

# About Penrith Building Society

Penrith is a small historic town to the north-east of the Lake District. In 1877 a philanthropic group of citizens founded this mutual building society to help local people look after their money and buy their own homes. Our original Seal reads "Every Man His Own Landlord", aptly expressing their principles at that time.

And to this day, providing savings accounts and mortgages for homebuyers is exactly what we do.

We are still based in Penrith, though now we also lend nationwide. We haven't gone in for mergers to grow bigger. We haven't abandoned our 'mutual' beginnings and converted to a profit-making 'mortgage bank', or sold out to one either. We remain an independent local building society, of which there are only a handful left.

So, you may be surprised that we have repeatedly won national recognition. Impartial research for consumer magazine What Mortgage has clearly proved over many years that we charged our homebuyers less. We have won their title of 'Top Lender of the Year' for being the UK's cheapest mortgage lender.

Charging less interest is made possible by lower costs: no branch network, no regional management, no huge advertising campaigns, no call-centres and importantly, no outside shareholders to pay out. As a mutual building society we are membership-based; a 'not-for-profit' organisation. We believe in looking after our Members, not exploiting them.

We are also careful in our mortgage lending. We can be flexible, but have a responsibility not to lend people more than they can afford, which helps them manage in difficult times and reduces the risk of arrears. This also keeps our costs down and supports the opportunity to charge less.

Now you've heard about our traditional values and beliefs, are you thinking about joining us?

If you apply for a mortgage, your application will be handled by dedicated, experienced staff. Not machines or computers. If you write to us or telephone, you'll be answered by real people here in our Penrith office. Not a voice recognition programme, or an outside call-centre.

We'd like an opportunity to welcome you into our society.

*Chris Hayward,  
Chief Executive*



# The Society's Key Commitments

We will:

- Act fairly and reasonably in all our dealings with you, treating you courteously and with patience;
- Give you information on our products and services in plain language, and offer help if there is an aspect which you do not understand, to enable you to choose a product or service to fit your needs;
- Help you to understand the financial implications of the different products or services;
- Help you to understand how an investment or mortgage account works;
- Correct errors and handle complaints speedily;
- Make sure that our products and services meet all relevant laws and regulations.

## What is a mortgage?

The word means a 'legal charge' or promise against a person's property. It is the borrower who gives the mortgage to the Society as security for a loan (to buy the property). A mortgage is required by the Society to ensure that if the loan is not repaid it will be in a position to recover the amount owing by taking possession of the property.

The conditions of the loan are set out in the legal contract - the Mortgage Deed. This includes how it will be repaid, and gives the Society the right to charge interest on the loan. Interest is charged on mortgages so that Members with money in the society can be paid interest on their savings. In simple terms, it is money from these investments which is used to fund mortgage advances.

YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.

## Types of mortgage the Society will accept

### I. Repayment Mortgage

With this loan the borrower makes repayments of capital and interest each month. Assuming that there are no changes in interest rates during the term of the mortgage, the monthly repayment figure will remain constant. However, interest rates are variable, and if they change borrowers are personally notified of the revised rate and the new repayment due.

Tables 1, 2 and 3 illustrate how the balance outstanding on the loan decreases slowly at first, but then drops at a faster rate as the remaining term reduces. These tables also show what repayments and interest charges would be at different Interest rates, to illustrate how changing rates can affect your mortgage.

