

What terms make up the Child Saver agreement?

Our agreement with you is made up of general conditions (contained in the Personal Banking Terms and Conditions and Banking Charges) and additional conditions which are detailed below. If there is any overlap or conflict between the additional conditions and the general conditions, the additional conditions apply.

What is Child Saver?

It's an account for someone aged 18 or over to save on trust for a child aged 15 or under. It pays a variable rate of interest.

Who can open a Child Saver?

Someone aged 18 or over who wants to save as trustee for a child. To open an account you must have a Lloyds Bank personal current account.

Where can you open a Child Saver?

In any Lloyds Bank branch or online.

How many Child Saver accounts can be held for the same child?

Two; for example if two parents want to save separately. If there are already two accounts and someone else tries to open a Child Saver account for the same child we will let them know the limit has already been reached.

An adult trustee can open more than one Child Saver to save for different children.

Who is this agreement with?

This agreement is between us and you, as the trustee who opens and runs the account. As trustee you understand you must manage the account for the child's benefit, and that the child can claim the money from you in the future. Generally a trustee will transfer money in a trust account to the child once he or she is old enough. The age this happens will usually be 16 or above.

Information about the child

If you are not the child's parent or guardian, you must have their consent. This is to allow us to have limited information about the child so that we can open and operate the account for you. Once the account is open we'll write to the child's parent or legal guardian to confirm an account has been opened. If you are not the child's parent or legal guardian and a parent or legal guardian tells us they do not consent to you having the account, we will close it as soon as we can and return the money saved.

Once the child is old enough we will tell them that we are holding some information about them.

How do you manage a Child Saver?

You can use one of our branches with a counter, online banking or telephone banking. You have instant access to the savings, so you can pay in and withdraw when you need to. Use one of our branches with a counter if you want to take any money out.

Interest

We pay variable interest on Child Saver accounts, which means the rate can change while you have the account. To check the current rate you can look online or ask in one of our branches.

We will add any interest to the account monthly.

We will pay interest gross, without taking off any income tax. Child Saver interest will generally be treated as the child's income. You should consider whether this, and any other income the child has, should be reported to HM Revenue & Customs (HMRC). Bear in mind that if a parent gives money to a child (including saving in a trust account for the child), it is possible that the interest from it may count as the parent's income for tax purposes. This applies if the money is held in just one account or a number of different accounts. (See Important information below).

Because the interest is generally treated as the child's income, the child's details may need to be reported to HMRC or another overseas Tax Authority in accordance with any law, legislation or regulation of the UK.

What happens as the child grows?

We will contact you once the child is old enough in case you want to talk to us about his or her financial needs. We will not do this before the child's 11th birthday.

We will contact you again before the child's 16th birthday. You will be able to transfer the money into a new account in the child's name if you wish, or keep control of the savings if you prefer, for example if you want to save until the child is older. If you decide to keep control of the money, on the child's 16th birthday the account will automatically change to an Easy Saver account, which you will also hold on trust for the child. Easy Saver is an instant access account too.

We will send you full details of Easy Saver including the interest rate, which may be lower. If you keep the savings in your Easy Saver account, we'll regard you as having agreed to the new account conditions.

If you die before the child's 16th birthday your executor will be able to nominate a replacement trustee to continue to hold the savings for the child's benefit.

When we contact you before the child's 16th birthday, we'll remind you that we need to let the child know about the information we hold. This may be relevant if you do not think the child should know about the savings yet.

If the child dies before his or her 16th birthday you will be able to close the account. Please contact one of our branches with a counter to do this.

This information is correct as of April 2020 and is relevant to Lloyds Bank plc products and services only.

If a parent (including civil partner and step parent) gifts money to their child and the interest from it is more than £100 a year, then that interest counts towards the parent's personal savings allowance, and may be taxable depending on the parent's personal circumstances. This also applies if the interest on the gift added to any interest we've already paid makes a gross interest payment of over £100. This £100 threshold applies to each parent individually. All accounts a parent holds for the child (whether or not they are held with the same bank or building society) are taken into account. The £100 rule does not apply to parental contributions to a Junior ISA.

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