

# Children's Future Saver

## Our Product Terms and Conditions

These Product Terms and Conditions are specific to your savings product. They form part of your savings account's terms and conditions, so you need to read these along with the other documents that make up your agreement.

Your Product Terms and Conditions have priority over anything that's said differently in another part of your agreement.

## Children's Future Saver

This product is for members who want to save money for a child they have parental responsibility for. They want to manage their account at a branch counter, or online, but rarely need to take money out.

### Key terms you need to know

**'Account Year'** is the 12 month period from the date your account was opened and each 12 month period after that.

**'Bare trust'** is a legal term which describes how the money in the account is owned. Although the account will be in your name, the money in the account is held by you on behalf of the child you are saving for. This means the money in the account belongs to the child and when they reach the age of 18 (or 16 if they live in Scotland), the child can request that you pay the money to them.

**'Bare trustee'** is a legal term which describes your role in this arrangement. It is the title you take when you hold the money in your account on behalf of the child. As a bare trustee, you have duties and obligations to the child, for example, you must act in their best interests and cannot use the money in the account for your own benefit. You may wish to seek legal advice if you want to know more about your duties as a bare trustee.

### Conditions for holding your account

You need to be aged 18 or over and saving for a child aged under 18 years and six months.

This account can only be held in your own name. Joint accounts are not allowed.

You can only hold the money in the account on bare trust for one child. You must have parental responsibility for the child.

If you still have your account when the child reaches the age of 18 years and six months, we'll transfer it to an instant access savings product. The terms and conditions and the interest rate for that product will then apply. We'll tell you personally before we transfer your account.

After the transfer, you will continue to hold the money in the account on bare trust for the child.

You can only be named on one Children's Future Saver account for each child you have parental responsibility for.

If it's been more than 28 days since you opened your account and you still haven't paid any money in, we'll close it.

### Term

Your account doesn't have a fixed term but please see above for details of the changes which happen when the child reaches the age of 18 years and six months.

### Managing your account

You can run your account in any of the following ways:

- At a branch counter – we will ask you for additional information or documents to confirm your identity
- Using the Internet Bank or our Banking app (if you're registered).

### Interest

We'll pay interest into your account on the anniversary of your account opening. If you opened your account on 29 February, we'll pay your interest on 28 February.

We'll also pay interest when you close your account.

We pay one of two different interest rates on your account, the higher interest rate and the lower interest rate. Which interest rate we pay depends on how many times you take money out of your account. All interest rates are variable, meaning they can go up or down.

If you take money out of your account one time or less in an Account Year, we'll pay you the higher interest rate for the whole of the Account Year.

If you take money out of your account more than once in an Account Year, we'll pay you the higher interest rate up to, but not including the date of the second withdrawal. We'll then pay the lower interest rate from the date of the second withdrawal until the end of the Account Year.

You can find out how any interest we pay to a bare trust for a child is treated for tax purposes by visiting [hmrc.gov.uk](https://www.hmrc.gov.uk) or contacting HM Revenue & Customs.

## Paying money into your account

You can't increase the amount of money in your account (the balance) by more than £5,000 at any time during an Account Year. For example, if your balance is £5,000 at the beginning of an Account Year, you can't increase it to more than £10,000 during that Account Year.

Any interest calculated on your account balance and added to your account doesn't count towards the annual limit.

You can take money out of your account and pay it back in without affecting your annual limit, as long as you do this in the same Account Year. If you pay the money back in during a later Account Year, it will count towards your limit for that Account Year.

If you try to pay money into your account, and the payment would increase the balance by more than £5,000 in that Account Year, we'll reject the whole of the payment. We'll return any rejected electronic payments to the account the payment was made from.

Money can be paid into your account in any of the ways set out in 'Our Savings Terms and Conditions'.

## Taking money out of your account

If you take money out of your account more than once, we'll pay the lower rate of interest on your account from the date of the second withdrawal.

You can take money out of your account in any of the following ways:

- In cash or by Building Society cheque at a branch counter
- By internal transfer to a current account or savings account you have with Nationwide (as long as it accepts payments).

You can close your account in branch or by using the Internet Bank.

## Statements

When you pay money into or take money out of your account in any month, we will provide you with a statement for that month. Even if you haven't made any payments on your account during the year, we will send a statement shortly after the anniversary of your account opening. We will also send you a statement when your account is closed.

We will send the statements by post.

It is up to you to decide what information about the account you want to share with the child.

## Special provisions that apply if you or the child dies

On your death, the money in the account and any interest will normally be paid to your personal representatives. These are the people who, on your death, are responsible for administering your estate.

Your personal representatives should continue to hold the money for the benefit of the child as bare trustee.

Alternatively, your personal representatives can choose to appoint a new adult with parental responsibility for the child to hold the account as bare trustee for the child.

If any claim is brought against us for paying the money to your personal representatives, your estate must cover it.

If the child dies, the money will form part of their estate. We'll transfer the money in the account to an instant access savings account in your name and the terms and conditions and the interest rate for that account will then apply.

You will need to work with the personal representatives of the child's estate to ensure the money in the account is administered appropriately.



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