

Your account, the finer details...

The important information you need to know about us, our general investment conditions and a summary statement for the financial year 2015.

General Investment Conditions apply from 6th April 2016

Important information

Opening your account

To open an account at one of our branches or by post you will need to provide the following:

- 1 a completed and signed application form; and
- 2 a deposit for your investment (for postal applications, a personal cheque is preferred).

This Account is with Leeds Building Society and our Head Office is at 105 Albion Street, Leeds LS1 5AS. The Society's main business is the provision of savings products, mortgages and general insurance.

Verifying your identity

Under the Money Laundering Regulations and Financial Conduct Authority rules, we are required to verify the name, address and date of birth of customers. To do this, we will ordinarily use an electronic verification system.

For branch applications, you will also need to supply additional proof of your identity, preferably in the form of a full UK or EU photo driving licence or a valid UK or EU passport. For postal applications, you will need to supply a certified copy of one of the aforementioned documents and either an original or a certified copy of a utility bill which is less than 3 months old (not a mobile phone bill). For all our accounts, in some circumstances, you may need to provide additional forms of identification. For details of other forms of acceptable identification, please contact your local branch or call our Customer Helpline on 0113 225 7777.

Existing customers

If you already have an open account with us, you do not ordinarily need to provide any proof of your name or address. Please ensure you write your existing account number in the space provided on the application form.

How we are regulated

The Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority and our registration number is 164992.

You can check this on the Financial Services Register by visiting the FCA website at fca.org.uk/firms/systems-reporting/register or by contacting the FCA on 0800 111 6768.

Financial Services Compensation Scheme

Your eligible deposits with Leeds Building Society are protected up to a total of £75,000 by the Financial Services Compensation Scheme, the UK's deposit guarantee scheme. This limit applies to the total of all deposits held in a Leeds Building Society account in either the UK, Gibraltar and/or Ireland. Any deposits you hold above the limit are unlikely to be covered. Please contact the Society for further information or visit www.fscs.org.uk.

How to complain

We aim to provide a high quality service to customers at all times. Unfortunately mistakes do occur, but when this happens we shall do our best to resolve problems or misunderstandings that may arise. Should you need to refer a matter of complaint to us, details of the procedure are available from your local branch our Customer Helpline and on our website. Ultimately, your complaint may be referred to the Financial Ombudsman Service, Exchange Tower, Harbour Exchange Square, London E14 9SR.

How to contact us?

- Call us on 0113 225 7777 from 8am to 8pm seven days a week
- Telephone numbers for branches can be found on our website at leedsbuildingsociety.co.uk
- Write to us at Investment Services Department, Leeds Building Society, 105 Albion Street, Leeds LS1 5AS. Where you contact us in writing you must always include your Account Number otherwise the Society will not be able to deal with your request
- Visit a Leeds Building Society branch. Branches are usually open from 9am to 5pm Monday to Friday and from 9am to 1pm on Saturdays (Head Office branch is open until 4pm most Saturdays). Once a week, opening may be delayed by 30 minutes to allow for colleague training.

Security

The Society takes seriously the need to ensure security of your personal and financial information. Please quote your account number whenever you contact us by post or telephone. For your protection when you contact us by telephone, we will confirm with you some security details before we discuss any information.

If you are contacting us by email without using our secure email facility, please remember not to send any personal, financial or banking information because your information isn't secure.

Automated Payments can be made to your General Investment Account in the following ways:

- Faster Payment, BACS, Standing Order, CHAPS and IMO, quoting sort code 40-27-15, account number 12440040 and your Account number.

Automated Payments can be made from your General Investment Account in the following ways:

- CHAPS
- IMO
- Faster Payment (at product maturity only)
- Standing Order (where this is permitted by the Product Terms and Conditions)
- Direct Debits, quoting sort code 40-27-15, account number 12440040 and your Account number (where this is permitted by the Product Terms and Conditions).

General Investment Tariff of Fees and Costs

Copies of documents such as cheques or statements	£5 per item or page
Transfer of funds from your account by CHAPS	£20 per transfer
Transfer of funds from your account by IMO	£25 per transfer
Other charges may be applied to accounts that operate outside of the agreed account terms and conditions	These will be advised when charged

Introduction

You will find specific Product Terms and Conditions and information about how your Account works in the product literature for the Account you have chosen.

These General Investment Conditions are split into two sections:

Section 1: General Conditions which apply to your Account.
Section 2: Payment Services Conditions which only apply to transactions on your Account made using an Automated Payment.

If there is any conflict between Section 1 and Section 2 of these conditions, the conflict shall be resolved in accordance with the following order of precedence:

1. Section 1 (unless the conflict relates to a Payment Services Condition, in which case Section 2 shall prevail over Section 1); and
2. Section 2.

If there is a conflict between either Section 1 or Section 2 of these conditions and the Product Terms and Conditions then the Product Terms and Conditions will apply.

These conditions and the Product Terms and Conditions form a legal contract between you and us. You should read these documents carefully and keep them in a safe place for future reference.

Definitions

In these conditions, unless the context requires otherwise:

Account means your savings account.

Account Documents means your Passbook and/or any other document, which we have designated as an Account Document(s).

Attorney means any person who has legal authority to provide us with instructions regarding the operation of your Account and/or carry out transactions on your Account.

Automated Payment means any automated payment into your Account by BACS, Faster Payment, CHAPS, IMO or Standing Order or out of your Account by CHAPS, IMO or Faster Payment (at product maturity or where permitted by the Product Terms and Conditions) or Standing Order or Direct Debit (where this is permitted by the Product Terms and Conditions).

BACS stands for Bankers' Automated Clearing Services and is a way of electronically transferring funds from one account to another.

CHAPS stands for the Clearing House Automated Payment System and is the process for making electronic bank-to-bank sterling payments within the United Kingdom (also known as telegraphic transfers).

Costs means all our costs and expenses incurred because you fail to fulfil an obligation under these conditions.

Direct Debit is an instruction you give to a payee to collect an amount directly from your Account. You will not be able to make a payment from your Account by Direct Debit unless the Product Terms and Conditions state that Direct Debits are permitted.

