

# Bank of Scotland Private Banking Flexible Current Account Terms and Conditions

Applicable to:

Sole Traders  
Partnerships  
Executors and Administrators  
Trusts  
Clubs, Societies and Charities  
Limited Liability Partnerships  
Limited Companies



This booklet contains the general conditions and special conditions that apply to our Flexible Current Account applicable to the entities listed on the front page and some related services. Please read it carefully and keep for future reference.

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## SECTION 1

### Introduction to this agreement – how it works and who it applies to

This agreement is for our bank accounts and related services for sole traders, partnerships, executors and administrators, trusts, clubs, societies and charities, limited liability partnerships and limited companies. It is made up of the general conditions and special conditions in this document and any additional conditions we give you for these accounts or services. Additional conditions are the daily overdraft fees, other fees, interest rates and other terms that apply to a specific service or account that are not included in the general conditions or special conditions. These will include, for example the terms set out in the Price List applicable to your account and in your application form(s). We will tell you which conditions apply when you take a new product or service from us.

In this agreement:

- (a) "we" are Bank of Scotland plc;
- (b) "you" are the business or organisation (whether a sole trader, partnership, executor or administrator, trust, club, society or charity, limited liability partnership or limited company) who have applied for a Flexible Current Account and in whose name(s) account(s) are opened. Where you (not being a body corporate) consist of two or more persons, 'you' means all or any of such persons and the liability of such persons shall be joint and several;
- (c) "Authorised Signatories" are any persons you may nominate in an authority form (the 'Authority') as signatories with full power to operate your Flexible Current Account(s) or signatories with limited power to operate your Flexible Current Account(s) (together 'Authorised Signatories' and each an 'Authorised Signatory'). The level of their authority will be set out in the Authority.

This agreement also refers in places to 'Lloyds Banking Group'. This includes us, Lloyds TSB Bank plc and a number of other companies using brands including Lloyds TSB, Halifax and Bank of Scotland, and their associated companies. For these purposes 'associated companies' includes Lloyds Banking Group plc, and any subsidiary, affiliate or other firm directly or indirectly controlled from time to time by either Lloyds Banking Group plc or us. More information on the Lloyds Banking Group can be found at [www.lloydsbankinggroup.com](http://www.lloydsbankinggroup.com).

If you or any individual associated with your business have a personal current account or other personal account with us it will be operated on the terms and conditions specific to that account. Those personal banking terms and conditions do not affect or change the terms (express or implied) of this agreement.

If you want to open an account in a currency other than sterling, you can open a currency account. You can ask your Relationship Manager for more details about currency accounts.

An important part of our role as your bank is to provide you with services to help you manage your finances. We do not generally provide advice, but we can use information we have about you to suggest other services we think might interest you. To find out more about how we and other Lloyds Banking Group companies use your personal information (including that of your directors, officers and Authorised Signatories - please read Our Privacy Statement at [www.bankofscotlandprivateclients.co.uk/importantinformation/securityandprivacy.asp](http://www.bankofscotlandprivateclients.co.uk/importantinformation/securityandprivacy.asp) or ask for a copy in branch.

This agreement only covers accounts and services we provide for your non-personal use. We do not have to accept that anyone, apart from you, has any right to, or interest in, the money in your account (for example if you are keeping some or all of the money in your account for someone else).

You may not be eligible for all of the accounts or services covered by this agreement or all the features they have - for example, we will not give you an authorised overdraft if you are under 18. We may also limit the number of accounts or services you can hold with us. In addition, not all the services and facilities covered by this agreement are available on all accounts. For example, Telephone Banking, mobile and Internet Banking services are not available on some accounts.

Additional conditions or special conditions may add to the general conditions but may also override an overlapping term in the general conditions.

Please ask us if you have any questions about this agreement or any other matter by contacting your Relationship Manager, or contacting us by telephone.

### **Services and facilities on your account**

We provide the following main services and facilities on this account:

- Crediting of payments made into your account.
- Debiting of payments made out of the credit balance on your account. You may ask us to make a payment out of your account in a variety of ways including by writing a cheque, by setting up a Direct Debit or standing order or by requesting cash.
- You may:
  - specifically request, and we may agree to provide, an authorised overdraft which will allow you to borrow money from us up to a certain limit;
  - make an informal request for an unauthorised overdraft, by instructing us to make a payment which, if we choose to comply with it, would make your account exceed (or further exceed) its overdraft limit or, if you have no authorised overdraft, cause your account to be overdrawn (or further overdrawn) (unless we have guaranteed to a third party that we will make the payment, we do not have to comply with an informal request for an unauthorised overdraft).
- Cheque book (including cancellation and replacement if lost or stolen).
- Regular bank statements (either online or by post).
- Access to a 24-hour service so that you can contact us at any time to carry out transactions, answer queries or obtain assistance.
- If a debit card is offered with your account, access to a cash machine network in the UK and abroad (fees apply for card use abroad).

There are additional services and facilities which you may ask for. These include, among others, stopping cheques, the special presentation of cheques, issuing Banker's drafts, providing you with copies of paid cheques or extra copies of statements and CHAPS payments.

You should consider which account is best for you. If you wish to change the type of account that you have at any time, you should contact us to discuss the options available.

### **Fees for our services**

Our current fees are listed in the Price List applicable to your account. Additional fees may also apply for some transactions that are not covered by this agreement, such as international payments. Fees for these services are contained in separate conditions which you will receive when you ask to use those services.

Under this agreement you agree to pay us those fees in exchange for the various services that we provide, including the main services and facilities. You can keep up to date with them by telephoning us, by visiting a branch or by looking at our website. This will allow you to decide whether or not you wish to incur them, and to manage your account accordingly.

The fees which you will have to pay will depend upon the type of account that you have and the way in which you operate your account. If your account remains in credit then you will not usually have to pay any fees for having the benefit of the main services and facilities but we will charge you interest if at the end of any day, your account is overdrawn. Fees and interest rates for authorised overdrafts are lower than fees and interest rates for unauthorised overdrafts. Our charging structure means that, in exchange for receiving the benefit of the main services and facilities, including the benefit of any overdraft that causes a daily fee or interest, you agree to pay our fees.

What can you do to minimise overdraft fees?

- Repay any overdraft as soon as you can.
- If your account offers an overdraft facility, ask us about arranging an overdraft as our daily fees and interest rates are lower for authorised overdrafts than unauthorised overdrafts.
- Check your available balance on the Internet, by telephoning us or through a Cashpoint® to make sure you have enough money in your account to pay everything due. The money in your account must be available for withdrawal (for example you must have waited for any cheques you have paid into your account to be available).
- If you go into overdraft in the course of a day, ensure that your overdraft is repaid by 3.30pm that day to avoid paying the daily fee or interest for that day.
- Keep a record of any cheques you write and when they have been paid, so that you know how much money is left in your account. Someone can pay a cheque you have written into their account up to six months after you have written it.
- Check your statements and make a list of the dates of your regular payments (for example, mortgage, loan or rent). Keep a list of when all your Direct Debits and standing orders are due.
- If a Direct Debit payment date is at a bad time in the month for you, (for example, just before you are paid), contact the company involved and ask them if they would collect it at a more convenient time.
- If you have fees to pay, remember to include these in your budget. Information that will help you to keep track of your finances is available in the Price List applicable to your account.
- If your account offers the facility, sign up to receive mobile alert if you go into an unauthorised overdraft.

### **Changes to facilities and fees**

We review our services and facilities, and the way in which we charge for them, from time to time. In Section 3 we set out when we may change the conditions and fees for your account and how we will tell you about the changes.

## **SECTION 2 - SPECIAL CONDITIONS**

### **SPECIAL CONDITIONS FOR BANKING**

This section gives details of the special conditions which apply to your account in addition to the Bank of Scotland Private Banking general conditions.

