

Your Online Account

The important information you need to know about opening and maintaining your account online and a summary statement for the financial year 2016.

Online Conditions apply from 13 January 2018

Online Accounts

The important information you need to know about opening and maintaining an account online.

Opening your account/Identification and verification

Under regulations for the prevention and detection of financial crime, we have a responsibility to verify the identity of each applicant before opening a new account, and this can sometimes apply for existing customers.

To do this we use an electronic verification system, if this is successful then that's all we need to do and you will be able to open your account online and make your initial deposit by way of Faster Payment from a UK current account held in your name or you can send us a personal cheque to Customer Services Department, Leeds Building Society, 105 Albion Street, Leeds LS1 5AS. If you choose to send a cheque, please include your Account number.

If we are unable to verify your identity electronically, then we will require you to provide:

1. a completed and signed application form; and
2. additional identification documents, preferably in the form of a certified copy of a full UK or EU photo driving licence or a valid UK or EU passport or an original utility bill which is less than 3 months old (not a mobile phone bill). A full list of acceptable documentation is available on the application screen when you proceed to open the account, or you can find the details here: <http://www.leedsbuildingsociety.co.uk/savings/apply-online/acceptable-identification>; and
3. a cheque for your initial deposit from a UK account, held in your name.

If you choose to make your first payment by Faster Payment we will carry out checks via a credit reference agency to ensure that this has been sent from a UK current account held in your name. If it has not, then this payment will be returned by Faster Payment to the same account that the payment was made from.

How are we regulated?

The Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority (FCA) 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.

Financial Services Compensation Scheme

Your eligible deposits with Leeds Building Society are protected up to a total of £85,000 (£170,000 for joint accounts) 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 which may arise. Should you need to refer a matter of complaint to us, you can do this by:

- Visiting your local branch;
- calling us on 03450 50 50 75; or
- visiting our website at <http://www.leedsbuildingsociety.co.uk/resolving-problems/>

Ultimately, if you remain dissatisfied you may refer your complaint to the Financial Ombudsman Service (FOS), Exchange Tower, Harbour Exchange Square, London E14 9SR.

The European Commission also provides an online dispute resolution (ODR) platform for goods and services bought online. This allows customers to submit their complaint through a central site and the complaint is forwarded to the right Alternative Dispute Resolution (ADR) scheme. For more information about ODR, please visit <http://ec.europa.eu/consumers/odr>. The ADR scheme for Leeds Building Society is the FOS and you therefore may choose to use the ODR platform to refer your complaint or you can write to FOS directly.

Privacy Policy

Our Privacy Policy describes how we collect information and how and why we use it. To keep this Policy up to date we may need to change this from time to time. To view our current Privacy Policy visit <http://www.leedsbuildingsociety.co.uk/security/use-of-personal-information> or contact us and we can provide you with a copy.

How to contact us

- Call us on 03450 50 50 75 from 8am to 8pm seven days a week;
- Email us securely - to do this visit us at <http://www.leedsbuildingsociety.co.uk>;
- Write to us at Customer Services Department, Leeds Building Society, 105 Albion Street, Leeds LS1 5AS. Please include your Account number.

Security

The Society takes seriously the need to ensure the 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 ask you to confirm some security details before we discuss any information.

If you contact 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.

Payments can be made to your Online Account in the following ways:

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

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

- Faster Payment to your Nominated Accounts.

Online Tariff of Fees and Costs

Copies of documents such as a cheque (which can be used to make your first deposit only)	£5.00
Charges may be applied to accounts that operate outside of the agreed account terms and conditions.	These will be advised before being charged

Introduction

This Account will be 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, general insurance and protection products.

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.

PLEASE NOTE: These Online Conditions **ONLY** apply to accounts that can be opened **AND** operated online. The Society also offers some accounts which can be opened online but not operated online. Please see the specific Product Terms and Conditions for the Account you have chosen for further details.

These Online 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 online savings 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 Faster Payment to one of your Nominated Accounts.

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 including (but not limited to) the examples given in condition 19 (Fees and Costs).