Faster Payment is a way of electronically transferring funds from one account to another. Faster Payments from your Account are only permitted at product maturity or in accordance with the Product Terms and Conditions.

Fees means the fees we charge for any service we provide in connection with the Account including (but not limited to) the examples given in condition 22 (Fees and Costs).

General Investment Tariff of Fees and Costs means the Society's published list of Fees and Costs for the Account which will be provided to you before you open the Account. Further copies are available upon request.

IMO stands for International Money Order and is the process for making bank-to-bank payments (to or from) outside the UK.

Our Savings Accounts Rates and Features Leaflet means the Society's list of interest rates, a copy of which is available upon request.

Passbook means any Passbook we give or send to you to use with your Account.

Payment Account means an account we name as a Payment Account in the Product Terms and Conditions.

Payment Services Conditions means the conditions set out at Section 2 of these conditions.

Reference Rate means an externally set interest rate such as the Bank of England Base Rate.

Society means Leeds Building Society.

Standing Order means a payment from an account, usually on a regular basis, to a specified bank or building society account. You will not be able to make payments from your Account by Standing Order unless the Product Terms and Conditions state that Standing Orders are permitted.

We/our/us means the Society.

Working Day means any day which is not a Saturday, Sunday or English bank or public holiday.

You/your means the account holder(s) in whose name(s) the Account is held.

Section 1 General

1. Rights of enforceability

- 1.1 Only you or your personal representatives can enforce either these conditions or any other rights in respect of the Account against us.

2. Joint Accounts

- 2.1 An Account may be held by several people jointly. If the Account is held in joint names:
 - (a) all information regarding the Account will be sent to the first named account holder's registered address;
 - (b) liability to the Society is joint and several, meaning that each named account holder is responsible for all the obligations of the Account;
 - (c) if one account holder dies, the Account vests in the name(s) of the survivor(s) and will be automatically transferred to the other(s) on production of a death certificate or a certified copy of a death certificate;
 - (d) subject to condition 2.2 below, any account holder named on the Account will be able to withdraw money from the Account and give instructions as to the operation or closure of the Account without the authority of the other(s) (even in the event of a breakdown of the relationship of the joint account holders); and
 - (e) it is the responsibility of joint account holders who become subject to a breakdown in relationship, divorce or separation to give notice to the Society if they wish to change the operation of their Account (e.g. if a signatory is to be removed).
- 2.2 If you do not want us to accept either signature to provide instructions regarding the operation of the Account and/or carry out transactions on the Account you must give us written notice and we will amend your Account details accordingly.

3. Membership

- 3.1 Unless the Product Terms and Conditions state otherwise or you are not eligible for membership, your Account is a share account. This means that you will become a shareholding member of the Society through holding the Account.
- 3.2 If your Account is not a share account, it will be a deposit account which does not give you membership rights.
- 3.3 If you are a shareholding member, you are bound by the Rules of the Society. Copies of the Rules are available from your local branch, our Customer Helpline or on our website.
- 3.4 In accordance with the Society's Rules, where the Account is held in joint names only the first named account holder is entitled to exercise the rights of membership (such as voting and participation in any distribution of the Society's assets). Joint account holders may select which of them is to be the representative (i.e. first named) account holder.

4. Operating your Account

- 4.1 Your Account must always be kept in credit.
- 4.2 Your Account is held entirely on your own behalf and the Society need not accept notice of any rights to, or interest in the money in your Account.
- 4.3 Your Account Documents remain our property and must be returned to us upon request. We may need to request the return of your Account Documents to update your Account or for other reasonable purposes as we may notify you of from time to time.

5. Changes to your Personal Details

- 5.1 If you change your name, address, telephone number, or tax status/residency you must inform the Society as soon as possible by either:
 - 5.1.1 writing to the Society's Investment Services Department; or
 - 5.1.2 visiting your local branch.
- 5.2 If you are advising of a change of name, please enclose your Account Documents.
- 5.3 We may ask you to produce evidence of any such change.

6. Incapacity or Infirmary

- 6.1 If you are suffering from a mental disorder, or through mental infirmity arising from disease or age you are incapable of managing your affairs, then any person who in our reasonable opinion appears to be caring for you or managing your affairs may, with our consent, provide us with instructions regarding the operation of your Account and/or carry out transactions on your Account.
- 6.2 We will not give our consent until we have received appropriate legal documentation and we have complied with the necessary legal requirements, for example, receiving from the Court of Protection notice that it does not object to the consent.
- 6.3 We may require any person, appearing to us as having care of you or to be managing your affairs, to confirm that they will repay all claims, in respect of the amount withdrawn from the Account, where we reasonably consider this necessary to protect us.

7. Minimum/Maximum Operating Balance

- 7.1 Details of the minimum investment and operating balance and the maximum investment in respect of the Account will be set out in the Product Terms and Conditions. Details of the rate of interest which will apply, should your account balance fall below the minimum operating balance, will also be set out in the Product Terms and Conditions.

8. Payments into your Account

- 8.1 Any restrictions on the methods of payment into your Account will be set out in the Product Terms and Conditions.
- 8.2 Cash, cheques and postal orders can be paid in at any branch of the Society. Cheques and postal orders (but not cash) can also be sent to the Society by post. We are not responsible for cheques, postal orders or any other items lost in the post.

Payments into your Account by Cheque

- 8.3 When you pay a cheque into your Account:
 - (a) the cheque should be made payable to the account holder(s) or to Leeds Building Society. Where it is made payable to Leeds Building Society it should include on the payee line details of the Account number and/or name(s) of the account holder(s) to whom the cheque is being paid. For example, "Leeds Building Society re Mr A.B. Smith", or "Leeds Building Society re a/c no. 1234567890";
 - (b) we will not accept cheques that are payable only to Leeds Building Society unless they are drawn on an account which matches the name(s) of the account holder(s) on your Account;
 - (c) it will be credited to your Account, however may be returned unpaid due to lack of funds, the cheque being stopped, irregularities in the way the cheque has been completed or other reasons as determined by the bank on which the cheque has been drawn. In such circumstances the Society will debit the value of the cheque from your Account;

- (d) any cheque will be deemed as being out of date and will not be accepted if it is presented more than six months after it is dated.