**The current interest rate is stated in Appendix I of this booklet.**

**TABLE I - Advance of £100,000 over 25 years at 4.5%**

Year	Annual Repayment	Principal	Interest	Balance at end of year
	£	£	£	£
1	6,669.96	2,215.28	4,454.68	97,784.72
2	6,669.96	2,317.05	4,352.91	95,467.67
3	6,669.96	2,423.49	4,246.47	93,044.18
4	6,669.96	2,534.83	4,135.13	90,509.35
5	6,669.96	2,651.28	4,018.68	87,858.07
6	6,669.96	2,773.08	3,896.88	85,084.99
7	6,669.96	2,900.47	3,769.49	82,184.52
8	6,669.96	3,033.72	3,636.24	79,150.80
9	6,669.96	3,173.09	3,496.87	75,977.71
10	6,669.96	3,318.86	3,351.10	72,658.85
11	6,669.96	3,471.32	3,198.64	69,187.53
12	6,669.96	3,630.80	3,039.16	65,556.73
13	6,669.96	3,797.60	2,872.36	61,759.13
14	6,669.96	3,972.06	2,697.90	57,787.07
15	6,669.96	4,154.53	2,515.43	53,632.54
16	6,669.96	4,345.40	2,324.56	49,287.14
17	6,669.96	4,545.02	2,124.94	44,742.12
18	6,669.96	4,753.81	1,916.15	39,988.31
19	6,669.96	4,972.21	1,697.75	35,016.10
20	6,669.96	5,200.63	1,469.33	29,815.47
21	6,669.96	5,439.54	1,230.42	24,375.93
22	6,669.96	5,689.44	980.52	18,686.49
23	6,669.96	5,950.81	719.15	12,735.68
24	6,669.96	6,224.18	445.78	6,511.50
25	6,669.96	6,511.50	158.46	0.00
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	166,749.00	100,000.00	66,749.00	

**TABLE 2 - Advance of £100,000 over 25 years at 6.0%**

Year	Annual Repayment	Principal	Interest	Balance at end of year
	£	£	£	£
1	7,731.60	1,780.02	5,951.58	98,219.98
2	7,731.60	1,889.81	5,841.79	96,330.17
3	7,731.60	2,006.37	5,725.23	94,323.80
4	7,731.60	2,130.12	5,601.48	92,193.68
5	7,731.60	2,261.50	5,470.10	89,932.18
6	7,731.60	2,400.98	5,330.62	87,531.20
7	7,731.60	2,549.07	5,182.53	84,982.13
8	7,731.60	2,706.29	5,025.31	82,275.84
9	7,731.60	2,873.21	4,858.39	79,402.63
10	7,731.60	3,050.42	4,681.18	76,352.21
11	7,731.60	3,238.57	4,493.03	73,113.64
12	7,731.60	3,438.31	4,293.29	69,675.33
13	7,731.60	3,650.38	4,081.22	66,024.95
14	7,731.60	3,875.53	3,856.07	62,149.42
15	7,731.60	4,114.56	3,617.04	58,034.86
16	7,731.60	4,368.34	3,363.26	53,666.52
17	7,731.60	4,637.77	3,093.83	49,028.75
18	7,731.60	4,923.82	2,807.78	44,104.93
19	7,731.60	5,227.50	2,504.10	38,877.43
20	7,731.60	5,549.93	2,181.67	33,327.50
21	7,731.60	5,892.24	1,839.36	27,435.26
22	7,731.60	6,255.65	1,475.95	21,179.61
23	7,731.60	6,641.49	1,090.11	14,538.12
24	7,731.60	7,051.13	680.47	7,486.99
25	7,731.60	7,486.99	244.61	0.00
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	193,290.00	100,000.00	93,290.00	