Faster Payment is a way of electronically transferring funds from one account to another.

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 19 (Fees and Costs).

IMO stands for International Money Order and is the process for making bank-to-bank payments outside of the UK.

Nominated Accounts means an account linked to your savings account which you nominate to receive funds from the Account in accordance with condition 9. All Nominated Accounts must be UK accounts, denominated in sterling and held in your name.

Online Tariff of Fees and Costs means the Society's list of Fees and Costs for the Account, which are set out on page 2.

Online Account Rates and Key Features means the Society's list of interest rates, a copy of which is available upon request.

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

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

Society means Leeds Building Society.

Security Details means security information which you will be required to set up when you open the account, to help ensure the safe operation of your Account to enable you to securely operate the Account online.

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 Your Account will remain open and all conditions will remain in force until it is closed by either you or us in accordance with condition 15.
- 1.2 Only you 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 email 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 the death certificate or a certified copy of a death certificate;
 - (d) unless you have given us notice by email to the contrary, any account holder named on the Account will be able to withdraw money from the Account and give other instructions as to the operation or closure of the Account without the authority of the other(s); 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 an account holder is to be removed).

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 and on our website or you can call us on 03450 50 50 75.
- 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. Security

- 4.1 When you open your Account you will be required to set up personal Security Details. We may, from time to time, request that you set up new Security Details to ensure that your Account continues to operate safely.

- 4.2 You must not reveal to anyone your Security Details or allow anyone else to use your Security Details to access your Account.
- 4.3 You must ensure that your Security Details are not stored in any form that allows access to your Account. In particular, you should:
 - (a) keep your PC secure;
 - (b) maintain up-to-date anti-virus software, up-to-date software and firewalls; and
 - (c) treat emails you receive with caution and be wary of any emails which ask you for your Security Details.
- 4.4 The Society may contact you to confirm your instructions, if we feel this is appropriate and reasonable in the circumstances. Before we can discuss your Account with you, we'll need to verify your identity. However, we will never contact you asking you to reveal your full Security Details.
- 4.5 You must tell us immediately if:
 - (a) you believe that someone else knows your Security Details;
 - (b) you have forgotten your Security Details;
 - (c) you suspect that someone else (other than a joint account holder) has or is attempting to access your Account; and/or
 - (d) you think your Security Details have been kept in any form which may allow others access to your Account, in which case you should immediately arrange for the details to be deleted or the software disabled.

The limitations on your liability where you fail to keep your Security Details safe are set out at condition 24.

5. Communications

- 5.1 You can contact us by email and by calling our Customer Helpline on 03450 50 50 75. You should take appropriate steps to ensure that only Account holders can access electronic (including email) messages we send you. Please quote your Account number whenever you contact us.
- 5.2 You must give us written notice, as soon as possible by email, if your name, address, telephone, email or any other details change. You may be asked to produce evidence of any such change.
- 5.3 If you send us an email, you cannot assume that it has reached us until you receive an email acknowledgement from us.
- 5.4 When you call our Customer Helpline or contact us by email we will verify your identity from the Security Details which you provided on Account opening.
- 5.5 Society branches are not able to effect transactions on your Account. Therefore, please call our Customer Helpline on 03450 50 50 75 if you require assistance with your Account.
- 5.6 We'll contact you by phone, email or post if we suspect a fraudulent activity or a security threat on your Account.

6. Operating your Account

- 6.1 Your Account must always be kept in credit.
- 6.2 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.

