect your **security details** from misuse.

- 11.3 If there is a disagreement between us and you about the loss, theft or use of your **security details**, we will only be able to get back any loss of more than £50 if we prove the necessary facts.
- 11.4 If you never get your **security details** from us (for example, if they are lost in the post) we will be responsible for paying the amount of any withdrawal made using them.

12 Refunds

- 12.1 If you become aware of an electronic **transaction** which has not been properly **authorised** or has been incorrectly executed on your account you must notify us by phoning us on 0845 603 6302. This notification must be provided as soon as you become aware of the error and in any event within 13 months of the date of the **transaction**. If you do not notify us, you will not be entitled to a refund under this condition 12.
- 12.2 You may be entitled to claim a refund in relation to **transactions** undertaken by **electronic payment** where:
- the **transaction** was not **authorised**; or
 - we are responsible for a **transaction** which was incorrectly executed and you notified us in accordance with condition 12.1.
- We will not be liable where we can prove that the bank or building society at which your external account is held is at fault.
- 12.3 In the case of disputed **transactions** out of your account under this condition the burden of proving fraud or gross negligence will lie with us.
- 12.4 If you are eligible for a refund under this condition 12 we will reimburse you for any charges you have incurred from us as a result of the incorrect execution.

13 Overdrawn accounts

You must not allow your account to go overdrawn. If we carry out a withdrawal or other **transaction** or apply a charge and this makes your account go overdrawn, this does not mean we have agreed to allow you to have an overdraft. You must repay any overdrawn balances immediately.

14 Charges

We can make charges on your account, and for the services or facilities we make available to you, as set out in the Important information section of this brochure. We may vary these charges in accordance with condition 18.

15 Joint accounts

- 15.1 Conditions 15.2 to 15.5 apply to joint accounts. Not all our accounts can be opened jointly.
- 15.2 These conditions and the account conditions apply to all of you together and to any of you separately. For example, if you owe us any money on your account, we can claim it back from any of you or all of you. Up to four people can apply for a joint account.

- 15.3 Unless we agree otherwise, we will accept the instructions or signature of either, or any one, of you (for example, to make a withdrawal or to close your account). On some accounts, if you ask us to, we can agree that we will only accept the instructions or signatures of both of you.

- 15.4 We may send all written notices, and other information about your account, to the address of the customer whose name appears first in our records.

- 15.5 If one of the account holders dies, we will only accept instructions from the other account holder, and the other account holder can close the account without losing any interest for early closure (see condition 15.3).

16 Closing your account

- 16.1 Your account will remain open until it is closed by either you or us in accordance with this condition 16.

- 16.2 We may terminate this agreement with you and close your account. To do so we must give you at least two months' notice in accordance with condition 18. (We will give you more than two months notice if that is required by a code of practice that applies to us, our regulator or another similar body).

- 16.3 Your account conditions will explain whether any notice is required before you close your account and any charges that may be applied for early closure of fixed term accounts.

- 16.4 The maximum number of accounts you can open is 30. We may close any accounts you open in excess of this number under condition 16.2.

- 16.5 If we terminate our agreement with you and close your account under condition 16.2, we will return your money to you along with any interest we owe you on your account.

- 16.6 If we terminate our agreement with you and close your account:

- we can still take money out of your account, under conditions 6.12 (which detail where we can set off the amounts held in this account against other debts you owe us), or to cover any withdrawal; and
- you will still have to pay back any overdrawn balance or charges which you owe us on your account.
- if your account is for a fixed term which ends on a day which is not a **bank working day**, we may close the account on the next **bank working day**.

17 Inactive and dormant accounts

- 17.1 If we believe that we have lost touch with each other, for example if letters addressed to you are returned undelivered, and you have not paid money into or taken money out of your account for at least two years, then we can treat your account as inactive, which means we will stop sending you letters or other information until we hear from you

- 17.2 If you have not taken any money out of your account or paid any money into it for the past 15 years we can transfer your balance to the reclaim fund, a body set up to enable money in dormant accounts to be distributed for the benefit of the community.
- 17.3 If we transfer your balance under condition 17.2 you will have the same right of repayment against the reclaim fund as you would have had against us if the balance had not been transferred. If you wish to make a repayment claim we will reclaim this money back on your behalf from the reclaim fund. Transfer of your balance will not adversely affect any entitlement you have to compensation from the FSCS.

