



Summary Box

What is the interest rate?	5.25% Gross* each year/AER† (Variable) (See the meanings of 'Gross' and 'AER' below this summary box.) Interest is calculated each day on the money in the account and paid on 1 January every year.
Can Principality change the interest rate?	<ul style="list-style-type: none"> • Yes, variable interest rates can go up or down. • If you have £100 or more in the account, we will give notice of any reduction in interest rates at least 14 days before the change takes effect. • For more information, see the section Changes to interest rates in our Savings Terms and Conditions.
What would the estimated balance be after 12 months based on a £9,000 or £18,000 deposit?	<p>This is based on you making the first payment on the date the account was opened, no money being taken out of the account and no change to the interest rate:</p> <p>£9,255.94 This is based on you paying in £750 a month for 12 months.</p> <p>£18,511.88 This is based on you paying in £1,500 a month for 12 months.</p>
How do I open and manage my account?	<ul style="list-style-type: none"> • You can only open this account if you do not own or have not previously owned a property. • You must be 18 or over and a UK resident (see your First Home Steps Account account terms). • This can be a joint account, but you can't have more than one of this issue number of the First Home Steps Account in your name. • You can open the account in branch or at an agency. • You can manage the account in branch, at an agency, by post, or by using the online service, Your Account, at principality.co.uk. • You must keep at least £1 (the minimum balance) in the account. • The most you can pay in each calendar month is £1,500, in one or more payments. • If the account reaches £25,000, you cannot pay any more money in. • You do not have to make payments into the account every month. • The account will come to an end (mature) after five years on the anniversary of the account opening.
Can I withdraw money?	<ul style="list-style-type: none"> • Yes, you can make three withdrawals from the account every calendar year. • Closing the account counts as a withdrawal. • On the fifth anniversary of opening the account, we will move your money to our Instant Access Account or the nearest equivalent we offer at the time.

Summary Box continued

Additional information	<ul style="list-style-type: none"> • You may be eligible for a Celebratory Bonus of £500 if: <ul style="list-style-type: none"> - you complete on a Principality Building Society direct residential mortgage on your first home in England or Wales, and - your First Home Steps account has been open between 1 and 5 years, and - your account remains open. See your First Home Steps account terms for further information. • Service charges and costs may apply to the account. These are set out in our Tariff of Charges. • In certain circumstances we may refuse an instruction for using an account. These circumstances are set out in our Savings Terms and Conditions. • If the total amount of interest you earn is more than your tax-free Personal Savings Allowance, you may have to pay tax directly to HM Revenue & Customs (HMRC). For more information, visit gov.uk and search Personal Savings Allowance. • The interest rates quoted above were correct on 26/10/2023 <p>Please turn over for Account Terms</p>
-------------------------------	---

Meanings of Interest terms

* **Gross** interest is the rate of interest before income tax is deducted at the rate set by law.

† **AER** stands for Annual Equivalent Rate and illustrates what the interest rate would be if interest were paid once each year on the whole balance, including previous interest payments.

Principality Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, reference number 155998.
Principality Building Society, Principality House, The Friary, Cardiff, CF10 3FA. principality.co.uk



Protected



Account Terms

These account terms, along with the summary box and our Savings Terms and Conditions, apply to your First Home Steps Account (the account).

If there is any difference between these account terms and the Savings Terms and Conditions, these account terms will apply.

Opening the account

To open and use this account, you must be 18 or over and either

- a UK resident, meaning that you have your permanent home in the UK (except the Channel Islands or the Isle of Man); or
- a Crown employee (employed by the Government and serving overseas), or married to or in a civil partnership with a Crown employee.

You must not own or have previously owned a property.

You'll need proof of your address and identity.

The account can have up to two joint account holders. You can only have one of the current issue number of the First Home Steps Account in your name.

This account has limited availability. We can stop accepting new applications at any time.

Putting money into the account

The first payment into the account must be at least £1. If we do not receive the payment within five business days of the account opening, we will close it.

You must keep at least £1 (the minimum balance) in the account. If the account reaches £25,000, you cannot pay any more money in.

You can't pay in more than £1,500 per calendar month.

You can make payments into the account using cash, cheques or electronic payments from another UK bank or building society account, or a Principality account in your name, if allowed by that account.

After your first payment, you can pay in money by standing order from another UK bank or building society account in your name with another provider.

To make sure we receive the standing order payments by the end of each month you should ensure they leave your bank or building society by the 20th of the month.

This account has a variable interest rate. This means the rate can go up and down. This is explained in the Changes to interest rates section of the Savings Terms and Conditions.

We work out the interest on the money in the account daily and pay it into the account on 1 January each year.

Taking money out of the account

You can take money out of this account up to three times in any calendar year without losing interest. For more information, see the Taking money out of the account, section in the Savings Terms and Conditions.

Closing the account also counts as taking money out.

You can take money out for any reason.

Unless we reduce the interest rate, you can't take money out of the account again until the start of the next calendar year.

If we reduce the interest rate, you can take money out one more time or close the account within 30 days from the date we tell you about the interest rate change.

When the account matures

The account will come to an end (mature) at the end of the fixed term (five years after the date it opened).

When the account matures you will no longer be eligible for the Celebratory Bonus.

When the account matures, we will move all of the money into an Instant Access Account or the nearest equivalent we offer at the time. We'll write to you before the end of the fixed term to let you know what we are doing.

Celebratory Bonus payment

You may be eligible for a Celebratory Bonus (Bonus) of £500, if

- this account has been open for at least 12 months; and
- you have £1 or more in the account; and
- you complete on a Principality Building Society residential mortgage to buy your first home in England or Wales.

Some important points to know:

- the mortgage application must have been completed using a Principality Mortgage Advisor either in a branch or over the phone
- the mortgage must be completed at least 21 days before the account matures (the 5th anniversary of the account opening).
- opening this account doesn't mean that your application for a mortgage will be accepted. All mortgage applications are subject to status and lending criteria.

Account Terms continued

Only one Celebratory Bonus can be paid to one First Home Steps account per mortgage. This means:

- when there is a joint mortgage and more than one applicant has a qualifying First Home Steps account, the Bonus will only be paid into the account of the first eligible person named on the mortgage.
- when there is a First Home Steps account with joint account holders, only the first account holder to successfully complete on a mortgage will be eligible for the Bonus. This will be paid into the joint account.

The Bonus will be paid into your First Home Steps Account within 21 days of your mortgage completion, so you need to keep the account open until the Bonus is paid.

You can't transfer or sell this Bonus.

If the account is closed, you will no longer be eligible for the Celebratory Bonus.

Closing the account

As closing the account counts as taking money out, you can only close the account if you have not already taken money out three times in the current calendar year. If you have, you cannot close the account until the start of the next calendar year.

If we reduce the interest rate, you can use your extra withdrawal to close the account.

If you close the account, you won't lose interest.

We will close the account if the money in the account is below the minimum balance.