Foreign Currency

- 8.4 You may not pay in money in a currency which is not legal tender in the UK. Payments into your Account cannot be accepted if made by way of:
 - (a) foreign currency (except by way of IMO in accordance with condition PS. 1.9 of the Payment Services Conditions in Section 2);
 - (b) foreign currency travellers cheques;
 - (c) cheques from foreign banks; or
 - (d) cheques in a foreign currency.

9. Withdrawals

- 9.1 Subject to there being sufficient funds in your Account, there is a maximum cash withdrawal limit of £300 per day unless otherwise agreed with us in advance.
- 9.2 Subject to any restrictions detailed in the Product Terms and Conditions, you can only make withdrawals from your Account in the following ways:
 - (a) cash (subject to condition 9.1 above);
 - (b) Automated Payment;
 - (c) cheque;
 - (d) internal transfer to another Society account.
- 9.3 All withdrawals must be authorised by you or your Attorney in advance.
- 9.4 You may be asked to produce confirmation of your identity before the transaction is carried out and a withdrawal is not authorised by you until this confirmation has been provided to us.
- 9.5 We will debit your Account with the amount of:
 - (a) all cash withdrawals from your Account;
 - (b) any Automated Payments you have instructed us to pay and have authorised. Specific provisions about the execution of Automated Payments on the Account are set out in the Payment Services Conditions in Section 2;
 - (c) cheques paid into your Account which are subsequently returned unpaid;
 - (d) any Fees and Costs which are incurred in the operation of your Account;
 - (e) any loss or expense which the Society suffers in connection with your Account as a direct consequence of a breach by you of these conditions and/or the Product Terms and Conditions;
 - (f) any sum taken from your Account in accordance with condition 27 (Set Off);
 - (g) any other transaction which you have authorised.
- 9.6 You may not withdraw funds against a cheque until the money has reached your Account (cleared) in accordance with the central clearing cycle operated by banks.
- 9.7 A cheque deposited to your Account will be available for withdrawal no later than the sixth Working Day after the cheque is paid in at a branch or the sixth Working Day after the cheque is received at the Society's Head Office. Cheques received after 3.30pm will be held over until the next Working Day before being processed.
- 9.8 By the end of the sixth Working Day (as detailed at 9.7 above), you can be certain that the money is yours and cannot be reclaimed without your permission (as long as you are not party to any deliberate fraud).
- 9.9 Maximum building society cheque withdrawal limits may apply. Ask at your local branch or contact our Customer Helpline for details.
- 9.10 We are not obliged to stop payment of a building society cheque issued from your Account, unless it is returned to us for cancellation before being presented for payment.
- 9.11 We reserve the right to refuse to pay a building society cheque where the cleared balance in your Account is insufficient and payment would cause the Account to become overdrawn.

10. Blocking the Account/a payment

- 10.1 We can refuse to carry out any transaction on the Account in the following circumstances:
- (a) if we reasonably believe that you or someone else is using the Account illegally or fraudulently;
 - (b) we are required to do so by law;
 - (c) you are subject to a bankruptcy order or administration order or you have entered into a voluntary arrangement with your creditors or where we reasonably believe that any of these are likely to happen;
 - (d) the relationship between you and us has irretrievably broken down (for example you have been threatening or abusive to our colleagues);
 - (e) there is a dispute (which we reasonably believe to be genuine) about the ownership or entitlement to the money in the Account;
 - (f) you are in breach of these conditions and/or the Product Terms and Conditions;
 - (g) we intend to use our right of set off as per condition 27;
 - (h) we need to contact you to verify the validity of the instructions;
 - (i) we need to contact you to clarify the instructions;
 - (j) we need to verify the identity or authority of any person attempting to carry out the transaction on the Account or who informs us that they are acting for you;
 - (k) there are insufficient cleared funds in the Account to cover the amount of the payment;
 - (l) the terms of the payee's account prevent completion of the Automated Payment;
 - (m) there are technical issues which prevent us from executing the Automated Payment; and/or
 - (n) circumstances beyond our reasonable control prevent us from offering a normal service (such as computer failure or industrial action).
- 10.2 If an Account is blocked for any of the reasons listed in conditions 10.1 (a) to (g), you will not be able to make deposits or withdrawals. If the account is blocked for any other reason then we may not allow you to make deposits or withdrawals.
- 10.3 Where we have refused to authorise an Automated Payment for any of the reasons listed above, we will notify you in accordance with condition PS.3 of the Payment Services Conditions in Section 2.

11. Refusal to carry out transactions by the Society

- 11.1 We can also refuse to carry out a transaction on your Account where we have asked you to provide identification documents or any other information to prove your identity or the authenticity of such information to ensure we are meeting our regulatory obligations, including the prevention of financial crime and/or fraud.

12. Interest Payments

- 12.1 Interest will be paid on any credit balance on your Account at the rate set out in the Product Terms and Conditions.
- 12.2 Where you pay in a cheque, interest is calculated from the second Working Day after the cheque is paid in at the branch or the second Working Day after the cheque is received at the Society's Head Office. Cheques received after 3.30pm will be held over until the next Working Day before being processed.
- 12.3 When you have paid cash into your Account, made an Automated Payment or transferred monies from another account with the Society, interest is paid from the day of receipt of payment.
- 12.4 Interest payments are ordinarily calculated several days in advance of the actual payment. If transactions occur after the preparation of the interest calculation they will not be taken into account until the next interest payment date. It may be necessary to adjust your capital balance to compensate for any overpayment or underpayment of interest if withdrawals or deposits have taken place in this period.

