

Statement of Practice

This leaflet contains important information, including our standard Terms & Conditions. These apply to all borrowers.

Borrowers

www.leekunited.co.uk



Leek United
BUILDING SOCIETY

MORTGAGES

SAVINGS

INSURANCE

FINANCIAL PLANNING

Introduction

Leek United aims to be fair and reasonable in its dealing with customers and this leaflet sets out important terms and conditions, which apply to all borrowers.

Leek United Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority.

Mortgage products are only available for properties within England (including Isle of Wight) and Wales.

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Your home may be repossessed if you do not keep up repayments on your mortgage.

1 The Society's Policy

- 1.1 This leaflet provides information which is applicable to all mortgage accounts with the Society.
- 1.2 In this leaflet:
"the Society", "we", "us" and "our" refer to Leek United Building Society; "you" and "your" refer to borrowing members;
"working day" means Monday to Friday excluding bank holidays
"calendar day" means any day of the week

2 Membership

- 2.1 When you take out a mortgage with the Society, you will be a member of the Society and therefore our Rules will apply. A copy of the Rules of the Society is available on request at any of our branches or on our website.

3 Responsible Lending Policy (Summary)

- 3.1 The Society has a duty to protect itself and its members from fraud and misuse of the banking system and will, therefore, take steps to confirm the identity of mortgage applicants.
- 3.2 All lending is subject to appraisal of your financial standing and the Society will need to be satisfied that you are able to maintain the proposed mortgage payments along with other outgoings.
- 3.3 Examples of steps taken to appraise your financial standing may include:
- Confirmation of income and permanency of employment may be obtained by contacting your employer(s).
 - Examination of at least two years trading accounts in the case of self-employed applicants.
 - Reference to any other lender to confirm satisfactory payment performance on an existing/previous mortgage or credit arrangement.
 - Examination of entries recorded by a credit reference agency. This would identify any previous record of county court judgments or other adverse payment history.
 - A structured interview with a Qualified Mortgage Adviser.
 - Completion of an Income and Expenditure statement.

4 Availability of Mortgages

- 4.1 Mortgages are available to new customers who fit the following criteria:
- New customers for the purchase or re-mortgage of their main residential or investment property only.
 - Applicants who are employed, self-employed or retired (confirmation of income will be required).
 - Applicants who are at least 18 years of age and a UK resident.
 - Houses within England (including Isle of Wight) and Wales which are an accepted type of security.

For information on unacceptable property types, please contact your Qualified Mortgage Adviser.

- 4.2 Existing borrowers who fit the following criteria:
- Existing borrowers for product transfer purposes, re-arrangement and additional borrowing applications.
 - As 4.1b)

5 Interest

- 5.1 Details of the interest rate applicable to your mortgage and how we may vary the interest rate can be found in your Binding Mortgage Offer and in the Society's Mortgage Conditions and Explanations leaflet.

6 What is Annual Percentage Rate (APR)?

- 6.1 This is the annual percentage rate of charge and is a cost measure which facilitates comparisons between similar mortgages offered on a similar basis. It takes into account the initial rate of interest, any other applicable charges, e.g. valuation fee, application fee, solicitor's costs and the amended rate when a discount or fixed rate period ends.
- 6.2 New mortgage regulation – the Mortgage Credit Directive (MCD) – requires lenders to show a second APR for mortgages which have a variable interest rate at any point during the mortgage term. The second APR is an illustrative example of the cost of the loan using a 20-year high interest rate.

7 Cashback

- 7.1 In the event that the product Terms and Conditions specify cashback this payment is sent to your solicitor on completion of the mortgage on your behalf. If you are an existing borrower this will be paid directly to you.

8 Surveys/Valuations

- 8.1 A standard mortgage valuation is a basic assessment of the condition and value of the property and is purely for the benefit of the Society.
A more detailed Homebuyers Report is available to applicants. A Homebuyers Report is a more extensive assessment of the property, and should be obtained if you wish to investigate the existence of any pre-existing or potential defects in the property. Please refer to the Valuation Fee section in our Homebuyers Guide booklet for further details.

9 Insurance

- 9.1 Where buildings insurance is not taken out with the Society we will need to be satisfied, prior to completion, that the insurance cover meets our minimum requirements. Full details of minimum requirements are available on request.
Please be aware that it is not compulsory to take out any insurance policy arranged through the Society.

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10 Account Charges

- 10.1 The premiums for certain mortgage-related insurance products, arranged by the Society, may be debited to the mortgage account and will be collected each month as part of the monthly mortgage payment.
- 10.2 Various charges will be payable when you apply for a mortgage. Administration fees may also be incurred during the lifetime of your mortgage. Details of these fees and charges can be found in our Tariff of Mortgage Charges leaflet, available on request from any branch office or you can view this on our website at www.leekunited.co.uk or contact us on 0800 093 0004* for a copy of the leaflet.