18 When can we change these conditions, account conditions, charges and interest rates?

Changes to interest rates

- 18.1 If you have an account which pays interest at a fixed rate, we will not change the interest rate on your account during the term of the fixed rate.
- 18.2 We do not need to give you prior notice of any change to the interest rate payable on your account where the change is to your advantage or where the interest rate is linked to a **reference rate**. Where we make such an advantageous change, or where a change follows a change to a **reference rate**, we may apply it to your account immediately. We will notify you by putting a notice in at least three national daily newspapers, or by writing to you.
- 18.3 We do not need to give you prior notice of any changes to the interest rate on an account which is not a **payment account** where the change is not a disadvantageous change of a material nature and we have a valid reason for making the change as listed in condition 18.5. We will notify you by putting a notice in at least three national daily newspapers, or by writing to you.
- 18.4 We can make other changes to the interest rates we pay on accounts which are **not payment accounts** if we write to you at least 14 days in advance and allow you a period of at least 30 days from the date you receive our notice (or a period equivalent to the minimum amount of notice required for you to close your account) within which you may close your account without charge

18.5 If you have an account that pays interest at a variable rate which is not linked to a **reference rate**, we can change interest rates if it is reasonable to make the change:

- (a) to reflect a change or changes in the bank rate (that is the rate set by the Bank of England in connection with its open money market operations);
- (b) to reflect a change in LIBOR (that is the London Inter Bank Offered Rate) or LIBID (that is the London Interbank Bid Rate) or equivalent money market rate we use to determine the rates we can offer our retail savings account customers;
- (c) to reflect changes in the rates of interest which banks and other organisations offering similar services pay to customers with similar products;
- (d) to reflect changes in the costs to us of offering retail savings accounts to our customers;
- (e) to reflect a decision or recommendation made by, or a requirement of, a court, ombudsman, regulator or similar body or an undertaking given to the Financial Conduct Authority;
- (f) to reflect changes to the law, codes of practice or the way we are regulated;
- (g) to reflect changes to standards published by other bodies which we agree will apply to your account;
- (h) to reflect changes to the way we look after your account or deposit accounts generally (including changes in the technology we use) because of
 - the reasonable steps we have taken to change our systems for managing those accounts; or
 - reasons outside our control; or
- (i) because:
 - we are going to take over, take control of or acquire the business of another bank or organisation offering similar services;
 - we are going to be taken over or our business is acquired by another bank or organisation offering similar services; or
 - any of those things has happened;and the change will make sure that our customers and the customers of the other bank or organisation are treated in a similar way if they are in similar categories. Where we refer to "changes" in this condition, we mean changes we know or reasonably believe will happen or changes which have already taken place.

18.6 Where your account is a **payment account** (other than an account linked to a **reference rate**), we can make other changes to your interest rate by giving you prior notice at least 2 months in advance. If you do not agree to the change you can close your account. If you notify us that you do not accept a change we will take this as notification that you wish to close your account immediately.

18.7 We can also change interest rates for any valid reason not set out in this condition. If your account is **not a payment account**, we will tell you at least 14 days before the change and allow you a period of at least 30 days from the date you receive our notice within which you may close your account without charge.

Changes to your conditions

18.8 We can change these conditions, the account conditions and any other additional conditions to respond proportionately to changes in regulatory requirements and to make improvements that are of benefit to you.

18.9 We can also change these conditions, the account conditions and any other additional conditions if it is reasonable to make the change:

- (a) because of changes in the general deposit taking practice of banks and other organisations offering similar services including the terms on which they offer similar products or services;
- (b) because of changes in the services and facilities on your account (including changes due to developments in the technology we use, or for reasons outside our control);
- (c) we are going to take over, take control of or acquire the business of another bank or organisation offering similar services or facilities;
- (d) we are going to be taken over or our business acquired by another bank or organisation offering similar services;
- (e) because the service is provided for us by a third party and for good commercial reasons we decide to use another third party or the third party who provides the service no longer does so;

18.10 If your account is a **payment account**, we can change these conditions, the account conditions, the services or facilities on your account, the conditions which apply to the services or facilities on your account for the reasons set out in condition 18.9 if we give you at least two months' prior notice of the change. The notice will be given in accordance with condition 19. Where we give you notice of a change under this condition the change will automatically take effect and you will be taken to have accepted the change unless you notify us in writing that you do not agree to the change as soon as possible, and in any event before the end of the two month period. If you do not agree to the change you can close your account. If you notify us that you do not accept a change, we will take this as notification that you wish to close your account immediately.