The following special conditions are in addition to the Bank of Scotland Flexible Current Account general conditions applicable to the entities listed in (a) below and where there is a conflict the special conditions will apply:

- (a) Available to businesses and organisations (whether a sole trader, partnership, executor or administrator, trust, club, society or charity, limited liability partnership or limited company) established and resident in the UK (except the Isle of Man and the Channel Islands).
- (b) One account holder and any number of Authorised Signatories on an “any authorised person to sign” basis only.
- (c) You can usually withdraw any amount in cash from our branches, however to ensure this is guaranteed you should contact your branch in advance if the amount you want to withdraw is more than £10,000.
- (d) You can register to operate your account through our Telephone Banking Service. References in the general conditions to “Telephone Banking” should be read as references to the Telephone Banking Service.
- (e) If there is a credit balance and interest is payable, monthly interest will be paid directly into the account. Interest rates are variable and are set out in the Price List.
- (f) A debit card is available with this account.

## WHO TO CONTACT TO MAKE A COMPLAINT

We aim to please but we know that sometimes things go wrong. If you have a problem or a complaint concerning your bank account we want to know. In most cases this can be dealt with by your Private Banking office or by calling 08457 111 111 (+44 8457 111 111 from abroad).

If your complaint is not resolved to your satisfaction, you can ask the Financial Ombudsman Service to look at your complaint, provided you have tried to resolve it directly with us first. We hope you won't need to contact the Financial Ombudsman Service but if you do, we will inform you how to do this.

## SECTION 3 - GENERAL CONDITIONS

### PART A - Contact and security

#### 1. Contacting each other

- 1.1 Our contact details page sets out the telephone numbers you should use to contact us for specific purposes in connection with your account.
- 1.2 You and your Authorised Signatories (if any) can contact us and give us instructions through your Relationship Manager (which includes, in their absence, colleagues within the Relationship team). All instructions must be in writing. Any instructions you give us are not effective until we actually receive them and they must be in clear and legible form. If available on your account for the particular service you wish to carry out, you and your 'Authorised Signatories' can usually use our Telephone Banking, Internet Banking and mobile services and Cashpoints® at all times but occasionally repairs, updates and routine maintenance on our systems and those of our suppliers may mean that a particular service cannot be used for a short time (usually just minutes).
- 1.3 Generally we will contact you through your Relationship Manager. In any case, we will contact you using the contact details you give us. You must tell us if your name or contact details change. If you do not tell us, we will go on using the details you last gave us, and we will not be responsible if we fail to contact you or if we send confidential information to the wrong address using out of date details. We may charge you our reasonable costs of finding you (or trying to find you) if your contact details are not up to date.
- 1.4 It may be unlawful for you to use Internet Banking or mobile services in some countries. You must check this and take appropriate action, such as not using these services. You will be liable if you break foreign laws, and for any loss you cause us as a result.
- 1.5 We may listen into or record any phone calls with you to check we have carried out your instructions correctly, to help improve our service, check that we comply with our regulatory obligations, and to help detect or prevent fraud or other crimes.

#### 2. Security

- 2.1 When we contact you or you contact us we need to check your identity before you can give us instructions or we can disclose or discuss confidential information about your accounts. For this reason:
  - (a) you must sign instructions given on paper;
  - (b) when you are in a branch, we may ask you for identification (please see the Withdrawals paragraph at the Important Points to Note section at the back of this booklet); and
  - (c) if you are contacting us or giving us instructions by any other method (for example by using a card, Telephone Banking, Internet Banking or by mobile services) you and any Authorised Signatory must do so using the "Security Details" we have given to you or agreed with each of you personally.

"Security Details" can be processes or security procedures we ask you to follow or use, for example, a password or other information, security numbers or codes such as Personal Identification Numbers ("PINs"), to make an instruction or confirm your identity, and which may be used in combination with something we give you, such as a card with a PIN (though we will never ask you divulge your PIN).

- 2.2 As long as we have checked your identity in one of the ways set out above, we will assume that we are dealing with you.
- 2.3 You must:
- (a) follow instructions we give you, which we reasonably consider are needed to protect you and us from unauthorised access to your accounts;
  - (b) not let anyone else use any of your cards (if any) or Security Details;
  - (c) keep your cards and Security Details secure and protect cards from damage;
  - (d) do all you reasonably can to make sure no one finds out your Security Details, for example by not:
    - (i) choosing obvious passwords or codes (such as your date of birth) as part of your Security Details;
    - (ii) writing your Security Details on, or keeping them with your cards or banking documentation;
    - (iii) writing down your Security Details in a way that is recognisable; or
    - (iv) letting anyone listen in to your calls with us, or watch you entering or making use of your Security Details;
  - (e) not let anyone else give instructions, or have access to information, on your accounts unless he or she has a separate arrangement with us to do so, or you have authorised him or her to do so under condition 11; and
  - (f) if there is a place for your signature, sign any card as soon as you have received it.
- 2.4 If you use Internet Banking or mobile services, your computer, modem and mobile phone must meet any reasonable requirements we may set; you must carry out your own regular virus checks; and you must not change or copy any software we provide, or give it to another person.
- 2.5 We may replace or renew your card with a different type of card available under this agreement. We will tell you about the features of the card when we send you the replacement card and if the replacement card would change the terms of this agreement we will give you notice under condition 12.
- 2.6 You must tell us as soon as you can (see our contact details) if you:
- (a) notice any errors;
  - (b) find our services are not working;
  - (c) think any cards or Security Details have been lost, stolen, damaged or are being misused; or
  - (d) think someone may be accessing your accounts without your authority or that someone has discovered your Security Details.
- 2.7 We strongly recommend you do not email us confidential information or instructions (as they must only be given through Internet Banking) and you should not respond to emails asking for your account information, Security Details or any information about your card as we will not ask for these details by email. If you use email, it is at your own risk.
- 2.8 We will do all we reasonably can to prevent unauthorised access to your accounts and to make sure they are secure.

2.9 You acknowledge that any individual (whether or not listed in your account opening form or the Authority) can access your account if they pass our standard customer verification procedure on any of our accounts or if they already have an established relationship with you which is recorded on your accounts. Our standard customer verification procedure can be passed by anyone who has access to your bank statements and banking information. It is therefore important that you keep your bank statements and banking information in a secure place and do not disclose them to anyone whom you do not want to have access to your account.

### 3. **Statements and information**

- 3.1 We will make a statement available each month there are payments on the account and will provide you with a paper statement regularly and at least once a year.
- 3.2 Where statements are available for your account, you can order a paper statement at any branch or through Telephone Banking (where available).
- 3.3 You can ask us to provide you with a copy of a paper statement we have already provided but we may charge you for this.
- 3.4 We may use messages on or with your statements to tell you about changes to this agreement or to other agreements or services you have with us.
- 3.5 You are responsible for checking statements, text messages or other account information we give you. If you tell us about any errors on your account, or if we notice any errors, we will correct them as soon as reasonably possible.
- 3.6 You must give any information and help we reasonably ask for to deal with misuse or unauthorised access to your accounts, or in relation to any other transaction we, the police or other authorities are investigating. We may pass on related information to the police or other authorities, in the UK or (if appropriate) abroad.
- 3.7 Your statement will set out all the payments into and out of your account and will contain other additional information we are required to provide you about those payments. For international payments, where any information is not provided you can ask us for details.

## **PART B – Banking services**

### 4. **Opening and processing times and general conditions about payments**

- 4.1 We process payment instructions on the Working Day we receive them. To do this we must receive the payment instruction before the "cut-off" time for that Working Day. This is explained in further detail in the condition below. In this Part B the time periods we give assume we receive a payment, or your payment instruction, before the cut-off time on a Working Day.
- 4.2 "Working Day" has a particular meaning in this agreement:
- (a) By Working Day we mean Monday to Friday (other than English bank holidays). Although some payments can be made on non-Working Days, the processing of these payments is not completed on our systems until the next Working Day as explained below.
- (b) In all cases, how long a Working Day lasts will depend on the cut-off times for that particular method of making or receiving payments. For example, the cut-off time is different for branches, Telephone Banking and Internet Banking but is usually not before 3.30pm (UK time). If the payment instruction is not received by the cut-off time on any Working Day, we will treat it as being received the next Working Day.