11 Binding Mortgage Offers

- 11.1 The Mortgage Credit Directive (MCD) requires lenders to provide customers with a **Binding Mortgage Offer**. A Binding Mortgage Offer may be subject to lawful conditions surrounding its withdrawal or variation, including where there has been a material change in the circumstances related to the Binding Mortgage Offer or where false or inaccurate information has been provided.

The Society considers an Offer to be binding on the date it is issued, subject to conditions.

There is also a new requirement for lenders to provide customers with a **reflection period** lasting for a minimum of seven days. Our reflection period will last for 10 days and will begin when the Society issues you with a Binding Mortgage Offer.

The purpose of the reflection period is to give you time to review your Binding Mortgage Offer, make comparisons and assess the implications of accepting it and taking out a mortgage. You can accept the Binding Mortgage Offer at any time and waive your rights to a reflection period if you so wish, sending written confirmation to the Society.

12 Portability

- 12.1 If you move home, your mortgage product may be transferred to your new property, subject to the terms of your mortgage offer. Please refer to your mortgage offer for further details.

13 Additional Borrowing

- 13.1 Additional borrowing may be available for a variety of reasons, subject to you meeting the Society's underwriting criteria and responsible lending policy. The additional borrowing may be repaid over the remaining term of the mortgage or a shorter term.

14 Early Repayment Charges

- 14.1 An early repayment charge may be payable if your mortgage is repaid either in whole or part, or is transferred to an alternative product, before the end of the product term. The charge may be payable on the amount being repaid or transferred.
- 14.2 The percentage charged and the term which the early repayment charges applies to will be indicated in your Binding Mortgage Offer.

15 Joint Accounts

- 15.1 Under the terms of the mortgage, all borrowers are equally responsible for the full mortgage repayment. We do not differentiate on the basis of who is making the mortgage payments. If you have a dispute then please contact us, particularly if one of you moves out of the property, and we will arrange to send you duplicate correspondence.

16 Change of Parties

- 16.1 We may agree to transfer a mortgage into a sole name, or to include a new borrower, by way of a re-arrangement which would be subject to our normal checks in terms of credit worthiness and affordability. If we cannot agree to a transfer of the mortgage you can still independently apply to the Court to have the names on the property transferred, which is not binding on the Society.

17 New Borrowers

- 17.1 Following the release of the mortgage funds to your solicitors, you will receive information regarding your first and future mortgage repayments. If at any time you have any queries or require any information regarding your mortgage, then please do not hesitate to contact one of the Society's branches, email our Mortgage Administration Department (mort.admin@leekunited.co.uk) or call 0800 093 0004* (please see our Tariff of Mortgage Charges leaflet for services which involve the payment of a fee).

18 Existing Borrowers

- 18.1 Existing borrowers may be able to benefit when their present product comes to an end by transferring to another mortgage product, which is available at that time, subject to you meeting the eligibility requirements for the new product.

19 Documents and Disputes

- 19.1 Any documents relating to disputes should be served on the Society at its Head Office at 50 St Edward Street, Leek, Staffordshire, ST13 5DL. Please refer to our Making sure we get it right leaflet for information on our internal complaints procedure.

20 Mortgage Statement

- 20.1 We will issue a statement of your mortgage account annually during January.
- 20.2 You should check all mortgage statements carefully. If there is an entry, which seems to be wrong, you should tell us as soon as possible by emailing mort.admin@leekunited.co.uk, writing to us or by calling 0800 093 0004*.
- 20.3 Interim mortgage statements are available. An administration charge will be payable for an interim statement – see our current Tariff of Mortgage Charges leaflet.

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21 Payment Difficulties

- 21.1 Borrowers who experience financial difficulty in meeting mortgage repayments are asked to make immediate contact with the Society in order to discuss personal circumstances. A range of options may be available to assist in bringing the mortgage account up to date.

22 Redemptions

- 22.1 If you wish to repay your mortgage in full before the end of the mortgage term, you will need to ask us for a 'redemption figure'. We will need your name and mortgaged property address, mortgage account number and the date on which you think you will be repaying your mortgage. A figure will be calculated and sent to you by post. You may redeem your mortgage at one of the Society's branches. We require one working day's notice to produce a redemption statement for you.

23 Deedsafe

- 23.1 The Society currently operates a facility to store your title deeds after your mortgage has been redeemed. There is an annual charge, payable on 31 December each year. Please refer to our Tariff of Mortgage Charges leaflet.
- 23.2 Please note, following the changes introduced by HM Land Registry over the years, the Society may not hold any old title documents for your property and a Deedsafe account would then be inappropriate. If you would like further details about this, please contact us on 0800 093 0004.*

24 Confidentiality of Information

- 24.1 The Society and its staff will observe a strict duty of confidentiality about the affairs of members and will not disclose any details of member's accounts or their names and addresses to any third party other than Leek United Group Companies. The only exceptions are:
- a) where the Society is legally compelled to do so;
 - b) where the Society is legally permitted to do so;
 - c) where disclosure is made at the request, or with the consent, of the member.