7. Minimum/Maximum Operating Balance

- 7.1 Details of the minimum and maximum operating balance 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 Your first deposit must be made by Faster Payment from a UK current account held in your name or by sending us a personal cheque to Customer Services Department, Leeds Building Society, 105 Albion Street, Leeds LS1 5AS.
- 8.2 When you make your first payment by Faster Payment we will carry out checks via a credit reference agency to ensure that this has been sent from a UK current account held in your name. If it has not, then this payment will be returned by Faster Payment to the same account that the payment was made from.
- 8.3 When you make your first deposit by cheque:
 - (a) interest is calculated from 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 and will therefore be treated as having been received on that day;

- (b) the cheque should be made payable to the Account holder(s) or to Leeds Building Society and 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". We may 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) the cheque 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 to your Account and may apply a Fee for this;
 - (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; and
 - (e) cheques should be crossed "account payee only".
- 8.4 Once you have made your first deposit, all further deposits may only be made by Automated Payment and interest is paid from the day of receipt of the payment into your Account. For further details on the execution of Automated Payments see the Payment Services Conditions in Section 2.
 - 8.5 When money is paid into your Account by internal transfer from another Society account, on a Working Day, provided that the payment is made before 7pm, you may withdraw the funds that day. For details, in respect of Automated Payments into your Account, please see the Payment Services Conditions in Section 2.
 - 8.6 Payments into your Account cannot be accepted if made by way of:
 - (a) cash;
 - (b) cheques (other than your first investment);
 - (c) foreign currency (except by way of IMO in accordance with condition PS.1.9 of the Payment Services Conditions in Section 2);
 - (d) foreign currency travellers cheques;
 - (e) cheques from foreign banks; or
 - (f) cheques in a foreign currency.

9. Withdrawals

- 9.1 Subject to any further restrictions detailed in the Product Terms and Conditions, you can only make withdrawals from your Account by Automated Payment to your Nominated Accounts. You can change any or all of the Nominated Accounts at any time, by giving us written notice. See Payment Services Conditions for further information regarding withdrawal instructions from your account.
- 9.2 You will not be able to make withdrawals from your Account for a period of 30 days from the date of Account opening. Should you need to make a withdrawal during this period, you will need to contact our Customer Helpline on 03450 50 50 75.
- 9.3 You may not withdraw funds against the cheque for your initial investment until the money has reached your Account (cleared) in accordance with the central clearing cycle operated by banks. A cheque deposited to your Account will be available for withdrawal no later than 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 and will therefore be treated as having been received on that day. By the end of the sixth Working Day after the cheque is received at the Society's Head Office, 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).
- 9.4 We will debit your Account with the amount of:
 - (a) any Automated Payments you have instructed us to pay and authorised. Specific provisions about the execution of Automated Payments on the Account are set out in the Payment Services Conditions in Section 2;
 - (b) your initial deposit cheque paid into your Account which is subsequently returned unpaid;
 - (c) any Fees and Costs which are incurred in the operation of your Account;
 - (d) any direct loss or expense which the Society suffers in connection with your Account following a breach by you of these conditions and/or the Product Terms and Conditions;
 - (e) any sum taken from your Account in accordance with condition 23 (Set off); and
 - (f) any other transaction which you have authorised.

9.5 If you wish to make a withdrawal from your Account 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 and we are able to verify your identity.

10. Blocking the Account

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 conditions 23;
- (h) we need to contact you to verify the validity of any instructions;
- (i) we need to contact you to clarify the instructions;
- (j) there are insufficient cleared funds in the Account to cover the amount of the payment;
- (k) the terms of the Nominated Account prevent completion of an Automated Payment;
- (l) there are technical issues which prevent us from executing an Automated Payment; and/or
- (m) 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 2 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.

12. Interest Payments and Tax

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 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.

12.3 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 of interest if withdrawals have taken place in this period.

13. Our right to change interest rates

13.1 We may increase the rate of interest (including the amount of any bonus rate) on your Account at any time without any reason or providing you with any notice.

13.2 Unless the Product Terms and Conditions of your Account state otherwise, we may reduce the interest rate (including the amount of any bonus rate) on your Account, for any one or more of the following reasons:

- (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 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 and reasonable.

14. Notice of change in interest rate

14.1 Where we make a change to the interest rate for any of the reasons listed at 13.2 (a) to (e) that is to your disadvantage, we will give you at least 14 days written notice to the last email address known to us before we make the change. 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.

14.2 Where we make a change to the interest rate for any other valid reason which we believe is appropriate (as per condition 13.2 (f)), we will give you at least 14 days written notice to the last email address known to us before we make the change. You will have a minimum of 60 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.

