

Assigning windfall rights



Charitable assignments

We are committed to remaining a mutual building society run with the belief that a mutual status is in the best interest and long term benefit of our members.

We aim to provide all of our customers with an exceptional level of service however, following a period where our service levels were severely disrupted by the actions of speculators, who open savings accounts in the hope of receiving windfall benefits, we took steps to ensure our service levels could be maintained for the benefit of all members.

On 1 November 1999 we launched the Tipton & Coseley Charitable Foundation and all members joining on or after this date are required to assign any windfall benefits to our Charitable Foundation in the unlikely event of any transfer of business to a bank or other company.

There are some exceptions to this requirement and these are detailed below. Any customer with membership rights as a saver or borrower before 1 November 1999 are not affected by these assignments.

Your questions answered

What do you mean by windfall benefits?

This is a benefit paid to a shareholding member if, in the unlikely event, we were to transfer business to a bank or other company on a conversion or take-over.

What do you mean by assigning rights?

If you became a member on, or after 1 November 1999, you will have the same voting rights as any other member, however any windfall benefit that would be paid in the unlikely event of a conversion or take-over would automatically be passed to our Charitable Foundation.

Does this mean that you are planning to convert?

We are strongly opposed to conversion. We believe that the interest of all members is better served by maintaining our mutual status. These assignments will allow us to continue to deliver better value to all of our customers and our results reflect this.

What is the Charitable Foundation?

The Foundation is a registered charity. Each year we donate £10,000 to the Foundation which in turn makes donations to locally based health and education linked charities.

What if I'm already a member?

The assignment declaration is included in all savings account application forms, however it is drafted in such a way that if you are already a member, and have continuously maintained your membership since the introduction of the Foundation then you are unaffected.

What are the exceptions?

From 1 November 1999, new mortgage customers would still be entitled to any windfall benefit coming to them as a borrowing member. Valid applications to open accounts received but not processed before 1 November 1999 will not be affected. So that customers whose accounts are held by others as trust are not unfairly treated, the following are not considered as new account opening transactions:

- Transfer of an account from a deceased savings member to a personal representative, such as a widow, widower or a child aged under 18 years;
- Transfer of a child's account to a child's sole name when they attain sufficient age where the account was held as trustee;
- Transfer of an account opened on behalf of a club or association to a new officer;
- Transfer of a trust account when the trustee changes but the beneficiary remains the same; and
- Death of first named account holder where a second named account holder becomes first named.

How can I find out more?

If you would like further information please call us on 0121 557 2551 or visit your local branch.

Tipton branch
0121 557 2551
70 Owen Street, Tipton,
DY4 8HG

Coseley branch
01902 883173
Castle Street, Coseley,
WV14 9DW

Bilston branch
01902 403853
73 Church Street, Bilston,
WV14 0BJ

Sedgley branch
01902 882469
6 Bull Ring, Sedgley,
DY3 1RX