25 Data Protection Legislation

- 25.1 The Data Controller is Leek United Building Society, whose principal office is 50 St Edward Street, Leek, Staffordshire, ST13 5DL.

The information you are supplying will be held by the Society and used for market research purposes, developing goods and services, statistical and business analysis, customer servicing, and administration. Your information may be passed to other companies within the Leek United group for the purposes stated above.

This information may be held during the life of the account and for administration reasons after the account has closed.

Under data protection legislation you are entitled to receive a copy of personal information held about you, have inaccurate data corrected, restrict the purposes for which your personal data is used and in certain circumstances the right to your data being erased. Further information regarding how we manage your data can be found within our Privacy Notice which can be found at leekunited.co.uk/privacy/, or alternatively can be requested from any of our branches or by writing to the address above.

If you would like to obtain information held about you, please write to the address above.

26 Complaints Procedure

- 26.1 If you wish to complain about any of our products or services we have procedures designed to resolve your complaint effectively. You can obtain a leaflet describing those procedures if you ask for it at any of our branches/agencies, or by telephone or you can look on our website at www.leekunited.co.uk.

If you make a complaint and you are not satisfied with the way we deal with it, you may be able to refer it to the Financial Ombudsman Service. Details about their service and how to refer a complaint to them can be found on their website at www.financial-ombudsman.org.uk

27 Financial Services Compensation Scheme (FSCS)

- 27.1 The following information summarises the main provisions of the Financial Services Compensation Scheme ("the Scheme"), which are relevant to home finance (mortgages) advice and arranging on or after 31 October 2004. Building Societies, and other participants in the Scheme, are under a legal obligation to provide information about the Scheme to any actual or prospective borrower.
- 27.2 The main area of mortgage advice that may give rise to a claim falling within the remit of FSCS relates to the suitability of the advice given by Society staff for the customer's circumstances at the time of arranging the mortgage. For example:
- if the customer is not advised about the different types of mortgage available and lost money as a result;
 - if the specific details of the mortgage chosen are incorrect and the customer lost money as a result;
 - if the customer is advised to switch mortgages but was not given an adequate explanation of why a switch should be made, and lost money as a result;

FSCS can only pay compensation for actual financial loss.

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27.3 The rules covering the Scheme are very detailed and this leaflet does not deal with every aspect of the Scheme's operation. Information about the operation of the Scheme is available on the FSCS website at www.fscs.org.uk.

If you have any queries about the Scheme they may be addressed to:

Financial Services Compensation Scheme

10th Floor,

Beaufort House,

15 St Botolph Street,

London EC3A 7QU

Tel: 0800 678 1100 or 0207 741 4100

Email: enquiries@fscs.org.uk

27.4 Leek United Building Society is a participant in the Financial Services Compensation Scheme established under the Financial Services and Markets Act 2000. The limit under this scheme is subject to changes by the Financial Conduct Authority and these, together with other information, can be found in the 'Financial Services Compensation Scheme' leaflet. This leaflet can be obtained from any of our branches or agencies, by post from our Head Office or on our website at www.leekunited.co.uk.

28 Marketing

28.1 If you have permitted us to do so, we may use the personal information you have supplied for keeping you up to date with our latest news and offers, ranging from Member benefits through to information on our products and services we feel may be of interest to you either by post, email, telephone or SMS. If you change your mind about how you would like us to contact you or you no longer wish to receive this information you can tell us at any time.

29 Law

29.1 These conditions are governed by the laws of England and Wales. Those laws are also taken as the basis for the establishment of relations with you prior to the conclusion of any contract between us.

30 Language

30.1 All communications between you and us will be in English (unless we specifically agree otherwise).

**Your home may be repossessed if you do not
keep up repayments on your mortgage.**

call us on
0800 093 0004*

Branches and agencies throughout Staffordshire,
Cheshire, Shropshire and Derbyshire

A member of the Building Societies Association

Authorised by the Prudential Regulation Authority and regulated by the
Financial Conduct Authority and Prudential Regulation Authority.

Leek United Building Society
Head Office, 50 St Edward Street
Leek ST13 5DL

t: 0800 093 0004* f: 01538 399179

*Due to changes in legislation all calls from mobile phones will
not incur a charge.

Calls may be monitored and recorded for training purposes.

mort.admin@leekunited.co.uk
www.leekunited.co.uk



The pulp used in the manufacture of
this paper is from renewable timber
produced from sustainable forests
and is elemental chlorine free.

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