You can ask us for further information about the relevant cut-off times.

- 4.3 We may refuse to accept a payment into an account or make a payment from it if we reasonably believe that doing so might cause us (or another company in the Lloyds Banking Group) to breach a legal requirement or might expose us (or another company in the Lloyds Banking Group) to action from any government or regulator.

## 5. Payments into your account (deposits)

### 5.1 General conditions about payments into your account

In this condition 5 we explain the timing of different types of payment into your account, including:

- (a) when we show payments in your account;
- (b) if we pay or charge interest on your account, when we start including payments in our interest calculations (either to work out how much to pay on your balance or how much to charge if your account is overdrawn); and
- (c) when payments are available for you to use for withdrawals or for making payments out of your account.

### 5.2 Cash and cheque payments into your account

- (a) The following table sets out details of when you can withdraw funds, and when those funds will be included in our interest calculations, where you make a payment into your account:
  - (i) in cash; or
  - (ii) by sterling cheque from a bank, other than Bank of Scotland, in the UK, the Isle of Man, Gibraltar or the Channel Islands (the "paying bank").

Type of Payment	Where Paid In	When you can withdraw funds	When Included in Interest calculation
Cash	In branch before 5pm, or using Depositpoint before 4pm	Same day	Same day
	In branch after 5pm, or using Depositpoint after 4pm	Next Working Day	Next Working Day
	In branch or using Depositpoint on a non-Working Day	Next Working Day	Next Working Day
	Via a Cashpoint® (if you have a card with your account)	Next Working Day	Next Working Day
Cheques	In branch before 5pm, or using Depositpoint before 4pm	4 Working Days after the day of deposit	2 Working Days after the day of deposit
	In branch after 5pm, or using Depositpoint after 4pm or on a non-Working Day	5 Working Days after the day of deposit	3 Working Days after the day of deposit
	Via a Cashpoint® (if you have a card with the day of deposit)	5 Working Days after the day of deposit	3 Working Days after the day of deposit

## **Bank of Scotland cheques**

- (b) Where we are also the paying bank, and the cheque is from:
  - (i) a Bank of Scotland personal account for value of up to £1,000 and is paid in either at a branch counter before 5pm or a Depositpoint before 4pm, we will show it in your account and allow you to use it on the same day that we receive it. We will start paying you interest (if applicable) straight away. For cheques over £1,000 we will allow use and pay interest at the times stated in the table on page 11.
  - (ii) a Bank of Scotland business account and you pay the cheque into the branch holding that account, we will show it in your account and (if applicable) pay interest on it on the same Working Day that we receive it, and it will be available to you to use the next Working Day. If you do not pay in the cheque at the branch holding the business account, we will deal with it as a cheque from a non-Bank of Scotland account.

## **All cheques**

- (c) We will show a cheque in your account on the same day that we receive it.
- (d) A cheque may still be returned unpaid up until the sixth Working Day after we receive it. From the end of the sixth Working Day after we receive it, if the cheque is returned unpaid by the paying bank, we cannot take money from your account without your consent unless you have acted fraudulently.
- (e) So, for example, if you pay in a non-Bank of Scotland cheque on a Monday, you will see it on your account the same day, it counts towards interest (if applicable) on Wednesday, you can use the money on Friday and we cannot take the payment out of your account after the following Tuesday. For cheques paid in by other means, an additional Working Day is added to the times shown above.
- (f) If a cheque is returned unpaid by the paying bank before the end of the sixth Working Day from the day it is paid in, we can take the money back out of your account, even if you have already spent it or it puts you into overdraft. If this happens, we will let you know. There may be a charge for this which is detailed in the Price List.
- (g) If you need to be sure a cheque has been paid, please ask us about our special presentation service at the time you pay in the cheque. We will tell you if there is a fee for this service.

### **5.3 Foreign cheques paid into your account**

If you want us to obtain payment for you of a sterling cheque paid out of an account at a bank abroad or a cheque which is not in sterling, please ask your Relationship Manager for details of our foreign cheque payment service.

### **5.4 Payments into your account (other than cash and cheque payments)**

This sub-condition covers payments that are not made by cash or cheque, such as standing orders and direct transfers from another account.

- (a) When we receive a payment for your account in sterling (£), we will show it in your account and (if applicable) it will earn interest (or reduce interest you pay) from that day. We will allow you to use it straightaway.

If you make a transfer between your accounts with us on any non-Working Day, the amount you transfer will leave one account (account A) and will be available for you to use from the other account (account B) that day. If applicable, the amount will count towards interest on account A until the next Working Day when it will count towards interest on account B.

## **International payments into your account**

- (b) When we receive a payment for your account in a foreign currency, we will convert it into sterling before we pay it into your account. We will show it in your account and make it available for you to use straightaway and (if applicable) pay interest on it (or use it to reduce the interest you pay) from the same day. For some currencies, we may be unable to convert the payment into sterling on the day that we receive it. If this is the case, we will convert it as soon as we are reasonably able to and will add it to your account up to two Working Days after we receive it.
- (c) We will use our Retail Reference Exchange Rate for buying the relevant currency that applies on the day we receive the payment. You can find out our Retail Reference Exchange Rate by contacting your Relationship Manager.
- (d) We may take our fees for dealing with the international payment before we add it to your account but if we do so we will tell you the full amount of the payment and the fees that applied. Details may also be found in our Price List.

## **6. Payments out of your account (Withdrawals)**

### **6.1 General conditions about payments out of your account**

- (a) We are entitled to assume we are dealing with you, and that you have agreed to us acting on any instructions, without getting further confirmation from you:
  - (i) if you or an Authorised Signatory (in accordance with the Authority) ask us to make a payment using your Security Details (for example a card and PIN at a cash machine or the passwords you have chosen for Telephone Banking or Internet Banking) as long as any relevant security checks have been completed by us or, in the case of a card with contactless functionality, using that functionality;
  - (ii) otherwise, if you or an Authorised Signatory (in accordance with the Authority) signed a cheque or other document containing the payment instruction (for the avoidance of doubt, we do not accept payment instructions or consent to payment by email); and
  - (iii) if we receive a payment instruction in any other way, provided the instruction is in accordance with processes we have agreed with you.
- (b) When you give us a payment instruction to transfer funds to another account (other than by cheque), you must give us the sort code and account number for payments in the UK, or the equivalent information for payments outside the UK, and any other details we ask you for such as the name of the person you are sending the payment to, so we can make the payment. (If you give a payment instruction using Telephone Banking, by telephone to your Relationship Manager or Internet Banking or mobile services, we will ask you to check and confirm your payment instruction.) You are responsible for checking the details are correct. We will not be liable if your payment is delayed or sent to the wrong person because you gave us the wrong details. If a payment does go to the wrong person because you gave us the wrong details, we will use reasonable efforts to recover the payment and, if we manage to do so, we may charge you our reasonable costs.
- (c) If we accept your instructions to make a payment on a future date, we will make the payment that day. If the payment falls due on a non-Working Day we will make the payment on the next Working Day.
- (d) We explain when you need to tell us if you want to cancel or change a payment instruction in further detail below. If you ask us to cancel a payment instruction, we may charge you our reasonable costs for trying to cancel it, whether or not we succeed.
- (e) If you need to give us a payment instruction which is particularly important, you should contact us either in person (by going to a branch), by Telephone Banking or by telephoning your Relationship Manager.

- (f) You will not be able to give a payment instruction using a card or your Security Details if we have stopped, or suspended, your ability to use them. We can do this if we reasonably consider it necessary for reasons relating to:
  - (i) the security of a card or your Security Details; or
  - (ii) suspected unauthorised or fraudulent use of a card or your Security Details; or
  - (iii) a significantly increased risk that you may be unable to pay any money you owe us on the relevant account.

