

## INFORMATION FOR SAVINGS AND MORTGAGE MEMBERS

As Yorkshire Building Society ('Society') is a mutual organisation, we want to protect our members from any disruption to our business caused by opportunists or speculators. That's why we actively discourage financial speculation through the Society's Charitable Assignment Scheme ('the Scheme').

The Scheme was introduced in April 1998 as around that time the Society, like many other building societies, had large numbers of people opening accounts in the hope of gaining 'a windfall payment' should the Society decide to convert to a bank.

To try and avoid the serious disruption to the business, the Society introduced the Scheme so if it were to convert, members who had joined within five years of opening an account would have any 'windfall payment' automatically transferred to the Yorkshire Building Society Charitable Foundation.

## WHAT THIS MEANS FOR NEW MEMBERS

All new members when opening a savings account or applying for a mortgage must enter into an agreement to join the Scheme. This means that for five years from the date when the account is opened or mortgage is completed, you agree to assign any windfall conversion benefits you may become entitled to over to the Yorkshire Building Society Charitable Foundation.

After five years, you will be entitled to any windfall conversion benefits that you may become entitled to.

## WHAT THIS MEANS FOR EXISTING MEMBERS

- ◇ If you were a member on or before April 8th, 1998 and have continued to be a member since then, you are not affected by this Scheme and you may open new accounts without signing the agreement.
- ◇ If you are already an existing member of the Society and have already joined the Scheme, you do not need to join the Scheme again, unless your membership ends for any reason. If your account has been open for over five years, then you will not be affected by the Scheme.
- ◇ If you were a member of **Chelsea Building Society** immediately before its merger with Yorkshire Building Society, and you have continued to be a member since then, you are not affected by this Scheme and you may open new accounts with Yorkshire Building Society without signing the agreement.
- ◇ The position for members who had an account with the former **Norwich & Peterborough Building Society (N&P)** at the time of its merger with Yorkshire Building Society may be slightly different as N&P introduced a permanent charitable assignment scheme benefitting the Charities Aid Foundation on the 1 October 2000. Therefore, the Society's Scheme agreement may not apply to those former N&P members who continue to hold their account, as they remained assigned to the N&P scheme indefinitely.

### PLEASE NOTE

**It is worth noting that an assignment would only occur if the Society's Board recommends conversion to a PLC and also recommends a windfall payment. The Society remains committed to remaining a mutual.**

**Also, we reserve the right to make special arrangements for certain people where it is appropriate to do so.**

**LET'S MAKE AN AGREEMENT**

This sets out the agreement you have entered into and which was set out in your savings or mortgage application form or explained in the account opening process when you opened your account:

1. By applying to open an account I agree with Yorkshire Building Society and Yorkshire Building Society Charitable Foundation ("the Foundation") that I will assign to the Foundation (or to any charity(ies) nominated by it but to no other person) the rights to any relevant conversion benefits which are defined below.

This obligation will not apply to me or may apply to me for less than five years if I fall within any class of persons, which, as at today's date, Yorkshire Building Society decides would be inappropriate to be bound by this assignment condition. This agreement is irrevocable and authorises Yorkshire Building Society to give the Foundation (or to any charity(ies) nominated by it) any such benefits without further notice to me.

I understand that neither Yorkshire Building Society nor the Foundation will release me from this agreement or vary its terms and I will continue to be bound by the above condition even if Yorkshire Building Society decides at some time in the future (and announces any such decision by press release) that it is no longer in the best interests of Yorkshire Building Society to continue with the above assignment condition generally in respect of new members.

2. "Relevant conversion benefits" means any benefits under the terms of any future transfer of Yorkshire Building Society's business to a company (i.e. on a conversion or take-over) which I might become entitled to as a member or depositor with Yorkshire Building Society at any time within five years immediately following the date on which this account is opened. Relevant conversion benefits does not include the statutory right to have shares in Yorkshire Building Society (including any balances on share accounts) converted into deposits with the company on a conversion or takeover.

If Yorkshire Building Society merges with any other society, after the date of such merger "Yorkshire Building Society" includes such other society.

3. I authorise Yorkshire Building Society to pass to the Foundation such information relating to me and all my accounts with Yorkshire Building Society as the Foundation may reasonably require in order to administer this agreement to assign and for no other purpose.

Our printed material is available in alternative formats e.g. large print, Braille or audio. Please visit us in branch or call us on **0345 1200 100**.

All communications with us may be monitored/recorded to improve the quality of our service and for your protection and security. Calls to 03 numbers are charged at the same standard network rate as 01 or 02 landline numbers, even when calling from a mobile. Yorkshire Building Society is a member of the Building Societies Association and is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Yorkshire Building Society is entered in the Financial Services Register and its registration number is 106085. Head Office: Yorkshire House, Yorkshire Drive, Bradford BD5 8LJ.

Yorkshire Building Society Charitable Foundation is a Registered Charity (No: 1069082) and a Registered Company (No:03545437). Registered Office: Yorkshire House, Yorkshire Drive, Bradford BD5 8LJ