18.11 If your account is not a **payment account**, we can change these conditions, the account conditions, the services or facilities on your account, the conditions which apply to the services or facilities on your account, for the reasons set out in condition 18.8. Where we reasonably believe the change is not to your disadvantage we can do this by telling you at least 30 days in advance by giving notice in at least three national daily newspapers, or by writing to you.

18.12 If your account is not a **payment account**, we can make changes to these conditions, the account conditions or any other additional conditions for any other reason. If we do this, or we make a change for one of the reasons set out in condition 18.8 and we believe the change is to your disadvantage, we will write to you at least 30 days in advance. We will then give you 60 days from the date of our notice to close your account without notice or charge.

18.13 For any valid reason we can make any reasonable changes to these conditions, the account conditions, the services or facilities on your account, or the conditions which apply to any services or facilities on your account as long as you are free to end the agreement without charge, or if there would be a charge, if we agree to waive it. We will make any such change in a reasonable and proportionate manner.

Changes to your conditions

- 18.14 If you have an account which pays interest at a fixed rate we will not change any charges for the day to day running of your account during the term of the fixed rate.
- 18.15 For other accounts we can change the amounts we charge you, make new or different charges, and change the way you have to pay charges because the change will be of benefit to you or to respond proportionately to changes in:
- the costs of providing the services or facilities available on your account, including any changes caused by inflation;
 - regulatory requirements.
- 18.16 If your account is a **payment account**, we can make changes to the charges for the normal running of your account by writing to you at least two months in advance. We can make this change for one of the reasons set out in 18.15 above or for any other reason. If you do not agree to the change you can close your account. If you notify us that you do not accept a change, we will take this as a notification that you wish to close your account immediately.
- 18.17 If your account is **not a payment account**, we can make changes to charges for the normal running of your account for one of the reasons in condition 18.14 above. If we believe the change is to your disadvantage, we will write to you at least 30 days in advance. We will allow you a period of at least 30 days from the date you receive our notice to close your account without notice or charge. If we believe the change is to your advantage, for example because we are reducing a charge, we do not need to notify you but will show the figures in our interest rates and charges book.
- 18.18 We may offer special services on your account. We will notify you of the charges for these services at the time you ask to use them. We are free to change these services at any time and do not need to tell you of the change.
- 18.19 We can also change the charges we charge you, or introduce new charges or different charges for any valid reason not specified in this condition, as long as you are free to end the agreement without charge, or if there is a charge, we agree to waive it.

19 How will we provide notices about your account?

- 19.1 We may send all written notices, statements or letters to the last address known to us (including an electronic address if you ask to receive documents through our **online service** or you and us agree that we may send you information about your account electronically). We will treat them as arriving four days after they were posted (if sent to an address in the United Kingdom) or 10 days after they were posted (if sent abroad). If you receive written information from us online, or you and us agree that we may send you information electronically, we will treat those notices, statements or letters as delivered one day after we send them (or one day after we send the email notifying you that the document is available to view online). If you live abroad, we may ask you to give us an address in the United Kingdom for us to write to you for legal or administration reasons.
- 19.2 You must let us know straight-away if you change your name or postal or email address. If you do not let us know, you may have to pay our reasonable costs of finding you or your new address. To inform us of a change of email address you must phone our Internet Savings Team on 0845 603 6302. We will not accept an email sent to us from a new email address as proof of an email address change.
- 19.3 Unless these conditions say otherwise, any notices or other communications given under them or the account conditions will only be valid if they are in writing.

20 What happens if you cannot look after your finances any longer?

- 20.1 If we are satisfied that you cannot look after your finances any longer, we will allow your account to be used by anyone who has authority from a court.
- 20.2 If we allow someone else to use your account under condition 20.1, you may be legally responsible for anything they do.

21 When can we tell someone else about your account?

We may give details of your account or your name and address to anyone else if:

- the law says we must;
- we have a public duty to do so;
- this is necessary to protect our interests; or
- you ask us to give the details to someone else or agree that we can give them to someone else.

22 What happens if you die

If you die, and your account is not a joint account, your personal representative can use the account (even if the number of the account changes), and close the account. If your account is a joint account, see condition 15.5.