14.3 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. Account closures

Cooling Off

15.1 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) to Customer 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.

Closing your Account

15.2 If you wish to close your Account you should:

- (a) give us notice by email; and
- (b) 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.

Closure of your Account by the Society

- 15.3 Where your 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 month's written notice to the last known email address known to us (unless you are required to give more than one month's notice to close your Account in which case we shall give you an equivalent period of notice).
- 15.4 We can close your Account immediately (regardless of whether 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;
 - (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 in which circumstances we will provide you with notice of the breach and grant you 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).
- 15.5 If we close your Account and terminate this agreement in accordance with condition 15.3 above:
- (a) we will return your investment including any interest we owe you up to the date of closure; and
 - (b) you must pay all amounts you owe us on your Account, including any Fees and Costs due.

16. Unclaimed Balances

- 16.1 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.

17. Dormant Account

- 17.1 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.
- 17.2 The Society is not currently a member of the Reclaim Fund Ltd scheme (established under the Dormant Bank and Building Society Accounts Act 2008) but may choose to join in the future. In this circumstance, we may close your Account and transfer the money to the Reclaim Fund Ltd scheme where:
- (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.
- 17.3 If we close your Account in accordance with condition 17.2 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. Under these circumstances, we will reclaim this money back on your behalf from the "Reclaim Fund" under the Dormant Bank and Building Society Accounts Act 2008.

18. Statements and Information

- 18.1 Statements for your Online Account will be available online and in accordance with all applicable laws after you login. After two years, statement information will be removed from your Account records.
- 18.2 You must check your statements regularly and tell us as soon as possible of any disputed entry. Please see conditions PS.3 and PS.4 of the Payment Services Conditions in Section 2 for further details in relation to disputed transactions.
- 18.3 In the case of any disputed transaction, the burden of proving fraud or that you acted without reasonable care, will lie with us. In such cases, we shall expect you to co-operate with us in our investigations.
- 18.4 You can request a copy of these conditions, the Product Terms and Conditions, the Online Accounts Rates and Key Features information, and our Online Tariff of Fees and Costs at any time free of charge.
- 18.5 Additional information about Automated Payments on the Account can be obtained in accordance with condition PS.5 of the Payment Services Conditions in Section 2.

19 Fees and Costs

- 19.1 The Society will not charge for the normal use of Automated Payments, debited from the Account.
- 19.2 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 Online 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 20 and 21.

- 19.3 Where a Fee for a particular service is not set out in our Online 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.
- 19.4 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 this failure.

20. Changes to Fees and/or Costs

- 20.1 Unless your Account is for a fixed term, we can at any time vary the Fees and/or Costs set out in our Online Tariff of Fees and Costs (in accordance with the notice provisions in condition 21) 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; and
 - (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.

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

- 21.1 We may change the Fees and/or Costs as per condition 20, by giving you at least two months' notice by email at the last email address known to us. If the change is to your disadvantage 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.
- 21.2 Where we give you notice of a change under condition 21.1, 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).

21.3 If you do not agree to the change you must notify by email, in accordance with condition 21.1, above to Customer Services, Leeds Building Society, 105 Albion Street, LS1 5AS in which case, 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. If we do not receive such notification, it will be taken that you have accepted the change.

22. Changes to these conditions

Condition PS.6 of the Payment Services Conditions in Section 2 will apply to the variation of the Payment Services Conditions. Otherwise, the provisions of this condition 22 will apply to the variation of the conditions of your Account (including the Product Terms and Conditions).

22.1 We may change/vary these conditions (including any conditions linked to a bonus payment), 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

22.2 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 by email within a reasonable time of such change.

Changes to your disadvantage

22.3 Where we make a change to these conditions that is to your disadvantage for any reason listed in condition 22.1:

- (a) we will give you written notice to the last email 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 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.

23. Set off

23.1 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.

23.2 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.

23.3 If we propose to use our right of set off we will contact you at least 14 days' beforehand to notify you of this. During this period your Account will be blocked in accordance with condition 10.1 (g).

