

Does this mean the Furness is planning to convert?

No. It is the Society's stated intention to continue being an independent mutual building society. Our results and the value for money products and services we have delivered to our members show that mutuality works.

These arrangements will ensure we can deliver that value to all, without the need for artificially high minimum investment levels to counter the disruptive actions of speculators.

How can I find out more?

If you need further information please visit your local branch or call Furness Direct on:

0800 83 43 12

Lines are open from 9:00am to 7:30pm Monday to Thursday, 9:00am to 5:00pm on Friday and 9:00am to 12noon on Saturdays.

For more information or details of our interest rates

- call in at your local branch or agency
- call us on: **0800 83 43 12**
- visit our website **www.furnessbs.co.uk**
- email us at **furness.direct@furness-bs.co.uk**

Charitable Assignment Scheme

Important information
for new members



Furness Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Furness Building Society is on the Financial Services Register under registration number 159624.

The Society is covered by the Financial Ombudsman Service and has a complaints handling procedure. A copy of the complaints handling procedure is available on request. Complaints we cannot settle may be referred to the Financial Ombudsman Service.

Your call may be monitored or recorded to maintain a quality service.

0800 834 312
www.furnessbs.co.uk

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Furness
BUILDING SOCIETY

Always with your
interest at heart

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Why have we introduced a Charitable Assignment Scheme?

At the Furness we are committed to remaining an independent mutual building society run for the benefit of our members. Following a period in which our normal business was disrupted by speculators who opened savings accounts in the hope of receiving windfall conversion benefits, steps were taken to ensure that the high standard of service expected by our members was not compromised.

On 1st October 1999 we announced the introduction of a Charitable Assignment Scheme, which allows most of our customers to open savings accounts with as little as £1. We believe this meets the needs of our genuine savers and helps build relationships that will last over many years.

In order to achieve this, new customers opening a savings account which gives membership to the Society, will be required to sign a declaration agreeing to assign to the Charities Aid Foundation any windfall conversion benefits to which they might become entitled. This agreement will last for the first 5 years of membership, after which the declaration will cease to have effect for the member in question.

There will be some exceptions to this requirement to avoid unfairness, which are described later. Most importantly, any customer who has continued to hold a membership account as a saver, which was opened prior to the effective date, or is a borrowing member, will not be affected by the declaration.

What do we mean by assigning benefits?

A customer whose membership begins on or after the effective date will have the same rights as any other member, including rights to vote on all issues. However, the declaration will have the effect that, for the first 5 years of membership, any windfall conversion benefits to which that member might become entitled would automatically be passed over to the Charities Aid Foundation.

What do we mean by windfall conversion benefit?

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

What is the Charities Aid Foundation?

The Charities Aid Foundation is a long established charity and its purpose is to make sure that giving to charities is as effective as it possibly can be.

What if I am already a member?

The declaration is included on all investment application forms. However it is drafted in such a way that if you are already a member through having a shareholder account at the effective date or if you are a borrowing member then the declaration does not affect you at all.

How long will the Charitable Assignment Scheme last?

From the effective date, a customer opening a new membership account will agree to assign to the Charities Aid Foundation any benefit which they might receive if conversion took place at any time in the 5 years from the date the account was opened.

What are the exceptions?

A comprehensive list of all exemptions can be obtained by contacting the Society's Head Office, but in summary they are:

- All mortgage members
- Existing investing members before the effective date
- Valid applications to open accounts on 'old style' investment application forms received but not processed before the effective date

In order that customers whose accounts are held by others on trust are not unfairly treated, the following will not be treated as new account openings:

- Transfer of an account of a deceased member to a personal representative, widow(er) or child
- Transfer of a trustee account held for the benefit of a child when transferred into the child's sole name when they attain sufficient age
- Change of operating signature of a child's 're' or 'care of' account into the child's sole operation

The effect of the above is that no new 5 year period will begin as a result of any of these events.