Unless the law prevents us from doing so or we believe it would undermine our security measures, we will try to contact you by telephone or in writing in advance to tell you that we have done this and our reason for doing so. If we are unable to tell you in advance, we will tell you as soon as possible afterwards. As cards belong to us, we (or a person or other organisation acting for us, for example another bank operating a cash machine), may take or retain a card on our behalf if we stop or suspend your right to use it. If we stop or suspend a card you must then stop using it.

- (g) We may refuse to carry out a payment instruction, or other transaction on your account, such as a withdrawal in one of our branches if:
  - (i) you do not have available funds to make the payment or you have exceeded a limit we have applied to your account or card (such as the daily limit for Withdrawals from cash machines);
  - (ii) the payment instruction is not clear or you have not provided us with the correct details;
  - (iii) there is a legal requirement or a court or other authority that tells us to act in that way;
  - (iv) the payment seems unusual compared with the way you normally use your account;
  - (v) we reasonably believe you or someone else has used or is using or obtaining, or may use or obtain a service or money illegally or fraudulently;
  - (vi) we reasonably believe that someone else may have rights over money in your account (in this case we can also ask (or require you to ask) a court what to do, or do anything else we reasonably need to do to protect us); or
  - (vii) any other reason set out separately in this agreement applies.
- (h) For security purposes we have internal controls in relation to certain transactions or on the maximum amount that can be taken out of your account in certain circumstances which may mean we refuse to carry out a payment transaction or require you to produce additional identification. We will let you know if we are stopping a payment for this reason.
- (i) We use systems to identify payments that seem unusual and to help us prevent the misuse of your account. This may include using widely available geographical mobile phone technology when assessing the location of a proposed payment if you ask us to send funds from your account elsewhere. Where we think an unusual payment involves misuse we may investigate further, for example by calling you, or refusing to make the payment.
- (j) If we prevent you from using your account or card or refuse to make a payment under this agreement, we will act in a manner we think is reasonably appropriate for the circumstances and try to reduce the inconvenience to you.

- (k) Unless the law prevents us from doing so, we will try to contact you to tell you that we are refusing to act on your payment instruction. We will do this at the earliest opportunity but in any case by the time the payment should have reached the bank you asked us to make the payment to. If you are using a card to make a payment or withdrawal from a cash machine, the retailer or organisation which owns the cash machine will tell you that the payment has been refused.
- (l) You can also contact us to find out (unless the law prevents us from telling you) why we have refused to act on your payment instruction and how you can correct any factual errors that led to our refusal.
- (m) We are not liable if a retailer or another organisation (or its cash machine or other machine) does not accept your card or card number.

## 6.2 Payments (other than payments by card and cheque)

- (a) If you ask us to make an immediate payment or a future dated payment (including a standing order to an account at another bank in the UK), the following applies:
  - (i) We will use the Faster Payments scheme if it is available and the bank you are sending a payment to is a member of the scheme;
    - (1) An immediate payment can be made using the scheme 24 hours a day, seven days a week. We will take the payment from your account straightaway and the payment will normally reach the other bank within 2 hours. The time it takes may vary depending on that bank's ability to process the payment. We will tell you how long the payment is expected to take when you give us the payment instruction.
    - (2) Standing orders and future dated payments can be made using the scheme on Working Days only and the payment will reach the other bank the same day we send it.

You can check with us when you make a payment whether the bank you are sending the payment to is a member of the Faster Payments scheme.
  - (ii) If we cannot make the payment using the Faster Payment scheme and you want to make sure the payment reaches the person you are sending it to the same day, you can ask us to make the payment by CHAPS. There is a fee for this service.
  - (iii) If neither (i) or (ii) applies, the payment will take two Working Days from the date it is taken from your account to reach the other bank or building society. Where you ask us to make the payment immediately, we will take the money from your account the Working Day after you ask us to make it, so, for example, if you ask us to make a payment on Monday, we take it from your account on Tuesday and it will arrive on Thursday.
  - (iv) If you ask us to make an immediate payment or future dated payment through Telephone Banking or Internet Banking to someone you have not made a payment to before, the payment instruction must be for (or after) the next Working Day, so that we can set up our systems to make the payment.
- (b) If you ask us to make a payment to another Bank of Scotland account, we will take the money from your account and it will reach the other account straightaway.

## International payments

- (c) If you ask us to make a payment to a person with an account at a bank in the EEA, other than the UK, and the payment is in euro, the payment will reach the other bank no later than three Working Days after we received the payment instruction. For payments in other EEA currencies to countries within the EEA, the payment will reach the other bank no later than four Working Days after we received your payment instruction. The bank

receiving the payment from us is required by law to pay it into its customer's account on the day it receives the payment from us.

- (d) If you ask us to make a payment to a person in another currency or with an account at a bank outside the EEA, you can ask us for details about how long the payment will take to arrive. We will not be able to control exactly when the payment will be received by the foreign bank. This will depend on the banking practice of that country.
- (e) We will use our Retail Reference Exchange Rate for selling the relevant currency on the day we make the payment unless we tell you a different rate applies when you ask us to make the payment. If you make a sterling payment, we cannot control the exchange rate applied by the foreign bank. You can find out the current Retail Reference Exchange Rate by calling us on the number set out in our contact details.
- (f) When you ask us to make an international payment, we will also tell you about any fees that may apply.
- (g) We have to send an international payment through the banking system in the foreign country and we may need to appoint an agent in that country to do it for us.
- (h) Where we properly incur any costs or other obligations when acting for you in making an international payment, you must reimburse us and take any other steps needed to put us in the position we would have been in had we not acted for you.

#### **Direct Debits**

- (i) If you give a business or other organisation in the UK or EEA authority to collect payments from your account on a regular basis, they will normally tell you at least 10 Working Days before changing the payment dates or amount of money they ask us to pay from your account, unless you agree otherwise.
- (j) We allow Direct Debit payments to be collected from your account on the date specified in the Direct Debit instruction or, if not a Working Day, the next Working Day.
- (k) If you think there has been an incorrect Direct Debit payment you should tell us immediately so that we can arrange a full and immediate refund - even if the original error was made by the business or organisation who set it up. You should also contact them to let them know what you have done and why.
- (l) If you have a dispute about a Direct Debit payment that has been collected from your account, you will need to resolve the dispute with the business or organisation directly. You cannot use any claim or defence you may have against them as the basis of a claim or defence against us. This does not affect your right to a refund as set out above.

#### **Cancelling or changing a payment**

- (m) If you ask us to make a payment immediately, we cannot change or cancel the payment instruction because we start processing it when we receive it. You can cancel a standing order and any other payment which you asked us to make on a future date as long as you tell us by the end of the last Working Day before the payment is due to be made.
- (n) If you wish to cancel or change a Direct Debit, as well as telling us so that we can suspend any further payments, you must tell the business or organisation so that they can cancel the Direct Debit.

#### **Banker's Drafts**

- (o) We will allow you to carry out a withdrawal from your account by Banker's Draft but we may refuse to provide a draft if the withdrawal is below a certain amount.

