

Your account charges explained.

To ensure you have everything you need to know about our charges, this brochure has been designed to let you know when and how they will be applied.

The charges and tariffs included in this booklet are correct at the time of going to print. For our most up-to-date rates, please visit **bankofscotlandbusiness.co.uk/business-accounts** and refer to the 'Interest rates and charges' section.

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Introductory offer.

To welcome you to Bank of Scotland, we've got the following special introductory offer:

- 18 months' free day-to-day banking for new start-up businesses

This means that all the charges listed in the day-to-day business banking transactions sections on pages 4, 5, 6 and 7 will be free, including cheques, standing orders, cash, Direct Debits, deposits and withdrawals. All we ask is that you operate your account in credit or within agreed limits and don't go overdrawn without agreeing it with us first. Since you'll be getting free day-to-day business banking, you won't receive any interest on the credit balance in your business current account during the introductory offer period. And don't forget, you'll be charged interest if you borrow money.

Help with queries.

If at any point you think we've charged you the wrong amount, please speak to your relationship management team. If we can't resolve your query there and then, we will acknowledge it within five working days and sort it out as soon as possible. Then, if we agree we've made a mistake, we'll refund the money.

As the law stands, most banking services are exempt from VAT. If the situation changes, then we will add VAT at the appropriate rate.

Keeping your charges low.

Services that cost us more to process are going to cost you more to use; for instance, writing and accepting cheques.

So here are some ways to cut the cost of day-to-day business banking once your introductory period of free banking has run its course.

Go online.

You can save money by using **Business Internet Banking**, our Internet Banking service, to make direct payments to suppliers or staff. This online service lets you pay bills, transfer money, check account balances, set up and amend standing orders, view and cancel most Direct Debits, and print out statements. We've also launched a free optional **Online Payment Control** service to help businesses who want to delegate payment responsibility while keeping control. The service allows a user's individual payment limit to be set for each transaction or two or three people can be chosen to authorise all payments online.

Business Internet Banking is available 24 hours a day, seven days a week. To register visit bankofscotlandbusiness.co.uk

Pay by Direct Debit.

Why not make regular payments within the UK, such as phone bills or National Insurance contributions, by Direct Debit rather than by cheque? As Direct Debits are a cheaper option, the savings will soon add up over a 12-month period.

Get cash with your card, not a cheque.

Instead of cashing a cheque, use your Business Debit Card* in a Bank of Scotland, Halifax or Lloyds Bank cash machine to get cash – it's free of charge. And when you opt for our **Electronic Business Tariff**, all Business Debit Card transactions are free.

*Business Debit Cards are subject to application.

Pay less often.

If you switch your monthly Direct Debits to quarterly or annual payments, you could save money. And why not arrange to pay suppliers monthly instead of weekly? You could also cut your costs and theirs by using BACS Direct Credit or Telepay.

Cut the cost of paying in.

If your cashflow's healthy, wait until you've got several cheques before paying them in together as a single credit. Remember you are charged for every credit that you use, so paying in several cheques together rather than one by one means that you only get charged for one credit.

Accumulate any spare cash that you're going to re-use soon and keep it in a safe at your business premises. Re-using £100 cash each week could save you money in bank charges over the course of the year – but don't forget to record all your earnings and make sure you don't exceed the cash sum that your insurance policy allows you to keep on the premises.

Get your customers to pay automatically.

Customers who pay you regular amounts may be happy to use automated credits like standing orders. Even one-off payments could be cheaper for both of you through BACS, Telephone or Internet Banking.

Keep an eye on your money.

Check up on your finances once a week or every business day if you need it with our Internet or Telephone Banking, or free Text Alert services. We'll send free text messages to your mobile phone, showing your account balance and the last six transactions – once a week or every day if you need it.

Agree borrowing up front.

If you need to borrow money, even for a short time, make sure you talk to us first to avoid extra charges for unauthorised borrowing.

Choose the tariff that best suits your business.

