

### Does this mean Leek United is planning to convert?

No. The Society is committed to its status as 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 that we can continue to deliver that value to all customers.

### How can I find out more?

If you need further information please ask at your local branch or telephone our freephone number 0800 093 0002. Lines are open from 9.00am to 5.00pm Monday to Friday and 9.00am to 12 noon on Saturdays.

call us free on  
**0800 093 0002**

**INFORMATION**

Branches and agencies throughout Staffordshire, Cheshire, Shropshire and Derbyshire

Member of the Building Societies Association

Authorised and regulated by the Financial Services Authority

We subscribe to the Banking Code which sets out standards of good practice and provides valuable safeguards for customers.

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# Charitable assignment scheme

Important  
information  
for new members

 **Leek United**  
BUILDING SOCIETY  
The *friendlier* face of finance

**INFORMATION**

# about the Leek United charitable assignment scheme

## What is the purpose of the Scheme?

At Leek United, we are committed to remaining an independent mutual building society run exclusively for the benefit of members. As a mutual society, we have no external shareholders to satisfy and so can focus all of our efforts on the provision of value and service to members.

In the past, the Society's service standards have been compromised by the activity of speculators, who have opened savings accounts in the hope of receiving windfall conversion benefits. Their activities have disrupted services to genuine members and led to the introduction of artificially high minimum balance requirements for new customers.

To ensure that service standards to new savers were maintained, the charitable assignment scheme was introduced, enabling us to deliver high quality savings products which are available to everyone.

### How does the Scheme work?

All new customers opening a savings account are required to sign a declaration assigning any windfall conversion benefits to the Charities Aid Foundation. This agreement will last for the first five years of membership, after which the declaration will cease to have an effect for the member in question.

### Are there any exceptions?

The scheme will not apply to anyone who:

- has held, and continues to hold a share account with the Society since before 24 January 2000
- is a borrowing member with a current mortgage account

There are certain other exceptions, detailed later.

### 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 Society's business to a company on a conversion or takeover.

### What do we mean by assigning benefits?

A savings customer who opened an account after 24 January 2000, will have the same rights as any other member, including the right to vote on all issues. By signing the charitable assignment declaration, however, any windfall conversion benefits to which that member might become entitled would automatically be passed over to the Charities Aid Foundation.

### What is the Charities Aid Foundation?

The Charities Aid Foundation, established in 1974, helps individuals and companies to donate to charitable causes effectively and tax efficiently. For more information, see the Charities Aid Foundation website - [www.cafonline.org](http://www.cafonline.org).

### What if I am already a member?

The declaration is included on all investment application forms, but is drafted in such a way that if you are a borrowing member, or have continually held a share account since before 24 January 2000 and have not broken your shareholding membership by closing your account, it will not affect you at all.

### How long will the charitable assignment scheme last?

The declaration applies for five years from the date the account is opened, unless one of the exceptions shown below applies.

### What other exceptions are there?

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

- All mortgage members
- Members who opened their accounts before 24 January 2000

In order that customers whose accounts are held by others in 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 five year period will begin as a result of any of these events.