### 6.3 Card payments

- (a) If you use your card to withdraw cash or to make a payment, we will take the amount withdrawn, or paid, from your account on the Working Day we receive details of the withdrawal or payment.
- (b) If you use your card for a cash withdrawal or to make a payment in a currency other than sterling, we will convert the amount withdrawn, or paid, into sterling on the day it is processed by the international payment organisation (for example, Visa or MasterCard) whose name or marks appear on the card. The exchange rate we use is the Visa Reference Exchange Rate and we will charge a foreign exchange fee of a percentage of the amount of the transaction. This percentage and other fees that apply are set out in the Price List applicable to your account. You can find out the exchange rate by telephoning the relevant number set out in our contact details, however, if you call before a transaction is added to or taken from your account, the rate we provide will only be indicative.
- (c) However, if you use your card to withdraw foreign currency from a cash machine in the UK, you will be dealing with the bank operating the machine (rather than us) for the conversion into that foreign currency. That bank will set the exchange rate and may charge you for the conversion.
- (d) We cannot cancel a payment made using a card once you have given your consent to make the payment to a retailer. You will need to contact the retailer separately. This includes payments made on a regular basis from your card account, such as magazine subscriptions. You will also need to tell the retailer if your account is closed or your card number changes otherwise they may not be able to collect your payments.
- (e) If a retailer agrees to give a refund for a purchase made using a card payment, we will make the refund when we receive details of it from the retailer.

### 6.4 Refunds for payments

- (a) If you become aware of a transaction by way of automated payment or card transaction which has not been properly authorised or has been incorrectly executed on your account you must notify us by phoning us (see our contact details). This notification must be provided as soon as you become aware of the error and in any event within 13 months of the date the transaction is debited to your account. If you do not notify us, you will not be entitled to a refund under this condition 6.4.
- (b) You may be entitled to claim a refund in relation to transactions undertaken by automated payment or card transaction where:
  - (i) a transaction was not authorised;
  - (ii) we are responsible for a transaction which was incorrectly executed and you notified us in accordance with condition 6.4 (a); or
  - (iii) a pre-authorised transaction did not specify the exact amount at the time of the authorisation and the amount charged by a supplier was more than you could reasonably have expected taking into account normal spending patterns on the account or the circumstances of the transaction. A claim for a refund in these circumstances will not be accepted if you have consented to the transaction; the amount of the transaction was made available to you at least 4 weeks before the transaction date; or the request for a refund is made more than 8 weeks after being debited from the account.

We will not be liable where we can prove that the payee's bank or building society is at fault.

- (c) In the case of a disputed transaction the burden of proving fraud or gross negligence will lie with us.

- (d) If you are eligible for a refund under this condition, we will reimburse you for any fees you have incurred as a result of the incorrect execution.

## 6.5 Cheque payments

- (a) When we receive a cheque you have written we will take the money from your account on the same day. We typically receive cheques within a few days of you writing them, but the exact timing depends on when the person you gave the cheque to pays it into their account (which can be months later).
- (b) It is your responsibility to make sure you have available funds in your account to cover any cheques you have written.
- (c) You may be able to stop a cheque that has not yet been paid in by calling us with details of the cheque number, amount and date, who it is payable to, and similar details for any replacement cheque. We may charge for trying to stop the cheque, whether or not we succeed.
- (d) You may not ask us to pay a cheque later than when we receive it by writing a future date on it. We will not be liable if we pay the cheque before that future date. You can instead use Telephone Banking, Internet Banking or speak to your Relationship Manager to tell us to make a payment on a future date.
- (e) If someone asks you to replace a cheque (because, for example, he or she says it is lost or there is a problem with it), it is your responsibility to ask for the old cheque back (and to destroy it), or to ask us to stop the old cheque, before you write a new one. If you do not do this, there is a risk that both the old and replacement cheques will be paid from your account.
- (f) We may not accept a cheque for payment out of your account if it is more than six months old.

## 7. Interest and Fees

- 7.1 We give you details of our current interest rates (where applicable), and any fees for the normal running of your account (such as monthly account fees, fees for certain card payments, and overdraft fees) and charging dates (such as billing periods) in the Price List applicable to your account. You can also find them out by contacting us and on our website. We may change our interest rates, fees and charging dates under condition 12.
- 7.2 We will calculate any interest we pay or charge on a daily basis (unless we have told you otherwise).
- 7.3 The special or additional conditions will tell you when and how we pay interest on your account. If the day interest payments are due to be paid on an account is not a Working Day, we will pay them up to, and on, the next Working Day unless the special or additional conditions for your account state otherwise. We will calculate interest (if applicable) at the end of each Working Day. You may not therefore be able to withdraw interest payments until the following day. We pay compound interest if interest is credited to the same account (rather than to another account) as it becomes part of the account balance and counts towards the amount we pay interest on. Unless the special or additional conditions say otherwise, interest will be credited to your account. If you make a withdrawal from your account, then we pay you interest on the amount of the withdrawal up to and including the day before it leaves your account.
- 7.4 We will charge interest and daily fees at the end of every monthly billing period unless we tell you otherwise in the additional conditions for your account. We may also charge compound interest.
- 7.5 We may take interest (if applicable), daily fees and other fees you owe us from the same account. We will tell you personally about overdraft, daily and other fees and interest you have to pay at least 14 days before we take them from your account.

## **8. Overdrafts**

### **Authorised overdrafts**

- 8.1 If overdrafts are available on your account, you may formally request, and we may agree to provide, an authorised overdraft which will allow you to borrow money from us up to a certain limit. You may make such a formal request by contacting us specifically to organise an overdraft or increase your overdraft limit.
- 8.2 If we agree to an authorised overdraft, we will decide your overdraft limit and tell you what it is. We will also tell you when we will review it. At that time we will review your authorised overdraft and decide whether or not to continue to provide it at the same limit, and inform you of our decision by letter. We may also change your authorised overdraft if condition 8.3 applies.
- 8.3 We may change your overdraft limit at any time but we will usually only reduce your overdraft limit or withdraw your authorised overdraft where:
- (a) you have failed to fund your account regularly;
  - (b) you are in breach of a condition relating to use of the overdraft;
  - (c) your circumstances have changed for the worse;
  - (d) we reasonably believe that the risks of lending to you have increased;
  - (e) we reasonably believe that the reduction or withdrawal of the overdraft facility is necessary to prevent you from incurring a debt which you will be unable to repay; or
  - (f) you have not regularly used the full amount of your authorised overdraft facility within the last 12 months.
- 8.4 If, at the end of any day, your account is overdrawn within your overdraft limit, we will charge you interest or a daily fee that applies to authorised overdrafts; please see the Price List applicable to your account.
- 8.5 We will tell you about interest or daily fees on your statements. Interest and any daily fees will be collected from your account between the last day of the following month and the first Working Day of the month after that. For example, if your statement is dated 5th January and you have gone overdrawn in December with an authorised overdraft, your interest or daily fees for December will be shown on your January statement and deducted from your account between the last day of January and the first Working Day of February.

### **Unauthorised overdrafts**

- 8.6 If available on your account, you may also make an informal request for an overdraft by giving us an instruction to make a payment which, if we complied with it, would make your account exceed or further exceed its overdraft limit or, if you have no authorised overdraft, cause your account to be overdrawn or further overdrawn. An overdraft which has not been authorised with us in advance is called an unauthorised overdraft.
- 8.7 Whenever you make an informal request for an overdraft, we will consider it and decide whether or not to comply with it. We do not have to comply with any such request, unless we have guaranteed to a third party that we would make the payment requested.
- 8.8 If, on considering an informal request for an overdraft, we decide not to make the payment, we will inform you of our decision by letter.
- 8.9 If, at the end of any day, your account is over your overdraft limit, or, if you do not have a authorised overdraft, is overdrawn, we will charge you interest, the daily fee or other fees that apply to unauthorised overdrafts; please see the Price List applicable to your account. If you make a payment on a Saturday which takes you overdrawn or over your authorised overdraft

limit, it will be shown on your account that day and you will be charged daily fees from that day even though the payment is not taken from your account until Monday.

- 8.10 If we grant your request for an unauthorised overdraft, we will write to you on the next Working Day following the first day your account goes into an unauthorised overdraft. We will also tell you about interest, any daily fees or other fees for unauthorised overdrafts on your statements. Interest and fees will be collected from your account between the last day of the following month and the first Working Day of the month after that. For example, if your statement is dated 5th January and you have gone overdrawn in December with an unauthorised overdraft, interest or daily fees for December will be shown on your January statement and deducted from your account between the last day of January and the first Working Day of February.