23 Information on transactions

- 23.1 Unless you have an internet account, we will send you annual statements for your account. If you have an internet account, you can view your account statements online.
- 23.2 You should check your statements and let us know as soon as you can if you think they include any information which seems to be wrong.
- 23.3 You can request and we will provide you with the following information on each **transaction** carried out by an **electronic payment**:
- details of the **transaction** into and out of your account including a reference enabling you to identify the **transaction**;
 - the amount of the **transaction**;
 - any charges applied to your account in relation to the **transaction**;
 - the date of receipt of the **transaction** into your account.
- To request this information please phone on 0845 603 6302.

24 General

- 24.1 All correspondence and communication in relation to your account will be in English.
- 24.2 You will receive a copy of this booklet when you open an account and at any time you ask.
- 24.3 Unless we agree, you must not transfer, charge or give as security to anyone else:
- your account or any part of it; or
 - any of your rights under these conditions or the account conditions.
- 24.4 For administration reasons, we can change any address or phone number in these conditions or the account conditions, or the name or number of your account, by giving you notice first.
- 24.5 For similar reasons, it is not a change to the terms of this account if we change the name of any service that we may let you use on your account, without giving you notice.
- 24.6 You must give us an example of your signature if we ask you to.
- 24.7 We may monitor and record phone calls to or from us. We may do this to check any instructions you give us over the phone and to help train our staff. We may keep any emails sent to or from us. We will do this to check what was written, and also to help train our staff.
- 24.8 If we choose not to enforce any term which forms part of these conditions or the account conditions, this will not affect our right to enforce the rest of those terms.
- 24.9 Each paragraph and subparagraph in these conditions and the account conditions is separate from the others. This means that if we cannot enforce any one paragraph or subparagraph in these conditions or the account conditions, this will not affect our right to enforce any other paragraph or subparagraph.

- 24.10 These conditions and the account conditions are part of the legal agreement between you and us for your account.
- 24.11 This agreement is governed by the law of Scotland if the address you last gave us is in Scotland, or by the law of England and Wales if the last address you gave us is anywhere else.

Important information

Important information about compensation arrangements

We are covered by the Financial Services Compensation Scheme (FSCS). The FSCS can pay compensation to depositors if a bank 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 bank including their share of any joint account, and not to each separate account.

For further information about the scheme (including the amounts covered and eligibility to claim) please call us on 0845 603 6302, refer to the FSCS website www.FSCS.org.uk or call 020 7892 7300 or 0800 678 1100.

Some deposits in AA branded savings accounts are held with Bank of Scotland plc. Accounts with Bank of Scotland plc include accounts with its divisions and trading names: Halifax, Intelligent Finance (IF), Birmingham Midshires (BM Savings), Bank of Scotland, Bank of Scotland Private Banking, Bank of Scotland Germany, Bank of Scotland The Netherlands, Bank of Scotland Treasury, Lloyds Bank Corporate Markets, Lloyds TSB Corporate Markets, St James's Place Bank and St James's Place Private Bank. Some savings accounts under Saga and Charities Aid Foundation brand names are also deposits with Bank of Scotland plc. An eligible depositor's £85,000 limit relates to the combined amount in accounts under all of these names. If you are unsure whether your account is held with Bank of Scotland plc please check your account literature.

How to complain

If you do have a problem we'll do our best to resolve it immediately. Where we cannot we'll ensure you have the name and contact details of the person or team dealing with your complaint.

Tell us if there's a problem

If you have a complaint or just want to tell us about something we could do better, there are a number of ways you can let us know:

By telephone: call the AA Savings Team on 0845 603 6302

By post: write to us at AA Customer Relations Team, Birmingham Midshires, PO Box 81, Pendeford Business Park, Wobaston Road, Wolverhampton, WV9 5HZ

If you're still not happy

We'll do our best to sort things out but if we can't put things right to your satisfaction, you can ask the Financial Ombudsman Service to look at your complaint – provided you have tried to resolve the matter directly with us first.

We hope you don't need to contact the Financial Ombudsman Service but if you do, we'll tell you how to do this.

CHAPS fee

If we agree to make a **CHAPS** payment out of your account we will charge a fee of £35.

All information given is correct at date of printing: March 2014.

The deposit taker for AA Savings accounts is Birmingham Midshires, a division of Bank of Scotland plc, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under registration number 169628. Registered office: The Mound, Edinburgh, EH1 1YZ. Registered in Scotland No. SC327000.