

Members' 3 Year Children's Fixed Rate Bond (Issue 3)

About the account

We know how important it is to give children a head start in life and a Members' 3 Year Children's Fixed Rate Bond could be just the account to do that. As a parent, grandparent or guardian you can start saving for that special someone's future.

The Members' 3 Year Children's Fixed Rate Bond (Issue 3) is available to customers who are existing members and have held a savings or mortgage account with The Cambridge for at least three months. The Members' 3 Year Children's Fixed Rate Bond (Issue 3) allows you to invest a child's savings for a fixed term of three years, at an interest rate that won't change. The information below will give you an overview of the account, but please read the terms and conditions for all the details.

Summary box (continued overleaf)

Account name	Members' 3 Year Children's Fixed Rate Bond (Issue 3)		
What is the interest rate?	Minimum investment	Gross p.a. / AER %	
	£1,000+	1.50	
	<p>The interest rate is fixed for three years.</p> <p>We calculate interest on the balance of your account at the end of each day. You earn interest from the day your funds are paid into your account, until the day before your bond matures. Interest is paid annually on 31st December and on the maturity date.</p> <p>You can keep up to date with interest rates by calling us on 0345 601 3344 or visiting cambridgebs.co.uk.</p>		
Can The Cambridge change the interest rate?	The interest rate is fixed until the maturity date. The account will mature three years from the date of the initial deposit.		
What would the estimated balance be after 36 months based on a £1,000 deposit?	The following projection assumes the account is opened on 1st January and no further deposits or withdrawals are made. Projections are for illustrative purposes only and do not take into account individual circumstances.		
	Deposit	Gross p.a. / AER %	Estimated balance after 36 months
	£1,000	1.50	£1,045.68

Summary box (continued)

How do I open and manage my account?	<p>Available to existing members who have held a savings or mortgage account with The Cambridge for three months.</p> <p>Available to savers aged up to and including 15 years old. The account must be opened with an operator who will be removed when the child turns 18.</p> <p>You can open your account at any of our local branches or via post. Invest between £1,000 and £20,000.</p> <p>Once opened you can't add to your account – any payments received will be returned to you and the method we return this by will be at our discretion.</p> <p>The overall maximum holding by any one person in respect of all accounts with The Cambridge is £2,000,000.</p>
Can I withdraw money?	<p>Withdrawals and account closures aren't permitted during the fixed rate term.</p> <p>Upon maturity the balance including any accrued interest will transfer to the Maturity Account which provides instant access to your money.</p>
Additional information	<p>No tax will be automatically deducted from the interest paid on this account.</p> <p>You need to tell HMRC if your child earns more than £100 in interest from money given by one parent, or more than £200 if given by two parents. This interest is liable for tax. You may need to pay tax on any interest that exceeds your Personal Savings Allowance. For more information please contact HMRC or visit hmrc.gov.uk.</p> <p>Tax treatment and rate of interest payable will depend on individual circumstances and may change in the future.</p>

The **Gross** rate is the contractual rate of interest payable before deduction of income tax at the rate specified by law.

The **Annual Equivalent Rate (AER)** is a notional rate which illustrates what the gross interest rate would be if interest was paid and added to the account annually.

14 days to change your mind

If in the first 14 days of opening your account you decide that the account you've chosen isn't right for you, you can have your money back – without penalty. We'll arrange to close the account and return your money or to switch your funds to another of our savings accounts. We'll pay you interest on the balance of your account up to the day before closure at the appropriate Children's Fixed Rate Bond rate.

Before choosing this account, please read the special terms and conditions.

Special terms and conditions

Effective from 19th June 2020

1. Introduction

- 1.1 These special terms and conditions apply to all Members' 3 Year Children's Fixed Rate Bonds (Issue 3) held with the Society. Our 'Terms and Conditions for Savers' also apply to the account. Where the terms and conditions are inconsistent with the special conditions, these special conditions will apply.
- 1.2 In the special terms and conditions:
 - 'The Cambridge', 'the Society', 'we', 'us' and 'our' refer to The Cambridge Building Society; and
 - 'you' and 'your' refer to holders of savings accounts

2. Eligibility

- 2.1 You or the account holder, the child, must have been an existing member of The Cambridge for at least three months to open a Members' 3 Year Children's Fixed Rate Bond (Issue 3).
- 2.2 The Members' 3 Year Children's Fixed Rate Bond (Issue 3) is available to savers aged up to and including 15 years old.
- 2.3 The account holder, the child, may not hold more than one Members' 3 Year Children's Fixed Rate Bond (Issue 3) with The Cambridge at any one time.
- 2.4 Members' 3 Year Children's Fixed Rate Bond (Issue 3) can only be held in a sole name.

3. Opening and operating an account on behalf of a child

- 3.1 All accounts will be opened in the name of the child. The account must be opened by an adult (the account operator). We do not allow more than one adult to operate the account.
- 3.2 When you open an account on behalf of a child, we will ask you to provide evidence of your identity and address and evidence of the child's identity.
- 3.3 All correspondence from us will be sent to the account operator.
- 3.4 You may ask us to transfer the account operation authority to another adult. We will require evidence of the new operator's identity and address before we carry out your request.
- 3.5 At the age of 18 the account must be in the name of the account holder, the child, only. We will contact you to advise the authority will be transferred to the account holder. This condition still applies following maturity. See condition 7 for more details.
- 3.6 All money invested in the account belongs to the child.

4. Minimum and maximum investment

- 4.1 You must invest a minimum amount of £1,000 to open the account.
 - 4.2 Once you have opened your account you cannot add further deposits to the balance.
 - 4.3 The maximum investment amount is £20,000.
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5. Interest payments

- 5.1 We pay interest on 31st December and the maturity date.
- 5.2 When you open your account you must advise us if you want the interest added to the Fixed Rate Bond, transferred to another account held with us, or transferred to an account with another bank or building society. Where interest is paid to an account with another provider it will reach the account the day after payment.
- 5.3 You may change your payment of interest instructions by writing to us. We will require a minimum of 14 working days' notice to carry out this change.

6. Withdrawals and early closure

- 6.1 Withdrawals or closure aren't permitted before the maturity date.
- 6.2 In the event of the death of the sole account holder, condition 6.1 above will be waived.

7. Maturity

- 7.1 Members' 3 Year Children's Fixed Rate Bond (Issue 3) is a fixed term savings account. The account will mature three years from the date of your initial deposit. The funds will transfer to the Maturity Account that day. The Maturity Account special terms and interest rates will apply from that date.
- 7.2 We will contact you, or the account holder, prior to your account maturing and provide you, or them, with a copy of the Maturity Account special terms and conditions.

The Cambridge Building Society

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