

# Britannia Membership Reward

## Payment rules and terms & conditions

### Principles of the scheme

The Britannia Membership Reward is designed to reward members for the contribution they have made to the continued success of their society.

Once registered for the reward, after an initial qualifying period, members of the society will be able to earn points each year between 1st January and 31st December. The allocation of points will be based on the number and value of qualifying products held, and the number of years for which members have been a Britannia customer. Each year, the Directors decide the amount to be paid out as the reward pool, and distribute this to members in proportion to the number of points earned. Details of the points awarded are on page 6.

### Who is eligible for the reward?

Only members of Britannia Building Society (as defined in the society's rules) are eligible to participate. This excludes Limited Companies /Corporations. We have also excluded members whose only share account is an Isle of Man account because this is a non-UK account.

Subject to this an eligible member is a person who:

- has an investment share account with the society (deposit accounts do not qualify) OR
- is a borrower from the society in respect of an advance fully secured on land OR
- is entered in the PIBS register as the holder of Permanent Interest Bearing Shares (PIBS).

### When points start to be earned

Members who joined the society before 1st January 1997 will earn points from 1st January of the year in which they registered for the reward.

*Example: A member joins the society in February 1994 and registers for the reward in March 1999. They will earn points from 1st January 1999 and will have been entitled to their first reward in 2000.*

Members who joined the society between 1st January 1997 and 31st December 1998, start to earn points from 1st January of the year after they are registered for the reward.

*Example: A member joined the society in February 1997 and is automatically registered for the reward. They will earn points from 1st January 1998 and will have been entitled to their first reward in 1999.*

Members who joined the society between 1st January 1999 and 31st December 2002 have to remain members of the society for 3 consecutive 31st Decembers before beginning to earn points.

*Example: A member joins the society in September 1999 and is automatically registered for the reward. They will earn points from 1st January 2002 and will have been entitled to their first reward in 2003.*

Members who joined the society from 1st January 2003 have to remain members of the society for 2 consecutive 31st Decembers before beginning to earn points.

*Example: A member joins the society in February 2003 and is automatically registered for the reward. They will earn points from 1st January 2005 and will have been entitled to their first reward in 2006.*

## **Increasing points by being a customer for a long time (tenure)**

When a customer has been an eligible member of Britannia continuously for five years or more at the end of any year, any points earned in that year will be increased by 50% (i.e. multiplied by one and a half).

When the customer has been an eligible member of Britannia continuously for ten years or more at the end of any year, any points earned in that year will be doubled.

The original product holding does not still have to be active, but product holdings must have been continuous.

Tenure applies to each member not to an account. In the case of joint accounts the tenure for each member applies separately.

Where the product was purchased from a company that has been acquired by Britannia, tenure will be calculated from the date the company was acquired by Britannia. For members of other building societies that have merged with Britannia, tenure will be calculated from the date they became members of the original society.

For companies now part of Alba Life (previously Britannia Life), the earliest date that can be counted for FS Assurance products is 1st January 1990, for Crusader products is 1st January 1991, for Life Association of Scotland (LAS) products is 1st January 1994.

## **The reward pool**

The reward pool will be divided by the total number of points earned by all the qualifying members during the year to calculate the amount earned per point.

## **Maximum reward**

The maximum reward that can be paid to any individual member is £500 before tax in any year.

## **Minimum reward**

All members are eligible to accumulate points. From 1st January 2004 no reward will be paid to any member who earns less than 25 points in any year. From 1st January 2005 members who are under 18 years old during the year they earn points, or who own a children's savings account in their own right, only need to earn 5 points to qualify for a reward payment.

(Children's savings accounts giving membership comprise the First Saver account, the children's football club accounts and the Child Trust Fund cash savings account.)

## **Joint accounts**

The value of savings balances, mortgage advances or points for additional products will be split between each account holder.

## **Accounts in the name of someone looking after another's affairs - as Trustee, Agent, Nominee, Attorney, Receiver, Supervisor, Personal Representative, Administrator, Executor or similar**

According to the rules of the society, when someone holds an account on behalf of someone else as, for instance, a Trustee, Executor or Personal Representative, whilst they are not the account beneficiary they are the member. In order to make sure that the account beneficiary gains from the scheme, any reward earned on such accounts will be paid directly to those accounts where possible. It will not be aggregated with any other personal reward earnings of the Trustee etc. Any accounts which are transferred into the beneficiary's sole name will only earn points if the beneficiary has registered in their own right.

## **Accounts held as ‘re’, ‘per’ or ‘for’ where someone else’s name is shown first**

These cases are similar to those described above, and will be treated in the same way.

## **Clubs or societies**

Where the account is in the name of a club or society, the officials who are operating the account (such as the Treasurer) are the member, and the reward will be calculated and paid directly to the account, where possible. If the club has two or more accounts, they will be added together.