13. Our right to change interest rates

- 13.1 We can change the interest rate on your Account at any time if:
- (i) we reasonably believe that the change is to your advantage;

- (ii) it is needed for any one or more of the following reasons (which may relate to circumstances existing at the time or those which are expected to apply in the near future):
 - (a) to respond, in a proportionate manner, to changes in the Bank of England Base Rate or any other Reference Rate;
 - (b) to enable us to manage margins between interest rates charged to our borrowers and interest rates paid to our investors, or the providers of funds to us, in the interests of our customers as a whole;
 - (c) to respond, in a proportionate manner, to any increase or reduction in costs reasonably incurred by the Society in operating its personal savings business;
 - (d) to enable us to harmonise, in a reasonable manner having regard to the interests of all of our investors, the interest rates being paid to investors following any acquisition or transfer of deposit or savings accounts or any takeover of, or merger with another savings provider or deposit taker;
 - (e) to respond, in a proportionate manner, to changes in the law or the interpretation of the law, decisions or recommendations of an Ombudsman, regulator or similar person, or any code of practice with which we intend to comply with; or
 - (f) for any other valid reason where we believe the change is appropriate.

14. Notice of change in interest rate

- 14.1 Depending on the nature of the change and the type of account you have we will give you notice of the change as set out below:
- 14.1.1 (i) Where the change is made for any of the reasons listed at 13.1(ii) (a) to (e) and the change is a disadvantageous change of a material nature (as defined below) then:
- (a) we will give you at least 14 days advance written notice to the last address known to us (unless you are required to give more than 14 days notice to close your Account in which case we shall give you an equivalent period of notice); and
 - (b) you will have a minimum of 30 days from the date of notification to close your Account without notice, loss of interest and without any Fees and/or Costs for withdrawal which would otherwise be due.
- (ii) A disadvantageous change of a material nature is when:
- (a) the interest rate on the Account falls in a single movement by more than 0.25%; and
 - (b) the Account has a balance of £500 or more at the time the decision is taken to change the interest rate; or
 - (c) a single interest rate fall of 0.25% or less will result in there having been a cumulative downward movement of the Account's interest rate over the preceding 12 months of 0.50% or more; and
 - (d) the Account has a balance of £500 or more at the time the decision is taken to change the interest rate which results in the cumulative downward movement of 0.50% or more.
- 14.1.2 Where the change is made for any other valid reason which we believe is appropriate (as per condition 13.1 (ii) (f)) then:
- (a) we will give you reasonable written advance notice to the last address known to us;
 - (b) we will confirm that the change is made under this condition 14.1.2;
 - (c) from the date that you receive notice of the change you will have a minimum of 60 days to close your Account (or if greater, a period of time equal to your notice period to close your Account) without notice, loss of interest and without any Fees and/or Costs for withdrawals which would otherwise be due.
- 14.1.3 Where the change is:
- (a) to your advantage; or
 - (b) linked to a Reference Rate and the change in the interest rate is as a result of a change in the Reference Rate; or

- (c) not a disadvantageous change of a material nature (as per condition 14.1.1 above) and we have a valid reason for making the change as listed at condition 13.1 (ii) (a) to (e);

then the change will be applied to your Account immediately and will be publicised on our website and in our branches, unless your account can only be operated by post, in which case we will provide you with individual notice in accordance with any relevant laws and regulations.

- 14.1.4 Where your account is a Payment Account, we can make changes to your interest rate by writing to you at least two months' in advance of a change to the last address known to us. We can make this change for one of the reasons set out in conditions 13.1 (ii) (a) to (f). If you do not agree to the change you can close your Account. If you notify us that you do not accept the change, we will take this as notification that you wish to close your Account immediately.

This condition does not however apply where:

- (a) the change is to your advantage; or
- (b) the rate of interest on your Account is linked to a Reference Rate and a change in the interest rate is as a result of change in the Reference Rate; which will instead be applied to your Account immediately and will be publicised on our website and in our branches.

15. Interest Payments and Tax

- 15.1 Interest will be paid gross, without the deduction of income tax. Payment of gross interest does not imply that the interest you receive is exempt from tax. It is your responsibility to advise the appropriate tax authorities of any interest received.

16. Account closures

16.1 Cooling Off

- 16.1.1 From the date of Account opening, or (if later) the date you receive these Account conditions and the Product Terms and Conditions on paper or electronically, you have 14 days to notify us (in writing) at Investment Services Department, Leeds Building Society, 105 Albion Street, Leeds LS1 5AS if you are not happy with your choice of account. Within that period we will, if instructed by you, refund your investment with interest from Account opening, or subject to eligibility, transfer the investment to another account of your choice without applying any Fees, Costs or other charges associated with early withdrawal which would otherwise be due.

16.2 Closing your Account

- 16.2.1 If you wish to close your Account you must:

- (a) provide us with notice;
- (b) return your Account Documents; and
- (c) pay all amounts you owe us on your Account, including any Fees and Costs due. In relation to some accounts such as fixed term investments, the Product Terms and Conditions may impose restrictions or further conditions upon closing the Account which you must comply with.

16.3 Closure of your Account by the Society

- 16.3.1 Where your Account is not a Payment Account and the investment has not been accepted for a fixed term which has not yet expired, we can at our discretion close your Account and terminate this agreement at any time by giving you at least one months' written notice to the last known property address (unless you are required to give more than one months' notice to close your Account in which case we shall give you an equivalent period of notice).

- 16.3.2 Where your Account is a Payment Account, we can at our discretion close your Account and terminate this agreement at any time by giving you at least two months written notice to the last known property address.

- 16.3.3 We can close your Account immediately (regardless of whether your Account is a Payment Account and/or the investment has been accepted for a fixed term which has not yet expired) in the following circumstances:

- (a) we receive notice of your death or bankruptcy; and/or
- (b) where you have materially breached these conditions and or the Product Terms and Conditions (unless in our reasonable opinion the breach is capable of remedy upon which we will provide you with notice of the breach and grant you with a reasonable period to remedy the breach before closing your Account); and/or
- (c) where the relationship between you and us has irretrievably broken down (for example, you have been violent or abusive to our colleagues).

