

Children's Account – Account Summary

Summary Box	
Account name	Children's Account
What is the interest rate?	0.30% Gross* p.a. / AER† (Variable) Interest is calculated on the daily balance and paid annually on the 1st January every year.
Can Principality change the interest rate?	Yes, variable account rates could increase or decrease. Customers will be given personal notification of any material reduction in interest rates a minimum of 14 days before the change takes effect. To understand why rates may be reduced please refer to our Savings Terms and Conditions.
What would the estimated balance be after 12 months based on a £1,000 deposit?	£1,003 (based on the assumption that no further deposits or withdrawals are made during the 12 months).
How do I open and manage my account?	<ul style="list-style-type: none"> The account can be opened for a child who is under 18 years old on a signatory or trustee basis. However, if the child is aged between 14 years and 17 years old, they can open it on their own. For accounts opened on a signatory basis, the child will always be the named account holder. For accounts opened on a trustee basis, the trustee will always be the named account holder. The signatory, trustee and child must be a UK resident for tax purposes. Open in branch, agency, or by post. Minimum balance is £1, maximum investment is £25,000. When the child reaches 18 years old the account will mature and the balance will be transferred to our Instant Access Account or its nearest equivalent available. Manage in branch, agency, or by post.
Can I withdraw money?	<ul style="list-style-type: none"> Yes, you do not have to give notice to close your account or make a withdrawal. If the account is closed or a withdrawal is made on the child's behalf, this must be for the child's benefit. If the child is under 14, only the signatory or trustee can make withdrawals. From the child's 14th birthday onwards, the person or people managing the account can decide to pass control of the account to the child. After this, only the child can make withdrawals.
Additional information	<ul style="list-style-type: none"> For accounts opened on a trustee basis: after the child's 18th birthday, if the beneficiary requests that the funds are transferred to them, then the trustee is obliged to do so. Service charges and costs may apply to your account. These are outlined in our Tariff of Charges. If the total amount of interest you earn exceeds your Personal Savings Allowance then you may have to pay tax directly to HMRC. For more information visit www.gov.uk/savings-for-children In certain circumstances we may refuse an instruction to operate an account. These circumstances are outlined in our Savings Terms and Conditions. Rates correct as at 11/05/2020.

Children's Account – Account Terms

- You must read these Account Terms which include the 'Summary Box' with our General Conditions (including the Accounts for Children section of the Account Specific Terms' which are in the current edition of our 'Savings terms & conditions' leaflet) and also apply to this Account. If there is any conflict between these Account Terms and the General Conditions, these Account Terms will prevail.
- If the child is under the age of 14, the Account must be opened and managed by an adult on the child's behalf, either in the child's own name as a Signatory Account or in the adult's name as Trustee of a Trust Account. Up to 4 adults can be signatories or Trustees on any one Account. Only a parent, grandparent, other close relation or legal guardian may open an Account as a Signatory Account.
- From the age of 14 to 17, an Account may be opened by a child without an adult or opened and managed in the same way as under Account Term 2.
- Where the child is 14 or over, the child may manage the Account on their own if they opened the Account or where the adult signatory or Trustee consents to this in writing.
- The minimum balance is £1 and the maximum investment is £25,000. The Account will be closed if the balance in it falls below the minimum.
- The Account will transfer into our Instant Access Account or its nearest equivalent on the 18th birthday of the child and we shall write to the child to notify them of that fact at least 14 days before their 18th birthday or in the case of a Trust Account, as all correspondence is addressed to the Trustee, this notification will be sent to the Trustee at his or her address. After the transfer, the Account will continue to be managed in the same way.
- The Interest rate applicable to your account is a Variable Account Rate. The initial interest rate is the rate set out in the Summary Box on the date you open your Account.
- Interest will be calculated daily and added to the Account annually on 1 January each year.
- Any withdrawals (including on closure) must be payable to the child or be for the child's benefit on an Account managed by an adult as a Signatory Account or, for a Trust Account, payable to the child or to the Trustee and held for the child or applied for the child's benefit.
- Trustees must read the sections on Trust Accounts in the General Conditions. All obligations owed to the child are entirely the Trustee's responsibility. In particular, once a child turns 18, a Trustee must manage the Account according to the child's wishes including in relation to any transfer, closure or withdrawal. We are not obliged to ask for any evidence that any withdrawal is in accordance with your duties as Trustee. Nevertheless, we reserve the right to do so at any time before processing a transaction where it is reasonable and proportionate to do so.
- It is the duty of the Signatory to look after the interests of the Account Holder. In particular, all withdrawals and interest must be to the Account Holder, for the benefit of the Account Holder or approved by the Account Holder. We are not obliged to ask for any evidence that any withdrawal is in accordance with your duties as Signatory. Nevertheless, we reserve the right to do so at any time before processing a transaction where it is reasonable and proportionate to do so.

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

† AER stands for Annual Equivalent Rate and illustrates what the interest rate would be if interest were paid and compounded once each year.