## **Commercial mortgages**

The Building Societies Act requires separate treatment for owner occupied mortgages where a small part of the premises are used for commercial purposes, such as shops with flats above, doctor’s and dentist’s surgeries etc. If at least 40% of the property is occupied by the owner as his principal residence, and the mortgage is recorded in the books of the society as a Class 1 Commercial Asset, these mortgages will not, for the purposes of the scheme, be treated as commercial mortgages, and will attract points.

Mortgages on residential lets, following reclassification under the Building Societies Act 1986 (as amended), are eligible to attract points for 1998 and future reward years. For the first two years of the scheme residential lets were classified as commercial loans and, although they qualified for membership of the scheme, were not eligible for points.

## **When you will know how much you’ve earned**

All payments will be made by 31st March. If you have earned more than £10 (before tax), a statement will be sent to you, showing the detailed calculations for your reward, and confirming the amount paid.

## **Methods of payment**

Where possible, your reward will be paid directly to one of your suitable Britannia investment accounts. However, if you do not have a suitable investment account then payment will be by cheque.

The reward cannot be paid directly to a Britannia mortgage account, to an external bank or building society account, or to anyone but the member.

## **Withdrawing a reward**

Where payment is posted to an investment account requiring notice of withdrawal, this will be automatically set to allow you to withdraw all or part of your reward immediately. The notice will expire five calendar months after the payment date.

## **Paying tax on your reward**

The reward will be subject to tax at 20%; or it will be paid gross to a suitable Britannia investment account which is wholly registered for gross interest, or it will be paid gross by cheque, provided all the members accounts are registered for gross interest.

Non-taxpayers or 10% taxpayers may reclaim any tax paid/overpaid on their reward from the HM Revenue & Customs. Upon request the society will provide you with a Section 352 certificate to support your claim. Please contact our Helpline on 08457 522 522\* or your local branch to request a 352 certificate for your payment. For those completing an income tax return, the payment details as specified on your statement, are sufficient for this purpose.

## **Closing an account or terminating membership of the society**

If an account is closed, providing you maintain membership of the society, the accrued reward on the closed account, to the date of closure, will be paid at the next normal payment date.

If an account is closed, and membership of the society ceases (i.e. you have no other membership products) the reward will only be paid where closure takes place after the end of the year to which the reward relates.

If after all membership accounts have been closed, you later open a new account, membership of the society will recommence from the date the new account is opened. You should be aware that in this instance you will have to promise to assign any windfall rights, and will be subject to all other conditions applying to new members.

## **If your mortgage is in arrears**

If you have any mortgage account that is in arrears by two monthly subscriptions or more, you will be suspended from the scheme, and no points will be allocated for any product holdings during your suspension. Points will only accrue when your mortgage is 'up to date', i.e. a payment shortfall of less than two monthly subscriptions.

## **If your home is repossessed because of mortgage arrears**

If a mortgaged property is repossessed, any points earned to that date in respect of this or any product holdings of the parties to the mortgage will be forfeited.

## **If you have a joint mortgage, but pay all the subscriptions**

This scheme is designed to share the reward amongst all account holders, regardless of who pays the subscriptions.

## **In case of death**

Points earned up to the date of death will be paid upon receipt of a claim from the person(s) entitled.

\*Lines are open 8am - 8pm weekdays and 9am - 12 noon Saturdays. Telephone calls may be recorded and/or monitored. BT landline calls to 0845 numbers will be charged at up to 4p per minute at all times. A call set up fee of 3p per call applies to calls from residential lines. Mobile and other providers' charges may vary.

## **New Britannia personal loans**

If you have any Britannia personal loan which was taken out after 17th August 1998 that is in arrears by two monthly repayments or more, you will be suspended from the scheme and no points will be allocated for any product holdings until the loan is up to date. For the purpose of this scheme, “up to date” means less than two monthly repayments in arrears.

## **Britannia credit card**

With effect from January 2005, to qualify for BMR points for use of the Britannia Credit Card you need to use the card a minimum of six times each year.

If you fail to make your minimum repayment for two months or more you will be suspended from the scheme and no points will be allocated for any product holding during your suspension. Points will only accrue when you have made your monthly minimum repayment.

## **Discrepancies**

Discrepancies in the reward payment must be notified within a period of 3 years to the reward year to which the payment relates.

## **Scheme rules revisions**

The scheme details contained herein are applicable to the current reward year only. Variations to certain details may apply for previous reward years. Details applicable to past reward years are available on request.