### **All overdrafts**

- 8.11 The current interest rates, daily fees and other fees for overdrafts are set out in the Price List applicable to your account.
- 8.12 If we have:
- (a) asked you to pay any money you owe us on your account; or
  - (b) received a court judgment for you to pay any money you owe us on your account;
- then for as long as your account is overdrawn, you will have to pay any interest or daily fees on your overdraft.
- 8.13 At any time we may require you to pay us the whole or part of any overdraft, interest and fees which you owe on your account.
- 8.14 If your account is closed, we will work out interest or daily fees for each day your account is overdrawn in the month in which the account is closed (including the day on which it is closed). You have to pay us this sum which has not yet been applied to your account. You will also have to pay any overdraft which you owe us.
- 8.15 If you do require an overdraft or an increase to an authorised overdraft, it would be in your interests to contact us to discuss your borrowing requirements as it will be cheaper for you to have an authorised overdraft rather than an unauthorised overdraft.

## **9. Authorised Signatories**

- 9.1 You should read the Authority for details of your obligations and the rights and liabilities of your Authorised Signatories under it, as well as the details of how you can change the Authority. We may ask you to complete a new authority form before we accept any changes to the Authority.

## **Part C – General**

### **10. Business Relationship Terms**

- 10.1 We will use reasonable care and skill in providing services and managing your day to day banking needs, but you should bear in mind that:
- (a) our relationship services are for your general guidance and information only and they are based on information we know from operating your accounts or that you have given us;
  - (b) there may be occasions when you should take specialist advice rather than solely relying on our services;
  - (c) we are not responsible for how you interpret information we provide, or implement any action you choose to take.

- 10.2 As you retain sole responsibility for deciding whether to act on it, we will not be liable if you rely on financial information we supply; or if you choose to act on any suggestions or guidance we give you, whether or not they derive from tools we make available to you. They are not there to make decisions for you and there will be areas where you may wish to obtain more expert advice.

## **11. Authorising others to operate your accounts**

- 11.1 We will only accept authorisation, or any other instructions on your account, from:
- (a) you;
  - (b) anyone who has a legal right to give us instructions (for example, your trustee if you are made bankrupt);
  - (c) any Authorised Signatory (in accordance with the Authority); and
  - (d) anyone who you have authorised in writing (for example, someone who has a power of attorney for you) as long as we have accepted that written authority.
- 11.2 We will not be responsible for an act (or failure to act) of anyone you or the law authorise to operate your account, if we did not know or suspect he or she was acting dishonestly towards you.

## **12. Changes to our interest rates, fees and conditions**

### **The changes we can make**

- 12.1 We can only make changes to these conditions, the special conditions and additional conditions as set out in this condition 12.
- 12.2 Where we refer to "changes" in this condition we mean changes we know will happen, changes which have already taken place and changes we reasonably believe will happen provided that it would be fair for us to make the change for this reason (for example because of a forthcoming regulatory change).
- 12.3 Where we make a change for any valid reason, we will do so in a reasonable and proportionate manner.

### **Changes to interest rates**

- 12.4 If you have an account that pays interest at a variable rate which is linked to a "reference rate" (which we call a "tracker account"), the additional conditions for your account will explain how the interest rates automatically track any changes in the reference rate. (A "reference rate" is a rate which is not set by us but is publicly available so that you can find out what it is and check it independently. The Bank of England bank rate is an example of a reference interest rate.)
- 12.5 For accounts other than tracker accounts, we can change interest rates as provided in this condition 12 to respond proportionately to a change or changes in:
- (a) Bank of England bank rate;
  - (b) any money market rate we use to determine the rates we can offer our retail bank account customers; or
  - (c) the costs to us of offering retail bank accounts to our customers; or
  - (d) if relevant to our interest rates "regulatory requirements". (A "regulatory requirement" is any law, regulation, code or industry guidance that applies to us including a requirement of a court, ombudsman or similar body or an undertaking given to a regulator.)

- 12.6 For accounts other than tracker accounts, we can also change interest rates as provided in this condition 12 if it is reasonable to make the change:
- (a) because of changes in the rates of interest which banks and other organisations offering similar services pay to customers with similar products; or
  - (b) because:
    - (i) we are going to take over, take control of or acquire the business of another bank or organisation offering similar services;
    - (ii) we are going to be taken over or our business is acquired by another bank or organisation offering similar services; or
    - (iii) any of those things has happened;
- and the change will make sure that our customers and the customers of the other bank or organisation are treated in a similar way if they are in similar categories.

12.7 We can also change the interest rate for accounts other than tracker accounts under conditions 12.18 or 12.19.

12.8 We can make the following changes to your interest rate without giving you notice in advance either:

- (a) where the change is favourable to you; or
- (b) where you have a tracker account and the change is to track any changes in the reference rate in line with the conditions for your account.

We will notify you of such changes either by putting a notice in at least three national daily newspapers and in our branches, or by writing to you.

12.9 Except where condition 12.8 applies, we will give you written notice of any changes made under conditions 12.5 to 12.7 at least two months in advance. If you do not agree to the change you can close your account. If you notify us that you do not accept a change, we will take this as notification that you wish to close your account immediately.

### **Changes to conditions**

12.10 We can change these conditions, the special conditions, and additional conditions:

- (a) to respond proportionately to changes in regulatory requirements; and
- (b) to make improvements which are of benefit to you.

12.11 We can also change these conditions, the special conditions, the additional conditions if it is reasonable to make the change:

- (a) because of changes in the general deposit-taking practice of banks and other organisations offering similar services including the terms on which they offer similar products or services;
- (b) because of changes in the services and facilities on your account (including changes due to developments in the technology we use, or for reasons outside our control);
- (c) because:
  - (i) we are going to take over, take control of or acquire the business of another bank or organisation offering similar services and facilities;

(ii) we are going to be taken over or our business is acquired by another bank or organisation offering similar services; or

(iii) any of those things has happened;

and the change will make sure that our customers and the customers of the other bank or organisation are treated in a similar way if they are in similar categories.

(d) because the service is provided for us by a third party and for good commercial reasons we decide to use another third party or the third party who provides the service no longer does so; or

(e) to reflect changes in technology or security design.

12.12 We can also change the conditions, the special conditions, and additional conditions for all accounts under condition 12.19.

12.13 We will give you written notice of changes we make under conditions 12.10 to 12.12 at least two months in advance. If you do not agree to the change you can close your account. If you notify us that you do not accept a change, we will take this as notification that you wish to close your account immediately.

#### **Changes to fees**

12.14 We can change the amounts we charge you, charge new or different fees, and change the way you have to pay fees because the change will be of benefit to you or to respond proportionately to changes in:

(a) the costs of providing the service or facilities available on your account, including any changes caused by inflation; or

(b) regulatory requirements.

12.15 We can also change the fees for the normal running of your account under conditions 12.18 or 12.19.

12.16 We will give you written notice of changes we make under conditions 12.14 or 12.15 at least two months in advance. If you do not agree to the change you can close your account. If you notify us that you do not accept a change, we will take this as notification that you wish to close your account immediately.

12.17 We may offer special services on your account. We will notify you of the fees for these services at the time you ask to use them. We are free to change these fees at any time, and do not need to tell you of the change.

#### **Changes for reasons not set out in these conditions**

12.18 We can also change the interest rate or fees we charge you, or introduce new or different fees for any valid reason not specified in this condition 12, as long as you are free to end the agreement without charge or, if there would be a charge, if we agree to waive it.

12.19 We can make any changes to these conditions, the special conditions, and additional conditions (including the interest rate, the margin on a tracker product or the fees we charge you, or the introduction of new or different fees) for any other reason as long as you are free to end the agreement without charge or, if there would be a charge, if we agree to waive it.