- 16.3.4 If we close your Account and terminate this agreement in accordance with condition 16.3 above:

- (a) we will return your investment including any interest we owe you up to the date of closure; and
- (b) you must return your Account Documents and pay all amounts you owe us on your Account, including any Fees and Costs due.

17. Unclaimed Balances

- 17.1 If your Account has a balance of less than £100 and has not been used to deposit or withdraw money for three years or more, we can close the Account and retain the balance if we cannot trace you after reasonable enquiry. If you then contact us at a later date requesting that the Account be re-opened we shall not unreasonably refuse such a request (providing that you supply us with satisfactory proof of your identity). If we agree to re-open the Account you will not have continuous membership. We may also change the Account to a different account type, and credit interest accordingly, or repay the Account balance to you with interest.

18. Dormant Account

- 18.1 If you have money in a dormant Account, this will always be your property, or if you die, it will become part of your estate no matter how many years have passed.
- 18.2 We can close your Account and transfer the money to the Reclaim Fund under the Dormant Bank and Building Society Accounts Act 2008 if:
 - (a) we have not been able to find you after making reasonable attempts; and
 - (b) you have not taken any money out of your Account or paid any money into it for the past 15 years.
- 18.3 If we close your Account in accordance with condition 18.2 above we will re-open the Account if:
 - (a) you ask us to and you have provided us with satisfactory proof of your identity; or
 - (b) we think it is reasonable to re-open it.

If we re-open your Account, we will pay back any money which was in the Account when we closed it, together with any interest which the money would have earned if the Account had stayed open. We will reclaim this money back on your behalf from the "Reclaim Fund" under the Dormant Bank and Building Society Accounts Act 2008.

19. Loss, theft and use of your Account Documents

- 19.1 You should check your Account Documents regularly. If you discover that an Account Document(s) is/are missing, lost, stolen or might be being used by someone else you must tell us as soon as possible by contacting your local branch or our Customer Helpline on 0113 225 7777.
- 19.2 In the case of lost or stolen Account Documents you will be issued with new Account Documents after you have given such evidence of loss and proof of your identification as we may reasonably require.
- 19.3 We will accept telephone notification of lost Account Documents but you must also write to Leeds Building Society, 105 Albion Street, Leeds LS1 5AS, to confirm that the Account Documents have been lost or stolen and your instructions.
- 19.4 We will not order replacement Account Documents until we have received your written confirmation in accordance with condition 19.3 above.
- 19.5 If you subsequently find your Account Documents and these are recovered you must immediately return these to the Society.

19.6 We may give the police or any other prosecuting authority any information we consider relevant.

19.7 You must not use any Account Documents once you have reported these lost or stolen.

20. Disputed Transactions

20.1 You must check your statements/Account Documents regularly and tell us as soon as possible of any disputed transaction. Where a disputed transaction relates to an Automated Payment please see conditions PS.5 and PS.6 of the Payment Services Conditions in Section 2.

20.2 In the case of any disputed transaction, the burden of proving fraud or that you acted without reasonable care, or that the Account Documents have been received by you, will lie with us. In such cases, we shall expect you to co-operate with us in our investigations.

21. Statements

21.1 Statements will be issued on request or at least annually for all Accounts (except where the Account is a Passbook or a certificate type account where statements will be issued on request). We may charge for duplicate requests, please see our General Investment Tariff of Fees and Costs.

22. Fees and Costs

22.1 The Society will not charge for the normal use of cheques or Automated Payments (except for CHAPS and IMOs), debited to the Account.

22.2 The Society reserves the right to apply Fees and Costs, if:

- (a) the Society provides other services to you in connection with your Account (as set out in our General Investment Tariff of Fees and Costs); or
- (b) you do not comply with these conditions and/or the Product Terms and Conditions.

Where a Fee is charged because you ask us to provide a service in connection with the Account (whether to you or anyone else) and the amount of the Fee is set, it may only be changed in accordance with conditions 23 and 24.

22.3 Where a Fee for a particular service is not set out in our General Investment Tariff of Fees and Costs, we will tell you the Fee for any other service or product before we provide that service or product and at any time you ask.

22.4 Where we incur a Cost because you have failed to fulfil an obligation under these conditions and/or the Product Terms and Conditions, you must pay us all reasonable Costs which we reasonably incur as a result of your failure.

23. Changes to Fees and/or Costs

23.1 Unless your Account is for a fixed term, we can at any time vary the Fees and/or Costs set out in our General Investment Tariff of Fees and Costs (in accordance with the notice provisions in condition 24) for any one or more of the following reasons (which may relate to circumstances existing at the time or those which we reasonably expect to apply in the near future):

- (a) to respond, in a proportionate manner, to changes in the expenses which we reasonably incur in carrying out the relevant activities;
- (b) to respond, in a proportionate manner, to changes in the law or the interpretation of the law, decisions or recommendations of an Ombudsman, regulator or similar person, or any code of practice with which we intend to comply;
- (c) to enable us to harmonise, in a reasonable manner having regard to the interests of our investors, the Fees and Costs concerned following any acquisition or transfer of deposit or savings accounts or any takeover of, or merger with, another deposit taker or savings provider.

24. Notice of changes to the Fees and/or Costs

24.1 We can vary the Fees and/or Costs as per condition 23.1 by giving you at least two months' notice in writing at the last address known to us.

24.2 Where we give you notice of a change under condition 24.1, the change will automatically take effect unless your Account is for a fixed term period, **in which circumstance** the change will take effect at the end of the fixed term (or, if later, two months' from the date of receipt of the notice).

24.3 You will be taken to have accepted the change unless you notify us in writing at Investment Services, Leeds Building Society, 105 Albion Street, Leeds LS1 5AS, that you do not agree to the change as soon as possible and in any event before the end of the two month period.

24.4 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 and you may do so without notice or loss of interest and without paying any Fees and/or Costs for withdrawal which would otherwise be due.

25. Changes/variations to these conditions

Section 2, condition PS.7 will apply to any change to the Payment Services Conditions. Otherwise, the provisions of this condition 25 will apply to the variation of the conditions of your Account (including the Product Terms and Conditions).

