

Child Trust Fund (CTF)

Terms and Conditions

We strongly advise you to read all of the terms and conditions as you will be legally bound by them. Subject to any additional conditions for your account, the following conditions will apply.

Meaning of Words and Expressions

1. In these terms and conditions the following words and expressions have the following meanings:
 - (i) **"account"** means a Nationwide Cash Child Trust Fund account held in the name of the child;
 - (ii) **"child"** means the child named on the application and being the beneficial owner of the account;
 - (iii) **"regulations"** means the Child Trust Fund Regulations 2004, as amended from time to time;
 - (iv) **"subscription limit"** is the amount set by the Government that you can invest in the account in each subscription year;
 - (v) **"subscription year"**, in the year of account opening means the period starting on account opening and ending on the day before the child's next birthday. In following years the subscription year runs from the child's birthday to the day before the child's next birthday;
 - (vi) **"we/us/our"** means Nationwide Building Society;
 - (vii) **"you"** means the account registered contact detailed in the account application.

Account holding and ownership

2. For the avoidance of doubt, the agreement arising under these terms and conditions is an initial service contract agreement for the purposes of the European Distance Marketing Directive 2002.
3. Your account is a share of Nationwide Building Society. It will give membership rights to the account holder(s). By opening the account, you agree to be bound by both our Rules and these conditions. A copy of our Rules is available from any of our branches or on our website at [nationwide.co.uk](https://www.nationwide.co.uk)
4. We are a Child Trust Fund Manager approved by HM Revenue and Customs. We will manage the account in accordance with the regulations.
5. The account must not be used for business purposes.
6. We have complete discretion as to whether and on what terms, we will accept instruction by fax and email (except those via Nationwide's Internet Banking messaging facilities from registered Nationwide Internet Banking users) in relation to your account.
7. The child will always be the beneficial owner of the account and will only hold one Child Trust Fund at any one time.
8. If we delegate any of our functions or responsibilities under these terms and conditions we will satisfy ourselves that the person or organisation we delegate to will be competent to carry out those functions or responsibilities.
9. We will notify you if, by reason of any failure to satisfy the provisions of the regulations, the account is, or will become void.
10. The account cannot be lent to a third party nor used as security for a loan.
11. We are entitled to provide HM Revenue and Customs with any information about the account as required by law.
12. We and/or our agent may require evidence of your identity or that of the child. If evidence is required please provide it promptly.
13. The Regulation, law and HM Revenue and Customs practice applicable to the account may change in the future.
14. If we cannot provide a service as a result of something beyond our reasonable control (for example, failure of equipment or power supplies, industrial action, HM Revenue and Customs delays) we will not be liable for any loss arising (whether directly or indirectly) as a result.
15. This agreement and the operation of the account will be governed by English Law and the language we will use in our communications will be English.
16. We may discontinue or stop offering the account to new customers without telling you.
17. From time to time we may publish 'Savings Promises'. These will be clearly promoted as such and entitled 'Our Savings Promises'. These Savings Promises are incorporated into and form part of these terms and conditions.

Interest

18. Cash, automated credits and government payments deposited into the account will earn interest from the date of deposit.
19. Interest will be calculated and credited to the account annually on the child's birthday and on closure. Interest is paid tax free.
20. Unless your account has a fixed interest rate, we may vary interest rates. We will only vary the rate for one or more of the following reasons:
- (i) To reflect changes in general interest rates, including the interest rates or terms on which similar accounts are offered by other providers of financial services;
 - (ii) To reflect any changes or anticipated changes in the law, regulations or codes of practice or to respond to a decision by a court, ombudsman or regulator;
 - (iii) To respond to changes in the rates applying to our mortgage business;
 - (iv) To reflect changes to our costs, including administrative costs, costs involved in providing services or facilities or changes in the costs to us of borrowing funds;
 - (v) To maintain our financial strength for the benefit of all members.
21. If we vary the rate for one of these reasons and the change is not material, we will tell you about it by putting a notice in our branches and/or on our website or an advertisement in the press. If the change is material we will notify you personally at least 14 days in advance.
- If we vary the rate for any other reason other than those set out above we will notify you personally at least 30 days in advance.
22. The interest rate that applies to your account is available at **nationwide.co.uk** or by phoning **0800 30 20 11** or from any Nationwide branch.
23. Interest is calculated on a daily basis using the annual interest rate divided by 365 days, including in a leap year.

Statements

24. A statement showing information including the balance on the account as at the statement date and the previous statement date will be sent to you each year within 30 days after the child's birthday and if the account is transferred to another provider.