**TABLE 3 - Advance of £100,000 over 25 years at 7.5%**

Year	Annual Repayment	Principal	Interest	Balance at end of year
	£	£	£	£
1	8,867.88	1,415.89	7,451.99	98,584.11
2	8,867.88	1,525.82	7,342.06	97,058.29
3	8,867.88	1,644.27	7,223.61	95,414.02
4	8,867.88	1,771.91	7,095.97	93,642.11
5	8,867.88	1,909.47	6,958.41	91,732.64
6	8,867.88	2,057.72	6,810.16	89,674.92
7	8,867.88	2,217.45	6,650.43	87,457.47
8	8,867.88	2,389.61	6,478.27	85,067.86
9	8,867.88	2,575.11	6,292.77	82,492.75
10	8,867.88	2,775.03	6,092.85	79,717.72
11	8,867.88	2,990.46	5,877.42	76,727.26
12	8,867.88	3,222.62	5,645.26	73,504.64
13	8,867.88	3,472.80	5,395.08	70,031.84
14	8,867.88	3,742.40	5,125.48	66,289.44
15	8,867.88	4,032.93	4,834.95	62,256.51
16	8,867.88	4,346.02	4,521.86	57,910.49
17	8,867.88	4,683.41	4,184.47	53,227.08
18	8,867.88	5,047.00	3,820.88	48,180.08
19	8,867.88	5,438.81	3,429.07	42,741.27
20	8,867.88	5,861.04	3,006.84	36,880.23
21	8,867.88	6,316.04	2,551.84	30,564.19
22	8,867.88	6,806.38	2,061.50	23,757.81
23	8,867.88	7,334.77	1,533.11	16,423.04
24	8,867.88	7,904.19	963.69	8,518.85
25	8,867.88	8,518.85	349.03	0.00
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	221,697.00	100,000.00	121,697.00	

## 2. Interest – only Mortgage

With this loan the borrower makes repayments of the interest only to the Society each month. Repayment of the capital could be via any of the following:

### An Endowment policy:

An endowment policy is taken out, by the borrower, which would need to be sufficient to pay off the capital sum borrowed on its maturity. Premium payments in respect of this policy are made to the insurance company, usually on a monthly basis. The endowment policy is 'assigned' to the Society, which means that the borrower is unable to surrender or use the policy for any other purposes without the Society's permission. The Society would normally require the proceeds to be used to reduce, or pay off the mortgage debt.

### A Pension Plan policy:

During the term of the mortgage the borrower pays into a pension plan insurance policy. The capital sum borrowed is paid off on retirement of the individual when a lump sum becomes payable on maturity of the pension. The borrower's life is insured for the amount of the loan during the life of the mortgage. This is generally only applicable to self employed borrowers.

### An ISA or Other Investment Vehicle:

During the term of the mortgage the borrower pays into an ISA or some other investment vehicle. The proceeds of the ISA/Investment vehicle are used to repay the outstanding capital sum at the end of the mortgage term.

The Society would need to see the annual ISA statements to confirm that the ISA is in place. However the Society does not monitor the performance of such investments. For this type of loan the Society may require a suitable life policy, sufficient to cover the amount of the loan, to be assigned to the Society.

- With Interest-only mortgages it is the borrower's responsibility to ensure there is sufficient capital to repay the mortgage at the end of the agreed term.
- It is possible to combine both repayment and interest only mortgages if desired.

NB: The Society does not sell the endowment policies, pension plans or any other investment vehicle which may be used to repay the capital sum borrowed. It is therefore unable to recommend or advise on such products.

## Buy to Let and Commercial Mortgages

The Society will lend on certain properties which are used for commercial purposes, ie. residential let property, guest houses, shops, etc. This type of lending is restricted to within Cumbria.

The maximum percentage the Society will advance is 75% of the value of the property. Please note that in buy-to-let cases the maximum LTV is 70% and for pure commercial property is 50%. The valuation in such cases is on a bricks and mortar basis and will take into account any tenancy/letting agreements which are in place, or are to be used. The valuation does not include any amount attributable to the profitability or good-will of the business.

Commercial mortgages do not qualify for any of the Society's discounted schemes.

The Society may charge an additional amount over and above its standard variable interest rate.

## How much can I borrow?

The Society looks at two things in deciding how much it will lend - the property and the applicant(s). Income from salary or wages etc is multiplied to a formula explained below:

The maximum that can be lent (in Cumbria) will be 90% of the valuation of the property or purchase price (whichever is the lower), but the level of the advance is in all cases at the Society's discretion.

The maximum amount the Society will lend is:

- $3.5 \times$  gross main annual income, plus  $1 \times$  second income

Outside Cumbria the maximum figure is 75% LTV.

In all cases, the income taken into account includes basic pay, plus regular bonuses, overtime and commission. Proof of income, ie. payslips or P60s, should be produced at the time of application. Where an applicant is self employed we usually require to see the accounts of the business for the three previous years and the amount of the mortgage is calculated on the net profit.