- 25.1 We may change/vary these conditions, including the level of any bonus payments, at any time if the change is to your advantage, or for any of the following reasons:
- (a) to respond, in a proportionate manner, to changes in the products or services we provide or the way we provide these;
 - (b) to respond, in a proportionate manner, to changes in the law or interpretation of the law, decisions or recommendations of an Ombudsman, regulator or similar person, or any code of practice with which we intend to comply;
 - (c) to enable us to harmonise, in a reasonable manner having regard to the interests of all of our investors, the conditions of your Account following any acquisition or transfer of deposit or savings accounts or any takeover of, or merger with, another deposit taker or savings provider; and/or
 - (d) to correct any typographical errors or to make these conditions clearer and more easily understood.

Changes to your advantage

25.2 Where we make a change to these conditions that is to your advantage, then the change will be made immediately and will be publicised on our website and/or in our branches within 30 days of the change or we will notify you in writing within a reasonable time of such change.

Changes to your disadvantage

- 25.3 Where we make a change to these conditions (including the level of any bonus payments) that is to your disadvantage for any reason listed in condition 25.1:
- (a) we will give you written notice to the last address known to us at least 30 days before the change is to take effect; and
 - (b) you will have a minimum of 60 days to close your Account, or if greater, a period of time equal to your notice period to close your Account without notice, loss of interest and without any Fees and/or Costs for withdrawal which would otherwise be due.

26. Liability

26.1 Your maximum liability for unauthorised payments is £50, provided you have properly notified us in accordance with condition 19.1 if you believe your Account Documents are missing, lost, stolen or might be being used by someone else (unless it is used on your behalf).

26.2 Unless you have been fraudulent or negligent, you will not be liable for any losses incurred in respect of unauthorised transactions:

- (a) occurring after notification of the loss of your Account Documents under condition 19.1; or
- (b) where we failed to provide a notification process to allow you to report the potential misuse of your Account Documents unless the failure to provide the service was beyond our reasonable control; or
- (c) before you received any Account Documents.

- 26.3 Your liability will be unlimited where you have acted fraudulently, been negligent or you have failed to comply with condition 19.1.
- 26.4 We will not be liable for any loss you may suffer of any kind whatsoever if we are unable to operate your Account or fulfil our obligations to you because of any abnormal or unforeseeable circumstances beyond our control for example, delays or failures caused by industrial action, problems with another system or network or mechanical breakdown.
- 26.5 We cannot limit our liability for acting fraudulently or very carelessly, or otherwise exclude or limit our liability to the extent we are unable to do so by law.

27. Set Off

- 27.1 We may use any money in your Account towards payment of any money that you owe us either as a sole or joint debt (for example, under a mortgage) which is due for payment but which has not been paid. This is known as our right of set off.
- 27.2 We can use our right of set off, when your Account is in your sole name as well as joint accounts you hold with another person.
- 27.3 If we propose to use our right of set off we will contact you at least 14 days beforehand to notify you this. During this notice period your Account will be blocked in accordance with condition 10 (g).
- 27.4 Once we have used our right of set off, that money will belong to the Society and you will not be entitled to interest or any bonus (if applicable) on those funds.

28. Confidentiality

- 28.1 We will only give personal details or details of your Account to anyone else if:
- you have specifically requested or consented to the disclosure; or
 - the law permits or requires us to do so; or
 - our interests make disclosure necessary; or
 - we have a public duty to disclose.

29. General

- 29.1 Where necessary, any word in these conditions which is in the singular shall also be read as in the plural and any word which is in the plural shall also be read as if it was in the singular.
- 29.2 These conditions and the Product Terms and Conditions constitute a legal agreement between the Society and you and govern the conduct of your Account.
- 29.3 Any failure by the Society to enforce any of its rights against you on one occasion, whether in whole or in part, should not be regarded as a waiver of the Society's rights to enforce these obligations on any other occasion whether in whole or in part.
- 29.4 Each of the provisions of these conditions and the Product Terms and Conditions is severable and distinct from the others and if at any time one or more of such provisions becomes illegal, invalid or unenforceable, this will not impair or affect the legality, validity or enforceability of the remaining provisions.
- 29.5 A reference to a statute, statutory provision or subordinated legislation is a reference to it as it is in force from time to time, taking account of any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.

30. Applicable law and jurisdiction

- 30.1 The relationship between you and the Society is based upon the laws of England and Wales.
- 30.2 These conditions and the Product Terms and Conditions are subject to the laws of England and Wales, and the courts of England and Wales shall have exclusive jurisdiction.
- 30.3 These conditions and the Product Terms and Conditions and all documentation relating to your Account are supplied in English. All communications issued by the Society will be in English.

Section 2

Payment Services Conditions

The provisions of this Section 2 apply only to transactions made by way of Automated Payment on your Account.

Automated Payment means:

- any automated payment into your Account by BACS, Faster Payment, CHAPS, IMO or Standing Order; or
- any automated payment out of your Account by CHAPS, IMO or Faster Payment (at product maturity or where permitted by the Product Terms and Conditions) or Standing Order or Direct Debit (where this is permitted by the Product Terms and Conditions).

PS.1. Transactions/Automated Payments from the Account

- PS.1.1 Payments from the Account must be authorised by you by:
- providing the relevant Account Documents or Account details; and
 - completing any necessary formalities as requested by us to complete an Automated Payment on the Account.
- PS.1.2 In the event that an Automated Payment is not authorised in accordance with condition PS.1.1, you may authorise the payment after it has been made by providing consent to us verbally or in writing.
- PS.1.3 Where appropriate, the authorisation can include authorising any single payment, a series of recurring payments (including payments for an indefinite period such as a regular Standing Order) or pre-authorising a future payment of an uncertain amount, such as a Direct Debit.
- PS.1.4 Where we receive your instructions and authorisation before 3pm, we will treat your instructions to make the payment as having been received that day.
- PS.1.5 For any instructions and authorisation received after 3pm, or received by us on a non-Working Day, your instructions and authorisation will be treated as having been received by us on the next Working Day.
- PS.1.6 Where you have instructed and authorised us to make an Automated Payment out of your Account the money will be available to the payee:
- (a) within 1 Working Day after we receive your instructions (unless the Automated Payment is initiated by way of a paper-based authorisation process);
 - (b) where the Automated Payment is initiated by a paperbased authorisation process, within 2 Working Days after we receive your instructions;
 - (c) for Automated Payments transmitted from the United Kingdom to another country within the European Economic Area, where the payment transaction is not in sterling or euro, within 4 Working Days after we receive your instructions; and
 - (d) for Automated Payments transmitted outside the European Economic Area, these timings do not apply. Please ask at your local branch or call our Customer Helpline for details.