23.4 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.

24. Liability

24.1 Your maximum liability for unauthorised payments is £35, provided you have properly notified us in accordance with condition 4.5 if you believe your Security Details have been compromised or if you believe your Account is being used by someone else.

24.2 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.

24.3 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.

25. Confidentiality

25.1 We will only give details of your Account or personal details to anyone else if:

- (a) you have specifically requested or consented to the disclosure; or
- (b) the law requires us to do so; or
- (c) our interests make disclosure necessary; or
- (d) we have a public duty to disclose.

Your application form will include a declaration requesting your consent to disclosure for particular purposes.

26. General

26.1 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.

26.2 These conditions and the Product Terms and Conditions constitute a legal agreement between the Society and you and govern the conduct of your Account.

26.3 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.

26.4 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.

26.5 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.

27. How to make a complaint?

27.1 Should you need to refer a matter of complaint to us, you can do this by:

- visiting your local branch;
- calling us on 03450 50 50 75; or
- by visiting our website at <http://www.leedsbuildingsociety.co.uk/resolving-problems>

27.2 We'll aim to resolve all complaints as soon as possible.

27.3 If you are unhappy with our final response you may refer your complaint to the Financial Ombudsman Service, Exchange Tower, Harbour Exchange Square, London E14 9SR. The Financial Ombudsman will only look at your complaint once you've tried to resolve it with us.

27.4 You can also use the online dispute resolution platform at <http://www.ec.europa.eu/odr>

28. Applicable law and jurisdiction

28.1 The relationship between you and the Society is based upon the laws of England and Wales.

28.2 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.

28.3 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.

PS.1 Transactions on the Account

- PS.1.1 Before an Automated Payment can be made from your Account to your chosen Nominated Account, this must be authorised by you by:
- providing us with the sort code and account number for your Nominated Account and completing any other necessary formalities that we require to initiate an Automated Payment on the Account; or
 - contacting our Customer Helpline and providing your Account details and any Security Details requested by us so that we may verify you, 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 above, you may authorise the payment after it has been made, by providing consent to us verbally, or in writing.
- PS.1.3 Where we receive your instructions and authorisation in accordance with condition PS.1.1 to carry out an Automated Payment and your instructions and authorisation are received before 8pm, we will treat your instructions to make the payment as having been received that day.
- PS.1.4 For any instructions and authorisation received after 8pm, 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. For example, if we receive your instructions and authorisation to make an Automated Payment at 8.30pm on Tuesday, we will treat your instructions to make the payment as having been received on Wednesday for the purposes of determining when the money is transmitted (provided both Tuesday and Wednesday are Working Days).
- PS.1.5 Any instructions and authorisation received on a non-Working Day are deemed received 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 within 1 Working Day after we receive your instructions, unless the Automated Payment is initiated by way of a paper-based authorisation process, in which case the money will be available to the payee within two Working Days' after we receive your instructions.

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 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 5pm on the Working Day, before the date set for execution. You can do this by writing to us or by calling us on 03450 50 50 75.

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. The exchange rate used is the wholesale exchange rate used by our clearing bank on the date of receipt.

Payments into your Account by Automated Payment

- PS.1.10 When money is paid into your Account by Automated Payment, provided the payment is received by us between 7am and 7pm, you will be able to withdraw the funds that day, otherwise you will be able to withdraw funds on the next Working Day.

PS2. Blocking the Account

- PS.2.1 We can refuse to carry out any Automated Payment on the Account for any of the reasons set out in condition PS.10 of the General Conditions in Section 1. If an Account is blocked for any of the reasons listed in condition 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.2.2 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 call our Customer Helpline for details of how to rectify any errors.