In all cases the Society also takes into account other financial outgoings and borrowings and the age(s) of the applicant(s).

In certain circumstances if an applicant's income is insufficient to meet the Society's lending criteria, the Society may be prepared to accept a Guarantor.

## Higher Lending Charge

The Society's normal advance is 75% of the value or purchase price of the property (whichever is the lower).

We are prepared to lend above 75%, but in such cases a 'higher lending charge' will be made.

The scale of higher lending charges is set out below. The charge may be added to the advance amount, providing the total does not exceed the 90% limit.

The higher lending charges are:

- 3.25% if the amount borrowed is between 75% and 80%.
- 4.00% if the amount borrowed is between 81% and 85%.
- 4.75% if the amount borrowed is between 86% and 90%.

There is a minimum higher lending charge of £150.

## How much will my repayments be?

Because interest rates are variable, repayments change every time there is a rate change. However Appendix 1 gives a number of examples of the monthly cost (not including any insurance) at the present rates of interest.

Borrowers are notified by post whenever there is a change in interest rates/monthly repayments.

## How much will the loan cost?

Appendices 2 and 3 give typical examples of loans and show the quoted rate and the APR (Annual Percentage Rate). The Society will be pleased to provide a written quotation based on your own individual circumstances on request.

## Are there early repayment charges?

There may be early repayment charges attached to particular products. These will be explained in the relevant appendices.

## Are there any restrictions regarding the type of property?

There are very few restrictions. However, in the instance of freehold flats the Society is only prepared to lend up to 75% of valuation and then only on local properties. Also, the Society does not lend on flats within a property of over four stories. Additionally, in the case of leasehold properties the Society will require that the lease should run for a minimum of 50 years after the end of the period for which the loan was initially granted.

## Why does a valuation have to be carried out?

The Society is obliged to establish that the security (the property) for any advance is adequate.

The Society will commission a qualified Valuer to inspect the property and prepare a report which will state whether the Valuer considers the property is adequate security for the Society's purpose. The valuation is paid for by the applicant.

The report is for the Society's purposes only. Because the Society is interested in the property only as security for you to repay the advance with interest, it does not require the kind of information which a prospective buyer might. The report will therefore not be detailed and will be based on a limited inspection. There may be serious defects in the property which are not revealed by the valuation report, or there may be omissions or inaccuracies in it which would very much concern you as the purchaser.

The Society therefore strongly recommends that you obtain your own more detailed report on the condition and the value of the property, based on a fuller inspection. This will enable you to decide whether the property is suitable for your purposes, both as an investment and as a residence.

There are two types of more detailed reports, the Homebuyers Report and the building survey. The fees for a fuller report, are of course higher than for the Society's valuation report because the Surveyor will spend more time, both inspecting the property and preparing a fuller report suitable for your needs. The higher fees also cover the cost of the Surveyor insuring himself against the risk of liability to you in damages.

If you do decide to obtain a fuller report, the Society will still require a valuation report for its own purposes. However, in the majority of cases total costs can be reduced if the same Surveyor carries out both inspections, but in this event the Society should be contacted before your own survey is carried out in order that the necessary arrangements can be made.

There is no standard scale of fees, but the scale of fees shown below gives an approximate indication of probable costs.

Purchase Price/ Valuation	Mortgage Valuation Fee	Combined RICS Homebuyers Report & Mortgage Valuation Fee
£	£	£
Up to 60,000	145	270
60,001 - 75,000	175	320
75,001 - 100,000	190	360
100,001 - 150,000	210	410
150,001 - 200,000	270	455
200,001 - 250,000	300	505
250,001 - 300,000	360	550
300,001 - 400,000	420	600
400,001 - 500,000	480	720
500,001 - 600,000	540	840
600,001 - 700,000	660	960
700,001 - 800,000	720	1,080
800,001 - 900,000	780	1,200
900,001 - 1,000,000	840	1,320
1,000,001 - 2,000,000	1,020	1,560
2,000,001 - 3,000,000	1,200	1,920

All fees include VAT and travelling expenses.