Withdrawing your authorisation/instructions

- PS.1.7 Once we have received your instructions, your authorisation may not be withdrawn (or revoked) except for future payments.
- PS.1.8 In respect of future payments (such as future Standing Order payments or Direct Debit instructions) your instructions/authorisation may be withdrawn upon notice to us and to the payee (where relevant) provided the notification of cancellation is received by us no later than close of business on the Working Day before the date set for execution.

IMO Payments

- PS.1.9 If you receive money into your Account by IMO in a foreign currency we will change the amount of the payment into pounds sterling on the date that we receive it into your account. If you pay money out of your Account by IMO in sterling we will change the amount of the payment into the appropriate currency on the date of the withdrawal. We may also make a charge for this service as set out in the General Investment Tariff of Fees and Costs. We can make immediate changes to the exchange rate used to convert foreign currency. Details of the applicable current exchange rate can be obtained by calling our Customer Helpline on 0113 225 7777.

Standing Orders

- PS.1.10 If you wish to set up a Standing Order you will need to provide your instructions in writing or by attending your local branch.
- PS.1.11 Where you are setting up a Standing Order to pay someone for the first time, your instructions and authorisation will not be treated as having been received until we have completed our process for setting up the payment.

PS.2. Payments into your Account by Automated Payment

- PS.2.1 When money is paid into your Account by Automated Payment, and provided the payment is received by us prior to 3pm on a Working Day you will be able to withdraw the funds that day, subject to our normal opening hours, details of which are available from your local branch or on our website. Otherwise, you will be able to withdraw the funds on the next Working Day, subject to our normal opening hours.

PS.3. Blocking the Account

- PS.3.1 We can refuse to carry out any Automated Payment on the Account for any of the reasons set out in condition 10 of the General Conditions in Section 1. If an Account is blocked for any of the reasons listed in conditions 10(a) to (g) of the General Conditions in Section 1, it will not be possible to make deposits or withdrawals. If the account is blocked for any other reason then we may not allow you to make deposits or withdrawals.
- PS.3.2 Provided it would not be unlawful for us to tell you why we refused to authorise an Automated Payment, 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 day by which the funds should have been available to the payee under condition PS.1.6. Following receipt of this notification you can visit your local branch or call our Customer Helpline for details of how to rectify any issues.

PS.4. Liability

- PS.4.1 Where an Automated Payment is properly authorised by you in accordance with condition PS.1.1, we are responsible for its correct execution unless we can prove that the error was due to the fault of the payee's bank or building society.
- PS.4.2 Where we are liable for an incorrectly executed Automated Payment out of your Account we will restore your Account to the position in which it would have been had the defective payment not taken place in accordance with condition PS.5. Where we are liable for the misallocation of funds into your Account we will restore your Account to the position it would have been in if the payment had been correctly allocated.
- PS.4.3 Where you wrongly identify the person and/or account (including account number and sort code) to which an Automated 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.

PS.5. Refunds

- PS.5.1 You may be entitled to claim a refund in relation to an Automated Payment where:
- (a) the payment was not authorised by you in accordance with condition PS.1.1; or
 - (b) we are responsible for the transaction which has been incorrectly executed and you have notified us in accordance with condition PS.5.3.
- PS.5.2 Direct Debit refunds will be made in accordance with the UK Direct Debit Scheme Rules and the UK Direct Debit Guarantee.
- PS.5.3 If you become aware of an Automated Payment which has not been properly authorised or has been incorrectly executed on the Account you must notify us by calling our Customer Helpline on 0113 225 7777. 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 Automated Payment. If you do not notify us within these timescales you will not be entitled to a refund under this condition PS.5.

- PS.5.4 If you are entitled to a refund we will reimburse you for any interest and charges you have incurred as a result of the incorrect execution. We will not be responsible for any losses which are not a direct consequence of our incorrect execution of the Automated Payment, for example, any loss of profits.
- PS.5.5 In the case of a disputed Automated Payment the burden of proving fraud or negligence will lie with us.

PS.6. Transactional Information

- PS.6.1 If you require any of the following information regarding an Automated Payment or any additional information about Automated Payments, please contact our Customer Helpline on 0113 225 7777:
- (a) details of the payment into and out of the Account including a reference enabling you to identify the transaction (and, where appropriate, information relating to the payee);
 - (b) the amount of the transaction;
 - (c) any charges for the transaction; and
 - (d) the date of the payment into or out of the Account.

PS.7. Variation of the Payment Services Conditions

- PS.7.1 Where we make a change to these Payment Services Conditions, we will give you at least two months' written notice to the last address known to us.
- PS.7.2 Where we give you notice of a change under condition PS.7.1, 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 notify us that you do not accept a change, we will take this as notification that you wish to stop using the functionality to make Automated Payments on your Account immediately. If you subsequently use the functionality to make Automated Payments on your Accounts again, you will be deemed to have accepted the change.

PS.8. General

- PS.8.1 Conditions 29 and 30 of the General Conditions in Section 1 shall apply as appropriate.

Leeds Building Society is a member of the Building Societies Association. The Society is covered by the Financial Ombudsman Service. We may monitor and/or record your telephone conversations with the Society to ensure consistent service levels (including colleague training).

The Society offers some investment products that may be operated through branches and by post and certain products which can be operated by post only.

Other taxes or costs may exist that are not paid by Leeds Building Society.