PS.3. Liability

- PS.3.1 Where an Automated Payment is properly authorised 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.3.2 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.4 below. Where we are liable for the misallocation of funds into your Account we will restore your Account to the state it would have been in if the payment had been correctly allocated.
- PS.3.3 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.4. Refunds

- PS.4.1 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 above in which case we will refund your Account as soon as practicable and no later than the end of the next Working Day; or
 - (b) we are responsible for the transaction which has been incorrectly executed and you have notified us in accordance with condition PS.4.2 below.
- PS.4.2 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 03450 50 50 75. 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.4.
- PS.4.3 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 directly associated with the incorrect execution of the Automated Payment, for example, any liability you incur to a third party for late payment.
- PS.4.4 In the case of a disputed Automated Payment the burden of proving fraud or gross negligence will lie with us.

PS.5. Transactional information

PS.5.1 If at any time you require additional information about Automated Payments on the Account this information is available by calling our Customer Helpline on 03450 50 50 75. You can request and we will provide you with the following information about any Automated Payment:

- (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.6. Variation of the Payment Services Conditions

PS.6.1 Where we make a change to the Payment Services Conditions, we will give you at least two months' notice by email at the last email address known to us.

PS. 6.2 Where we give you notice of a change under this condition PS.6, the change will automatically take effect and you will be taken to have accepted the change unless you notify us by email 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.

PS7. General

PS7.1 Conditions 26, 27 and 28 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 also offers some savings accounts that may be operated through branches and by post and certain products which can be operated by post only.

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

Head Office

105 Albion Street, Leeds LS1 5AS.

Summary financial statement

For the year ended 31 December 2016

The Directors have pleasure in presenting the Summary Financial Statement of the Society and its subsidiaries ('the Group') for the year ended 31 December 2016. 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 2017, or from the Society's website (www.leedsbuildingsociety.co.uk).

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

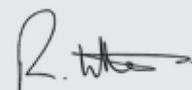
Approved by the Board of Directors on 21 February 2017 and signed on its behalf by:



Robin Ashton
Chairman



Peter Hill
Chief Executive Officer



Robin Litten
Chief Financial Officer

Summary Financial Statement

Results for the year 2016

	2016 £M	2015 £M
Net interest receivable	201.8	207.5
Other income and charges	11.5	12.3
Fair value gains less losses on financial instruments	(1.3)	(0.9)
Administrative expenses (including depreciation and amortisation)	(91.9)	(79.7)
Impairment losses	0.9	(18.5)
Investment property fair value movement	-	(3.4)
Impairment losses on land and buildings	(0.5)	-
Provisions for liabilities and charges	(3.9)	(8.8)

Operating profit and profit before tax

Taxation	(30.6)	(19.6)
----------	--------	--------

Profit for the year

86.0 **88.9**

Financial position at the end of the year

Assets

Liquid assets	1,904.0	1,676.7
Mortgages	13,225.8	11,312.0
Other loans	251.9	232.3
Derivative financial instruments	263.1	104.9
Fixed and other assets	284.9	180.7

Total assets

15,929.7 **13,506.6**

Liabilities and equity

Shares	11,233.2	9,932.9
Borrowings	3,400.8	2,531.0
Other liabilities	182.0	91.4
Derivative financial instruments	214.4	135.7
Subscribed capital	25.0	25.0
Equity	874.3	790.6

Total liabilities and equity

15,929.7 **13,506.6**

Summary of Key Financial Ratios

Gross capital as a percentage of shares and borrowings	6.11%	6.55%
Liquid assets as a percentage of shares and borrowings	13.01%	13.45%
Profit for the financial year as a percentage of mean total assets	0.58%	0.69%
Management expenses as a percentage of mean total assets	0.62%	0.62%

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 2016 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

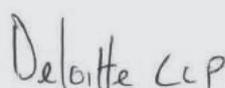
Directors' Report and its conformity with the relevant requirements of Section 76 of the Building Societies Act 1986 and regulations made under it.

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 "The auditor's statement on the Summary Financial Statement in the United Kingdom" 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 on Summary Financial Statement

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 2016 and complies with the applicable requirements of Section 76 of the Building Societies Act 1986 and regulations made under it.



Deloitte LLP

Chartered Accountants and Statutory Auditors
Leeds, United Kingdom
21 February 2017

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

www.leedsbuildingsociety.co.uk/find-a-branch

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