Paying money in

25. All payments into the account must be in sterling.
26. Payments can be made into the account up to the maximum subscription limit for the subscription year. Government contributions and interest arising on the account do not count toward this limit. To find out the subscription limits visit us in branch or visit our website **nationwide.co.uk** or visit HM Customs & Excise website **www.hmrc.gov.uk**
27. If the maximum subscription limit referred to above is exceeded we will return the payment either to you for the child or to the payer at our entire discretion.
28. The minimum subscription is £1. Lump sum and regular contributions may be made provided they do not exceed the subscription limit.
29. Any payment made into the account and which does not breach the subscription limit is a gift to the child and, as such, is not refundable. You must make best efforts to inform any person intending to make a payment of this.
30. All cheques go through a process called 'clearing' which affects:
- when we start to calculate interest on the money;
 - when you can withdraw the money (see condition 33 for details of when you are allowed to make withdrawals); and
 - when the money will be 'cleared for certainty' which means that it's definitely staying in your account, unless you are, or we reasonably suspect you are, a knowing party to fraud.
31. The cheque clearance times are as follows:
- (i) For cheques paid in at a branch counter, interest will begin to be calculated on the money from the next working day following the day you pay it in.
 - (ii) For cheques paid in at a branch counter on a working day, you will be able to withdraw the money and you can be certain that the money is staying in your account at the end (11.59pm) of the next working day following the day you pay it in.
 - (iii) For cheques paid in at a branch counter, or using a paying-in machine, on a Saturday, Sunday or bank holiday, you will be able to withdraw the money and you can be certain that the money is staying in your account at the end (11.59pm) of the second working day following the day you pay it in.
 - (iv) If you pay in a cheque using a paying-in machine that requires you to place your cheque into an envelope before inserting it into the machine, you will need to add an extra working day to the clearance times stated in (i) and (ii). For cheques paid in using any other type of paying-in machine after 7pm, you will also need to add an extra working day to the clearance time stated in (ii). Otherwise, cheques paid in using any other type of paying-in machine will have the same clearance times stated in (i) and (ii).
 - (v) If you pay in a cheque by post, we will treat the cheque as being paid in for the purpose of clearing times, on the working day we receive the cheque or, if later, the working day on which you ask us to pay the cheque into your account or the working day on which you are first allowed to pay a cheque into your account.
32. Cheques drawn from or paid into the account will be treated as valid for six months from the date of the cheque. Cheques must not be post dated.

Taking money out

33. Withdrawals from the account before the child's eighteenth birthday are generally prohibited, but may be made in accordance with the regulations for example to pay legitimate management charges and other incidental expenses; where a terminal illness claim has been made on behalf of the child and been agreed in accordance with the regulations.
34. We may refuse to carry out any transaction on the account that you might request if:
- (i) We reasonably believe that you did not give us the instruction; or
 - (ii) We reasonably suspect fraudulent activity; or
 - (iii) Your instructions are unclear or incomplete; or
 - (iv) We might act contrary to a law, regulation, code or other duty which applies to us.

Tax

35. Gains or income received to the account are free of personal forms of taxation such as income or capital gains tax.

Notices

36. An item will be treated as arriving 48 hours after posting (if sent to an address in the UK) or ten days after posting (if sent abroad).
37. You must advise us in writing immediately if your (or the child's) name or address changes. You may be charged for any costs and expenses incurred by us in establishing your address or that of the child.

Transfers

38. We will transfer the account (free of charge) to another Child Trust Fund Manager or Junior ISA manager upon your written instruction provided that the other Child Trust Fund Manager or Junior ISA manager has confirmed that any applicable cancellation period has expired. We will endeavour to carry out the transfer as soon as reasonably possible. Your instruction can state the time within which the transfer is to be completed, but should not be less than 30 days.
39. We do not accept transfers in from existing Child Trust Funds.

Closing the account

40. The account will close (free of charge) and tax exemption will end:
- (i) On the death of the child.
 - (ii) Upon the child's eighteenth birthday the account ceases to be a Child Trust Fund.
 - (iii) Upon the direct instruction of HM Revenue and Customs.
41. On the death of the child no further deposits can be made into the account and the tax exemption will end. The capital value of the Child Trust Fund and the accrued tax free interest is payable to the account holder's personal representatives. A tax liability may arise in respect of any interest earned after the date of death.
42. We may close your account immediately in exceptional circumstances, which might include a legal obligation to close the account or threatening or abusive behaviour towards our staff.
43. After opening the account your Child Trust Fund voucher may be returned without notice or charge, provided that you tell us of your intention within 14 days from the date of receiving your acknowledgement letter.

Variation of terms and conditions

44. We may make changes to the terms of this agreement. If the change is to your disadvantage we will tell you about it personally, either by letter, email or secure personal message within the Nationwide Internet Banking site, at least 30 days before we make the change. We may make any other change immediately and tell you about it by putting a notice in our branches and/or on the website or an advertisement in the press.



We're happy to provide this document in Braille, large print or audio format. Just ask your local branch or call **03457 30 20 11**.