Summary financial statement

For the year ended 31 December 2015

The Directors have pleasure in presenting the Summary Financial Statement of the Society and its subsidiaries ('the Group') for the year ended 31 December 2015. The Statement is a summary of information published in the audited Annual Accounts, Directors' Report and Annual Business Statement, all of which are available to members and depositors, free of charge, on request at any branch from 30 March 2016, or from the Society's website (leedsbuildingsociety.co.uk).

The Independent Auditor's Report on the Society's full Annual Report and Accounts was unqualified.

Approved by the Board of Directors on 23 February 2016 and signed on its behalf by:



Robin Ashton
Chairman



Peter Hill
Chief Executive Officer



Robin Litten
Chief Financial Officer

Summary Financial Statement

Results for the year 2015

	2015 €M	2014 €M
Net interest receivable	207.5	184.8
Other income and charges	12.3	14.0
Fair value gains less losses on financial instruments	(0.9)	(0.4)
Administrative expenses	(79.7)	(66.2)
Impairment losses	(18.5)	(39.5)
Investment property fair value movement	(3.4)	-
Provisions for liabilities and charges	(8.8)	(11.8)

Operating profit before exceptional item

Pension curtailment gain	-	7.0
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Profit for the year before tax

Taxation	(19.6)	(18.5)
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Profit for the year

88.9 **69.4**

Financial position at the end of the year

Assets

Liquid assets	1,676.7	1,584.2
Mortgages	11,312.0	10,018.1
Other loans	232.3	242.8
Derivative financial instruments	104.9	120.4
Fixed and other assets	180.7	165.7

Total assets

13,506.6 **12,131.2**

Liabilities and equity

Shares	9,932.9	9,181.6
Borrowings	2,531.0	1,971.0
Other liabilities	91.4	91.7
Derivative financial instruments	135.7	155.7
Subordinated liabilities	-	0.9
Subscribed capital	25.0	25.0
Equity	790.6	705.3

Total liabilities and equity

13,506.6 **12,131.2**

Summary of Key Financial Ratios

Gross capital as a percentage of shares and borrowings	6.55%	6.52%
Liquid assets as a percentage of shares and borrowings	13.45%	14.20%
Profit for the financial year as a percentage of mean total assets	0.69%	0.60%
Management expenses as a percentage of mean total assets	0.62%	0.57%

Notes to Summary Financial Statement

Gross capital as a percentage of shares and borrowings

The gross capital ratio measures the proportion that the Group's capital bears to the Group's liabilities to holders of shares and borrowings. The Group's capital consists of profits accumulated over many years in the form of general reserves together with other reserves, revaluation reserves, subordinated liabilities and subscribed capital which cannot be repaid in priority to ordinary investors. Capital provides a financial cushion against difficulties that might arise in the Group's business and, therefore, protects investors.

Liquid assets as a percentage of shares and borrowings

The liquid assets ratio measures the proportion that the Group's assets held in the form of cash, short term deposits and other securities bears to the Group's shares and borrowings. Liquid assets are generally readily realisable, enabling the Group to meet requests by investors for withdrawals from their accounts, to make new mortgage loans to borrowers and to fund its general business activities.

Profit for the year as a percentage of mean total assets

The profit/assets ratio measures the proportion that the Group's profit after taxation for the year bears to the average of the Group's total assets during the year. The Group needs to make a reasonable level of profit each year in order to maintain its capital ratios at a suitable level to protect investors.

Management expenses as a percentage of mean total assets

The management expenses ratio measures the proportion that the Group's administrative expenses bear to the average of the Group's total assets during the year. Management (or administrative) expenses consist mainly of the costs of employing staff, running the Group's branches, information technology costs, advertising and other office costs. Expenses need to be controlled so that the Group operates as efficiently as possible while providing the service that members require.

Notes from Auditor's Report

Independent auditor's statement to the members and depositors of Leeds Building Society

We have examined the Summary Financial Statement for the year ended 31 December 2015 which comprises the results for the year, financial position at the end of the year and summary of key financial ratios together with the summary Directors' Report.

This report is made solely to the Society's members, as a body, in accordance with Section 76(5) of the Building Societies Act 1986.

Our work has been undertaken so that we might state to the Society's members those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members as a body, for our audit work, for this report, for our audit report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors are responsible for preparing the Summary Annual Report containing the Summary Financial Statement, in accordance with applicable United Kingdom law.

Our responsibility is to report to you our opinion on the consistency of the Summary Financial Statement within the Summary Annual Report with the full Annual Report and Accounts, Annual Business Statement and

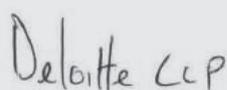
Directors' Report and its conformity with the relevant requirements of Section 76 of the Building Societies Act 1986 and regulations made under it.

We also read the other information contained in the Summary Annual Report containing the Summary Financial Statement as described in the contents section and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the Summary Financial Statement.

We conducted our work in accordance with Bulletin 2008/3 issued by the Auditing Practices Board. Our report on the Society's full Annual Report and Accounts describes the basis of our audit opinion on those financial statements.

Opinion

In our opinion the Summary Financial Statement is consistent with the full Annual Report and Accounts, the Annual Business Statement and Directors' Report of Leeds Building Society for the year ended 31 December 2015 and complies with the applicable requirements of Section 76 of the Building Societies Act 1986 and regulations made thereunder.



Deloitte LLP

Chartered Accountants and Statutory Auditors
Leeds, United Kingdom
23 February 2016

Leeds Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority and our registration number is 164992. You can check this on the Financial Services Register by visiting the FCA website at www.fca.org.uk/firms/systems-reporting/register or by contacting the FCA on 0800 111 6768.

We may monitor and/or record your telephone conversations with the Society to ensure consistent service levels (including colleague training).

Large text, Braille and audio tape versions of our brochures are available on request.

Head Office: 105 Albion Street, Leeds LS1 5AS.

Let's talk

Pop into your local branch

leedsbuildingsociety.co.uk/find-a-branch

Call **0113 225 7777** 8am - 8pm, 7 days a week