# Basis of points allocation

Product group	Basis of points allocation		Notes
<b>Britannia Building Society investment share accounts PIBS and mini cash ISAs (where the investment is made in the UK)</b>	1 point per £100 invested. (nominal value for PIBS)		Maximum balance £22,000. This applies to each member's total savings. Points are based on the average monthly balance over the year (nominal value for PIBS), divided between each product holder. Investments made outside the UK do not qualify for membership reward points.
<b>Britannia Building Society residential mortgage accounts</b>	5 points per £1,000 of your advance.		Your mortgage advance is defined as the initial advance, plus any further advances and release of retentions, minus any capital repayments. A subscription must have been due on the mortgage during the reward year for it to be eligible to earn points. Points are based on the average monthly balance over the year, divided between each product holder. Maximum advance £110,000.
<b>General insurance products</b>			
Buildings insurance	50 points		For joint product holdings the points are divided equally between each product holder.
Contents insurance	50 points		
Combined buildings & contents insurance	100 points		Points are based on the average monthly balance over the year.
Accident & sickness	25 points		
Unemployment	25 points		Products offered free of charge will not earn points.
Accident, sickness & unemployment	50 points		
<b>Regulated products†</b>	Products sold prior to 01/01/00	Products sold after 01/01/00	For joint product holdings the points are divided equally between each product holder. Maximum of one product opened during the current year and one from a previous year to count for each product type. Points will be earned during any statutory cooling-off periods. Product must be held in the member's own name to qualify for points. †Products purchased through Britannia Life (now Phoenix Life Limited) and Britannia Asset Management prior to 1st January 2000 will earn 50 points. Resolution Asset Management products (formerly Britannic Asset Management) and Phoenix Life Limited products (formerly Britannic Assurance) sold through Britannia after 1st January 2000 will earn 25 points. AXA Sun Life products sold through Britannia will earn 25 points.
PEP	50 points	25 points	
Unit trust	50 points	25 points	
Pension/OEIC	50 points	25 points	
Investment	50 points	25 points	
Bond	50 points	25 points	
Endowment	50 points	25 points	
Protection	50 points	25 points	
Maxi ISAs	50 points	25 points	
Mini stocks & shares ISAs	50 points	25 points	
Other regulated investments	50 points	25 points	
Stakeholder child trust fund	-	25 points	
<b>Life protection</b>			
Term assurance	25 points		For joint product holdings the points are divided equally between each product holder.
Critical illness protection	25 points		
Income protection	25 points		Products provided by Liverpool Victoria and AXA Sun Life.
<b>New Britannia personal loans*</b>			
Personal loan	50 points		For joint product holdings the points are divided equally between each product holder.
Britannia payment care	50 points		
*Only applies to loans taken out after 17th August 1998			For a joint loan each holder will earn an equal share of the points awarded for the loan and the 50 points for the Britannia payment care will be awarded to the first named policy holder.
<b>Britannia credit card</b>			
Credit card	25 points		For joint product holdings the points are divided equally between each product holder. Points will be awarded to the principal cardholder only - additional cardholders do not qualify for points. Reward points will only be received if the card has been used a minimum of six times per year. You can use the card in any of the following ways: Purchases of goods and services, cash advances, balance transfers or convenience cheques.
Credit card repayments cover	25 points		

N.B. All the above are subject to change at the society's absolute discretion. Adults must earn a minimum of 25 points in order to qualify for a reward payment. Children only need to earn 5 points. Points are allocated pro rata to the full months the product has been held during the reward period.

# Terms and conditions

1. Following approval of the society's final accounts for each completed financial year, the society's Board of Directors ("the Board") shall determine such sum (if any) as it shall, in its absolute discretion, consider may prudently be set aside as not being required for the continued growth and stability of the society ("the reward pool").
2. Members of the society (as defined by the society's rules) who have appropriate tenure (see 'when points start to be earned' section) prior to the end of the year for which a distribution is made and who hold a membership product on 31st December of that year are eligible to participate in the distribution of the reward pool ("reward qualifying members").
3. The Board shall, in its absolute discretion, determine a scheme ("the scheme") for distribution of the reward pool amongst reward qualifying members.
4. The society shall publish a list of products ("qualifying products") the holding of which by reward qualifying members shall qualify for points in accordance with the scheme.
5. The scheme, the list of qualifying products and basis of points allocation may be varied from time to time at the absolute discretion of the Board.
6. Details of the scheme and qualifying products shall be available on request to all members of the society.
7. The reward pool for each financial year shall be divided by the total number of points awarded to reward qualifying members and the entitlement of each reward qualifying member ascertained by multiplying the result by the number of points awarded. The reward pool shall be distributed in accordance with the scheme.
8. Entitlements under the scheme shall be conditional only until such time as the reward pool is determined by the Board.
9. Payments under the scheme shall be made to reward qualifying members in their capacity as investing or borrowing members (as appropriate).

The Britannia logo consists of the word "Britannia" in a white, serif font, centered within a solid red rectangular background.

This information is correct at the time of writing (03/01/2007).

Britannia Building Society is authorised and regulated by the Financial Services Authority.

Britannia undertakes to comply with The Banking Code. Copies of this code are available from any of the Society's branches or by calling 0800 132 304. Calls from landline phones are free however mobile providers may charge. Telephone calls may be recorded and/or monitored. Lines are open 8am-8pm weekdays and 9am-12 noon Saturday. All loans are subject to status, valuation and Rules of the Society, copies of which are available on request.

YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP  
REPAYMENTS ON YOUR MORTGAGE.