Building Survey fees by negotiation with the Valuer.

## What if the property requires renovation?

If the property is run-down, or needs certain works to be carried out, the Society may decide to

- 1) Offer the full amount of the loan on purchase, but require a written undertaking that the remedial work is carried out within a specified time (usually six months to one year).
- 2) Offer only part of the loan initially, and releasing the balance when the remedial works have been completed.

In certain instances the Society will help applicants purchase a run-down property, and then renovate it. The Society will require plans and builders estimates in order to establish the total loan required. After the initial loan has been released and renovation has commenced, the Society is prepared to make "stage payments" to allow builders and other trades people to be paid as the work progresses. These payments are made after the Valuer has inspected the progress of the property, to establish sufficient work has been carried out to justify the release of a further payment.



# Self-Build Properties

The Society is also prepared to finance the building of a new house by providing help with the purchase of the plot, followed by a number of "stage payments". The maximum initial release would be 50% of the plot value. Further instalments would be released upon re-inspection by the Society's Valuer, subject to no more than 75% of the value of the property being released at any time. This type of lending is restricted to Cumbria only.

## Who deals with legal matters?

It is the Society's policy to allow Solicitors and Licensed Conveyancers to act both for the Society and the borrower(s) only if the practice has three or more partners/regulated principals and they can satisfy the Society that they have suitable Professional Indemnity cover.

If you choose a Solicitor who is not acceptable to the Society, then you may continue to use that chosen Solicitor, although in addition the Society would instruct its Solicitors and you would be liable for their fee.

Either your Solicitors or a Licensed Conveyancer will carry out all the legal work involved. The procedures which they will follow will include:

- a) Advising you on the draft contract.
- b) Explaining the details of the mortgage deed.
- c) Checking that there are no developments planned which might reduce the value of your property, eg a proposed motorway or railway line being sited near the property.
- d) Examining the title documents (the deeds) to ensure that proper title is obtained.
- e) Checking restrictive covenants (promises), compliance with Building Regulations and planning legislation.
- f) Checking legal aspects of facilities such as sewers serving the property.
- g) Arranging for the exchange of contracts. At this point the sale/purchase of the house is finalised and a 10% deposit is usually required.
- h) Arranging for the completion when the balance of the purchase price is paid to the Vendor, the advance is obtained from the Society and the buyer moves into the property.

The Society recommends that you contact your own Solicitors to obtain an estimate of their fees before making an application for a mortgage. Should you wish to contact the Society's Solicitors for an estimate of their fees they are: Gaynham King and Mellor of 1-2 Mason Court, Gillan Way, Penrith 40 Business Park, Penrith, Cumbria CA11 9GR - telephone 01768 864651.

## What about the property insurance?

**We require that your property is insured for the full reinstatement value, on or before completion of your mortgage.**

Protecting your property and its contents is an important decision and we feel that you should be able to select the level of cover to meet your own requirements.

We can meet these needs by offering you Penrith Home Insure Solutions, a flexible Buildings and/or Contents policy that provides the level of cover that you require at a competitive price. Home Insure Solutions is underwritten by certain underwriters at Lloyd's and is administered by Heath Lambert Insurance Services; a trading style of the Heath Lambert Group. Penrith Building Society, Heath Lambert Ltd and Lloyd's are regulated by the Financial Services Authority.

Penrith Home Insure Solutions policy offers the following features and benefits:

- You can pay your premiums by using our Interest Free Direct Debit facility operated by Premium Credit.
- An automated sign up service with no complicated proposal form to complete.
- Cover tailored to your individual requirements with optional extras including Accidental Damage & Legal Expenses.
- Your Building sum insured will reflect the rebuilding cost up to a maximum of £500,000
- Numerous lifestyle discounts including a 10% reduction for Combined Building & Contents policy.
- If you take out combined buildings and contents cover you also receive:
  - Free Personal Belongings cover is automatically provided away from the home (within the United Kingdom with a 60 day world-wide extension). Cover is provided up to 10% of the Contents Sum Insured with a £1,500 single unspecified item limit, and
  - Money & Credit Card cover of up to £500 per claim.
- Our policies offer a 24-hour claims helpline.