### 13. General liability

13.1 If we break this agreement:

- (a) we will not be liable for losses or costs caused by abnormal and unforeseeable circumstances outside our reasonable control, which would have been unavoidable despite all efforts to the contrary, for example delays or failures caused by industrial action, problems with another system or network, mechanical breakdown or data-processing failures; and
- (b) we will not be liable for any business losses or costs you suffer (such as loss of business profits or opportunities).

13.2 You will be liable up to £50 for any payment instruction you did not give yourself unless we can prove either:

- (a) that you have acted fraudulently in which case you will be liable for all payments from the account that we have been unable to stop; or
- (b) that you have been grossly negligent with your card or Security Details (or allowed someone else to use your card or Security Details) in which case you will be liable for all withdrawals or payments made before you tell us that your card or Security Details have been lost, stolen or could be misused.

In some cases, you will not have any liability for a payment instruction you did not give yourself. These include where we have failed to tell you how to report that your card or Security Details have been lost, stolen or could be misused or where the unauthorised payment was made by telephone or internet.

If you are not liable for a payment, we will refund the amount of the payment (less the amount you are liable for, if any) and any fees or interest you paid as a result of it, and pay you any interest we would have paid you on that amount, and will not have any further liability to you.

13.3 Nothing in this agreement limits our liability for acting fraudulently or very carelessly or otherwise excludes or limits our liability to the extent we are unable to exclude or limit it by law.

13.4 The liability of your Authorised Signatories to us is explained in the Authority.

### 14. Using money between accounts (set-off)

14.1 If any money you owe us (for example on a loan, credit card, mortgage, overdraft or otherwise) is overdue for payment, we may use any money you have in any of your accounts with us to reduce or repay (by way of set-off or otherwise) what you owe us. In the case of trustees, we can only enforce this right where the money you owe to us, relates to you as trustee(s) of the same trust.

14.2 We can use our set-off right, where you have accounts which are only in your name. We can also use our set-off right where you have accounts which you hold with another person (X), and you and the other person together owe us money (for example on a joint loan, mortgage or overdraft), as shown below.

Money in account for:	Set off against money owed by:
You only	You
You only	You and X
You and X	You and X

14.3 Unless this is not permitted by our regulator or other similar body, we can use our set off right, where you have accounts which you hold with another person (X) and either you or the other person owe us money individually as shown below.

Money in account for:	Set off against money owed by:
You and X	X
You and X	You

14.4 We can use money you have in your accounts to pay something you owe us as described above even if there is a court decision against you or you are fined (including interest arising after the date of the final decision or fine), unless the court instructs us otherwise, or we are otherwise prevented by law.

14.5 Occasionally we receive legal instructions or notices to hold a customer's money for someone else or to pay it to someone else. If this happens to you, the money available to the other person will be what is left after we add up amounts we owe you on your affected accounts and subtract amounts you owe us, including any interest arising after the legal instruction or notice, unless we decide otherwise or we are otherwise prevented by law.

## 15. Ending this agreement or an account or service

15.1 This agreement will continue until you or we cancel or end it. If you are paying any monthly or other regular fees for an account or service, the amount you pay will be limited to the period we provide that account or service.

15.2 You may end this agreement, or an account or other service under it, at any time by writing to us, visiting one of our branches or telephoning us. Where you have not told us in writing, we may require confirmation in writing. You will also be treated as ending this agreement in relation to an account if you do not make a payment into the account within six months of opening it.

15.3 We may end this agreement (or any account or service under it) by writing to you and giving you two months' notice.

15.4 We may close or suspend an account or stop providing a service if:

- (a) you are not eligible (or no longer eligible) for an account or service; or
- (b) you do not use it for 12 months. In this case, you can ask us to remove any restrictions we have applied to the account or service at any time but we may need to check your identity before we do so.

15.5 If there have been no payments into or out of an account for 15 years (or other period specified by law) and we have lost touch with you, we may transfer any money in the account to the "reclaim fund" (which is a body set up to deal with unclaimed assets in dormant accounts). You will be entitled to reclaim any money transferred, and any interest payable, from the reclaim fund and if you ask us we can help you do this.

15.6 If we end this agreement or stop providing an account or service, we will act in a manner we think is reasonably appropriate for the circumstance and will try to reduce the inconvenience to you.

15.7 When you or we end this agreement, any benefit, service or account we provide under it will end and you must on our request:

- (a) repay any money you owe us, such as any overdrafts and the amount of any cheques, card payments or other payment instructions you have made and which have not yet been taken out of your account;
- (b) pay any fees and interest that you owe us (if you cancel, these will be the fees and interest applying to the period before the agreement is cancelled); and

- (c) if we ask you to do so, return anything that belongs to us or that we have given you, such as any cards and unused cheques (cutting them up before sending them).

If you or we end a service (but not the whole agreement), you must take these steps as they apply to that service alone.

- 15.8 When your account is closed, you are responsible for cancelling any direct payments (such as Direct Debits, standing orders, if these are available on your account and regular card payments) into or out of your account. If someone sends a payment to your closed account, we will take reasonable steps to return the payment to the sender.
- 15.9 If this agreement (or a service under it) ends, it will not affect any legal rights or obligations which may already have arisen or any instructions already given. The closure of your account will not release you, or where applicable, your Authorised Signatories, from any liability in respect of any sums owing to us or from any previous liability or indemnity for any act performed by us in accordance with instructions previously received from you.
- 15.10 When this agreement ends (or your account is closed) we will pay or transfer money we hold for you or owe you under this agreement (or in the account) to you, or to any other person you name in writing. However, we may keep enough money to cover any liabilities owed to us, such as anything you owe us under condition 16.7 or, if you have broken this agreement, any loss of ours as a result.
- 15.11 If you are a sole trader, in the event of your death, we may need to see a grant of probate, certificate of confirmation or equivalent grant of representation before releasing money in your account to your personal representatives.
- 15.12 If we receive notice that:
  - (a) bankruptcy petition (including in Scotland, a petition for sequestration) has been presented against you;
  - (b) any steps have been taken to wind up or dissolve you or your business;
  - (c) any steps (including the issue of any notice of intention or equivalent) have been taken to appoint an administrator or liquidator, receiver, judicial factor or similar officer to you;
  - (d) you have applied to the court for a moratorium or made a proposal to creditors for a voluntary arrangement;
  - (e) you have granted a trust deed for creditors or taken any action (including entering into negotiations) with a view to readjustment, rescheduling, forgiveness or deferral of any part of our indebtedness; or
  - (f) if any similar or equivalent insolvency event occurs or has occurred in relation to you,  
  
we shall have no obligation to pay any sums from your account until the petition is dismissed, or in the case of any other insolvency event, the insolvency process is formally dismissed, withdrawn or discontinued.
- 15.13 After this agreement ends, we will keep our rights to use money between accounts under Condition 14 and any rights we have under general law; and the terms of our Privacy Statement will continue to apply.

## **16. Transferring rights and obligations**

You may not transfer any obligations or rights, benefits or interests under this agreement or in your accounts (or income from them) or create any security over money in your accounts in favour of someone else unless we say you can in writing.

## **17. Not enforcing this agreement**

We may not always strictly enforce our rights under this agreement, for example we may allow you more time to pay what you owe. If we do this, it will be just a temporary measure and we may enforce our rights strictly again.

## **18. Law applying to this agreement**

- 18.1 General law (for example, about banking or consumer protection) applies to the accounts and services we provide you. For further information about your statutory rights please contact your local Trading Standards Department or Citizens' Advice Bureau.
- 18.2 Except where the general law cannot be changed or excluded, if any term of this agreement conflicts with the general law, then this agreement will apply.
- 18.3 If you are not resident in Scotland when the conditions in this document first apply to you, English law will decide any legal questions about this agreement, and about our dealings with you with a view to entering into this agreement. The courts of England and Wales will also be able to deal with any legal questions connected with this agreement.
- 18.4 If you are resident in Scotland when the conditions in this document first apply to you, Scots law will decide any legal questions about this agreement, and about our dealings with you with a view to entering into this agreement. The Scottish courts will also be able to deal with any legal questions connected with this agreement.

