

Charitable Assignment

Important information for new members



Why did we introduce Charitable Assignment?

Newbury Building Society is committed to remaining an independent, mutual building society run for the benefit of our members. Following a period where our normal business was disrupted by 'speculative investors', all new customers are required to assign any windfall conversion benefits to which they might become entitled to the Charities Aid Foundation (Registered Charity Number 268369). The Charitable Assignment scheme, effective from 21st February 2000, helps to meet the needs of our genuine savers and ensure service remains focused on our members' best long term interests.

In order to achieve this, new customers opening a savings account or being added to an existing savings account which gives membership of the Society are required to sign a declaration, included in our application forms, which assigns any windfall conversion benefits to which they become entitled to the Charities Aid Foundation. This agreement will last for the first five years of membership, after which the declaration will cease to have effect.

What do we mean by assigning benefits?

In general, all customers will sign away any possible investment windfall conversion benefits to which that member might become entitled to, to the Charities Aid Foundation, unless they have had continuous membership for 5 years.

What do we mean by windfall conversion benefits?

This means a benefit in the form of a distribution to shareholding members which may be paid in the unlikely event of any transfer of the Society to a company on conversion or takeover.

Can I choose my own charity?

Customers are not entitled to choose their own charity. The Charities Aid Foundation receives and administers charitable donations, which are distributed to other specific charitable organisations.

What is the Charities Aid Foundation?

The Charities Aid Foundation is a long established charity and its purpose is to make sure that giving to charities is as effective as it possibly can be. It has agreed to use any money received it has under the assignment scheme to support housing, education, health and the relief of social exclusion, within our operating area.

What if I was already a member?

The declaration is included on all investment application forms. However, if you were already a member on the effective date the declaration will not affect you at all.

Are there any exceptions?

Where an existing account has been opened for five years or more, the following are not classed as savings account opening transactions and are therefore exempt from the Charitable Assignment scheme:

- Transfer of an account of a deceased member to a personal representative
- Transfer of an account held for the benefit of a child, such as where a nominee is present, into the child's sole name
- Transfer of a club / unincorporated account to new office holders

Please note, the assignment relates to shareholding members only and not borrowing members.

Does this mean Newbury are planning to convert?

No, it is the Society's committed intention to continue being an independent mutual building society. These arrangements ensure we can deliver that value to all, without the need for high minimum investment levels to counter the disruptive actions of 'speculative investors'.

How can I get more information?

If you would like any further information contact our Head Office on 01635 555700 between 9:00am and 5:00pm on a business day.

If you need assistance receiving information, we can help.

We can provide our information in different ways if you:

- are visually impaired or have difficulty with understanding standard print.
- need assistance with completing forms or someone to talk to us on your behalf.
- need more time to respond to us because of your circumstances.

If you need extra support, please contact our customer service team and we'll do our best to help.

Phone: 01635 555700 | Email: enquiries@newbury.co.uk | Website: www.newbury.co.uk

Address: 90 Bartholomew Street, Newbury, Berkshire, RG14 5EE.

Newbury Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register number 206077). English Law applies and we will communicate with you in English. We are participants of the Financial Ombudsman Service. We have a complaints procedure which we will provide on request. Most complaints that we cannot resolve can be referred to the Financial Ombudsman Service. 9851