We will automatically provide Applicant(s) with a free no obligation quotation. There will be a box to tick on the Application Form if you do NOT want to receive a quotation from the Society.

## Can I arrange my own property insurance?

It is possible for you to arrange your own insurance, but the Society must ensure it is appropriate and will therefore require a copy of the policy schedule.

The Application Form contains an "Own Insurance Declaration" as follows:

If I/We do not take advantage of the Society's household insurance, I/We understand and agree to:

1. Accept sole responsibility for the choice of insurer, the sum insured, the extent of cover and the financial consequences of any terms, conditions or excesses imposed.
2. Ensure the sum insured is not less than the rebuilding figure given in the valuation report and is index-linked annually.
3. Ensure that the cover provided by the policy includes financial protection against loss or damage to the property from all major insurable perils including but not restricted to: Fire, Flood, Storm, Theft, Escape of Water, Malicious Damage, Subsidence, Landslip and Heave and Legal Liability.
4. The interest of Penrith Building Society is noted on the policy and a copy of the policy schedule confirming this is forwarded for the Society's records. If you change insurance company within the term of the mortgage a copy of the new policy schedule should be provided to the Society.
5. Undertake to pay all premiums as they fall due to maintain the policy cover for the life of the mortgage.
6. The Society accepts no responsibility for any loss suffered by me/us in connection with the insurance of the property, however caused.
7. Pay the one-off insurance administration fee of £25.00 charged by the Society.

The Declaration to be signed by all Applicants.

## Unemployment, accident and sickness protection

The Society suggests that you consider taking out Mortgage Payment Protection Insurance to cover you in the event of unemployment. Accident and sickness protection can also be taken out. Details of the cover provided by Cuna Mutual Group is enclosed.

The Payment Protection Insurance is optional. There are other providers of Payment Protection Insurance and other products designated to protect you against loss of income. For impartial information about insurance, please visit the website at [www.moneyadvice.service.org.uk](http://www.moneyadvice.service.org.uk)

## What special mortgage products has the Society to offer?

Appendix 4 gives details of the special mortgage products which the Society is currently offering.

## Identification

When an application is made on a face-to-face basis, one of the following documents will provide satisfactory verification of identity:

- Valid passport.
- Valid photocard, Driving Licence (full or provisional).
- National Identity Card (non-UK nationals).
- Firearms certificate or shotgun licence.
- Identity card issued by the Electoral Office for Northern Ireland.

OR

Either:

- Valid (old style) full UK Driving Licence

Or

- Recent evidence of entitlement to state or local authority funded benefit (including housing benefits and council tax benefits), tax credit, pension, educational or other grant.

When accompanied by one of the following:

- Instrument of a Court appointment (such as liquidator, or grant of Probate).
- Current Council Tax demand letter or statement.
- Current bank statement or credit/debit card statement issued by a regulated financial sector firm in the UK, EU or comparable jurisdiction. (Statements printed off the internet will not be accepted.)
- Utility Bill (those printed off the internet will not be accepted).

However if the application is made on a non face-to-face basis one of the following documents must be produced:

- Valid passport.
- Valid photocard Driving Licence (full or provisional).
- National Identity Card (non-UK nationals).
- Firearms certificate or shotgun licence.
- Identity card issued by the Electoral Office for Northern Ireland.
- Valid (old style) full UK Driving Licence.
- Recent evidence of entitlement to state or local authority funded benefit (including housing benefits and council tax benefits) tax credit, pension, educational or other grant.

When accompanied by one of the following:

- Instrument of a Court appointment (such as liquidator, or grant of Probate).
- Current Council Tax demand letter or statement.
- Current bank statement or credit/debit card statement issued by a regulated financial sector firm in the UK, EU or comparable jurisdiction. (Statements printed off the internet will not be accepted.)
- Utility Bill. (Those printed off the internet will not be accepted.)