## **19 Third Party Rights**

Nothing in this agreement confers or is intended to confer a benefit enforceable by a person who is not a party to it (except to the extent that rights are expressly conferred on other Lloyds Banking Group Companies) and such a person shall have no right under the Contract (Rights or Third Parties) Act 1999 to enforce any of its terms. This means that only the parties to the contract (or their legal successor(s), assignee(s) or other security holders) and other Lloyds Banking Group Companies may have contractual rights.

## SECTION 4 - IMPORTANT POINTS TO NOTE

### If you have a complaint

We do all we can to provide you with the service you want and expect. But we know sometimes things can go wrong. If you do ever have a complaint or a problem with your bank account, please let us know. You can talk to us at any Private Banking Office, by contacting your Relationship Manager or calling **08457 111 111**.

If you feel that we haven't done enough to resolve your complaint, please call our Customer Complaint Helpline on **08457 25 35 19**. And if that still leaves things unresolved, you may then want to contact the Financial Ombudsman Service. If you'd like a copy of our complaints procedure, please ask us at any branch. The Ombudsman can be contacted at Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR, **08450 80 18 00**, or the Ombudsman website **[www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)**. If you'd like a copy of our complaints procedure, please ask us at any branch.

Please note that due to the Financial Ombudsman Service's eligibility criteria not all non-personal Flexible Current Account holders will be covered by this service.

### How we are regulated

- We lend money and offer savings, insurance and other financial services to our customers.
- We are authorised and regulated by the Financial Services Authority ("FSA") for these services except lending, and licensed and regulated by the Office of Fair Trading ("OFT"), for lending services.
- We are also a member of the British Bankers' Association. Please see [www.bba.org.uk](http://www.bba.org.uk) to find out more.
- Our OFT licence number is 593292. You can call the OFT on 020 7211 8608 to find out more.
- We subscribe to the Lending Code; copies of the Code can be obtained from [www.lendingstandardsboard.org.uk](http://www.lendingstandardsboard.org.uk).
- Our FSA Register number is 169628. To find out more about us, see the FSA Register: [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or call the FSA on 0300 500 5000.
- Our company details are Bank of Scotland plc. Registered in Scotland No. SC327000. Registered office: The Mound, Edinburgh EH1 1YZ.
- To find out more about our companies, see the Registrar's website, [www.companieshouse.co.uk](http://www.companieshouse.co.uk) or call the Registrar on 0870 33 33 636.
- Our VAT number is 244 1555 76.

### Important information about compensation arrangements

We are covered by the Financial Services Compensation Scheme (FSCS). The FSCS can pay compensation to depositors if a bank is unable to meet its financial obligations. Most depositors - including most individuals and small businesses - are covered by the scheme.

In respect of deposits, an eligible depositor is entitled to claim up to £85,000. For joint accounts each account holder is treated as having a claim in respect of their share so, for a joint account held by two eligible depositors, the maximum amount that could be claimed would be £85,000 each (making a total of £170,000). The £85,000 limit relates to the **combined** amount in all the eligible depositor's accounts with the bank including their share of any joint account, and not to each separate account.

For further information about the scheme (including the amounts covered and eligibility to claim) please ask at your local branch, refer to the FSCS website [www.FSCS.org.uk](http://www.FSCS.org.uk) or call 0207 741 4100 or 0800 678 1100.

Deposits with us are held with Bank of Scotland plc. Accounts with Bank of Scotland plc include accounts with its divisions and trading names: Halifax, Intelligent Finance (IF), Birmingham Midshires (BM Savings), Bank of Scotland, Bank of Scotland Private Banking, Bank of Scotland Germany, Bank of Scotland The Netherlands, Bank of Scotland Treasury, Lloyds Bank Corporate Markets, Lloyds TSB Corporate Markets, St James's Place Bank and St James's Place Private Bank. Some Savings Accounts under the AA Savings, Saga and Charities Aid Foundation brand names are also deposits with Bank of Scotland plc. An eligible depositor's £85,000 limit relates to the combined amount in all accounts under these names.

If you are unsure whether your account is held with Bank of Scotland plc please check your account literature.

Please note that due to the Scheme's eligibility criteria not all non-personal account holders will be covered by the Scheme.

### **Advertising**

- We are regulated by the Office of Communications ("Ofcom"). If you have a complaint, particularly in relation to our text messaging service, you may also be able to take it to Ofcom at Riverside House, 2a Southwark Bridge Road, London SE1 9HA, [www.ofcom.org.uk](http://www.ofcom.org.uk), telephone 020 7981 3040, textphone/fax 020 7981 3043.
- We follow advertising codes regulated by the Advertising Standards Authority ("ASA").
- If you would like to complain to the ASA about any of our advertising, you can do so through their website, [www.asa.org.uk](http://www.asa.org.uk).
- If you would like to find out more about the advertising codes or the ASA, please see [www.asa.org.uk](http://www.asa.org.uk), call the ASA on 020 7492 2222 (textphone 020 7242 8159), email them at [enquiries@asa.org.uk](mailto:enquiries@asa.org.uk), fax them on 020 7242 3696 or write to the Advertising Standards Authority, Mid City Place, 71 High Holborn, London WC1V 6QT.

### **Withdrawals**

We want to make sure that only you and your Authorised Signatories (in accordance with the Authority) take money from your account. So, before we allow large withdrawals at one of our branches we'll ask for proof of identity (ID). You can provide any of the following: DVLA driving licence, passport or credit / debit card (another one from Halifax, Bank of Scotland or from a different provider). Please remember to bring your ID with you. In most cases this will be enough to prove who you are and help keep your money safe.

### **Other information**

- We will communicate with you in English.
- Our fees will include our delivery costs (if any) and any tax you have to pay through us. You may have to pay other taxes or costs, which you do not pay us or pay through us.
- Cashpoint® is a registered trade mark and is used under licence by Bank of Scotland plc.
- For more information visit us at [www.bankofscotland.co.uk](http://www.bankofscotland.co.uk) or go to any Bank of Scotland branch.
- We will keep a copy of this agreement, which will be available from our website or on request.

## Our contact details

### It's easy to get in touch

If ....	Then call.....
<p>your debit card or cheque book is lost or stolen.</p> <p>We will cancel the debit card or cheque book and send you a replacement. We do not make our usual charge for stopping cheques for this service.</p>	<p><b>08457 20 30 99</b> immediately</p>
<p>you damage your cheque book.</p> <p>You can cancel your existing book and arrange for a replacement.</p>	<p><b>08457 111 111</b></p>
<p>you've forgotten your PIN.</p> <p>We will then order you a replacement PIN once we have confirmed your identity. You will need to unlock or change this PIN at any Bank of Scotland Cashpoint® by selecting 'PIN services' before you can use it.</p>	<p><b>08457 111 111</b></p>
<p>you are worried that someone knows your internet or telephone banking security details or you need any further help.</p>	<p><b>08456 02 00 00</b> for online banking  <b>08457 111 111</b> for telephone banking</p>
<p>you are worried that an automated payment or card transaction on your account has not been properly authorised by you, or has been incorrectly executed on your account you must notify us.</p>	<p><b>08457 111 111</b></p>
<p>you would like to find out the indicative currency exchange rate before completing a debit card transaction in a foreign currency.</p>	<p><b>08457 111 111</b></p>
<p>you have any general enquiries about your account, including additional information about the transactions on your account.</p>	<p><b>08457 111 111</b></p>

All telephone lines are open 24 hours a day, unless otherwise stated.

**This document is also available in Braille, large type and audio.**

You can contact us using RNID Typetalk on any of our telephone numbers.

If you need to be called back and would like us to call you through RNID Typetalk, please tell us when you call.

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Authorised and regulated by the Financial Services Authority.

This information is correct as at September 2011.