Rather than send original documents, the Society is happy to accept certified copies of documents where these have been certified by a regulated or professional person covered by Money Laundering Regulations or a government department. If certification cannot be obtained by one of these persons, then certification will only be accepted if the person providing the certification is approved by the Society. The person certifying the documents must provide their name, address and telephone number in case there is a query regarding the identity of the applicant.

**Penrith Building Society**  
7 King Street, Penrith, Cumbria CA11 7AR

## 1. The Financial Services Authority (FSA)

The FSA is the independent watchdog that regulates financial services. It requires us to give you this document. Use this information to decide if our services are right for you.

## 2. Whose products do we offer?

- We offer products from a range of insurers for household insurance.
- We only offer products from a limited number of insurers for household insurance.
- We only offer products from Heath Lambert Insurance Services, a trading style of Heath Lambert Limited, for home insurance and Cuna Mutual Group for mortgage payment protection insurance.

## 3. Which service will we provide you with?

- You will not receive advice or a recommendation from us for insurance contracts. We may ask you some questions to narrow down the selection of product benefits that we will provide details on. You will then need to make your own choice about how to proceed.
- We will advise and make a recommendation to you after we have assessed your needs for insurance products.

## 4. What will you have to pay us for this service?

- A fee
- No fee

You will receive a quotation, which will tell you about any other fees relating to any particular insurance.

## 5. Who regulates us?

Penrith Building Society is authorised and regulated by the Financial Services Authority. Our FSA register number is 164473.

Our permitted business is as an insurance intermediary and we are authorised to arrange insurance contracts for you.

You can check this on the FSA's Register by visiting the FSA's website [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or by contacting the FSA on 0845 606 1234.

## 6. What to do if you have a complaint.

If you wish to register a complaint, please contact us:

... in writing      Write to: Penrith Building Society, 7 King Street, Penrith, Cumbria, CA11 7AR

...by phone      Telephone: 01768 863675

If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service.

## 7. Are we covered by the Financial Services Compensation Scheme (FSCS)?

We are covered by the FSCS. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim.

Further information about compensation scheme arrangements is available from the FSCS.

**Penrith Building Society**  
7 King Street, Penrith, Cumbria CA11 7AR

## 1. The Financial Services Authority (FSA)

The FSA is the independent watchdog that regulates financial services. It requires us to give you this document. Use this information to decide if our services are right for you.

## 2. Whose mortgages do we offer?

- We offer mortgages from the whole market.
- We offer mortgages from a limited number of lenders.  
Ask us for a list of the lenders we offer mortgages from.
- Penrith Building Society can only offer its own mortgages.

## 3. Which service will we provide you with?

- We will advise and make a recommendation for you after we have assessed your needs.
- You will not receive advice or a recommendation from us. We may ask some questions to narrow down the selection of products that we will provide details on. You will then need to make your own choice about how to proceed.

## 4. What will you have to pay us for this service?

- No fee.
- A fee.

You will receive a key facts illustration, which will tell you about any other fees relating to any particular mortgage.

## 5. Who regulates us?

Penrith Building Society is authorised and regulated by the Financial Services Authority. Our FSA register number is 164473.

Our permitted business is mortgage lending and the administration of mortgages.

You can check this on the FSA's Register by visiting the FSA's website [www.fsa.gov.uk/register/](http://www.fsa.gov.uk/register/) or by contacting the FSA on 0845 606 1234.

## 6. What to do if you have a complaint.

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Mortgages advising and arranging is covered for 100% of £50,000.

Further information about compensation scheme arrangements is available from the FSCS.

### NOTE:

The Society is a member of the Financial Ombudsman's Services scheme (FOS). The FOS is available to settle certain complaints you make if they cannot be settled through our internal complaints procedure.

A copy of the Society's complaints procedures will be provided on request, or automatically when a complaint is received from you.