How do you use your business account? If you prefer more traditional banking ways, like writing cheques, our standard **Business Extra Tariff** should suit you fine.

Or are you looking for more low-cost services? If so, our **Electronic Business Tariff** may suit you better. Talk to your relationship management team about what kind of account would be more suitable for your type of business.

If you're a customer who will be running a larger business, typically with a turnover of £2 million-£15 million, our **Commercial Tariff** may be right for you.

Charges and interest.

With our **Business Extra, Electronic and Commercial Tariffs**, you pay a set price for basic transactions. All charges and interest are calculated monthly, from the 10th of one month to the 9th of the next. The first regular invoice you receive following each charging period will show any account transaction charges you have incurred and these will be collected 18 days (or the next working day) after the date of the invoice. Your monthly statement will show any debit interest that is payable to us and this will be collected on the 9th of the following month (or the next working day) after the statement. If there are charges to pay but you're not due a regular statement, we'll send you an extra one free of charge.

Business Extra Tariff.

With our **Business Extra Tariff**, you pay a set price for basic transactions.

Day-to-day Business Extra Tariff transactions.

Account payments	Charge
Direct Debit	43p
Standing order	40p
Transfer to another Bank of Scotland account in your name with a sort code starting 80-xx-xx or 12-xx-xx	Free
Business Debit Card transactions (excludes ATM)	40p
Cash withdrawals from a Bank of Scotland, Halifax or Lloyds Bank cash machine	Free
Cash withdrawals from another bank's ATM	45p*
Faster payments	15p
Internet Banking, Telephone Banking and Telephone Banking payment	15p
Internet Bulk Payment – per item	15p
Internet Bulk Payment – batch Direct Debit	43p†
Cheque	68p
Other debit	65p
Account receipts	Charge
Automated credit	20p
Automated credit – faster payments inbound	20p
Automated credit – Telephone and Internet Banking	15p
Transfer to another Bank of Scotland account in your name with a sort code starting 80-xx-xx or 12-xx-xx	Free
Credit paid in at a Bank of Scotland branch (including via Business Cash Saver or an Immediate Deposit Machine)	70p
Credit paid in at another bank	70p
Credit paid in via a night safe	Free
Other credit	70p

Day-to-day Business Extra Tariff transactions (continued).

Charges for other services	Charge
Cash paid in	60p per £100
Cash paid in via Business Cash Saver	47p per £100
Cash paid out at a Bank of Scotland counter	65p per £100 [‡]
Cash exchanged	£1.65 per £100
Cheque paid in (or Postal Order)	31p
Cardnet envelope paid in	Free
BACS – file submitted	£4
BACS – debit or credit item	10p
Telepay item	40p

Account maintenance fee	Charge
A charge made for the basic administration costs of running your account	£5 per month

All charges are per item unless stated otherwise.

*The owner of the machine may charge you for this transaction. All LINK machines will give you an on-screen warning of charges, in advance, allowing you to continue or cancel the transaction.

†You will be charged an item fee for each individual payment that you make within a Bulk Payments batch. In addition you will also be charged for the debit made to your account for the total amount of the Bulk Payments batch – charged at the rate of a Direct Debit. For example, a batch of 10 payments will incur a charge of 10 x 15p for the individual payments as well as 1 x 43p for the Direct Debit to the account. This makes a total of 11 individual charges.

‡This includes the use of debit cards to withdraw cash over branch counters and where a bank giro credit is paid using either a debit card or a cheque drawn on your account and processed as cleared funds.

Electronic Business Tariff.

On this tariff, you can keep charges low with free transactions including debit card payments, Direct Debits, standing orders and Internet payments.

What you need to know.

Once you've registered for the Electronic Business Tariff, you'll get the benefits as long as you keep at least £1 in your account. However, if your balance falls below £1, you'll pay the standard Business Extra Tariff on all transactions during the appropriate charging period (from the 10th of one month to the 9th of the next).

What to do next.

Call our business customer service advisers on **0845 300 0268** between 7am and 8pm, Monday to Friday, or 9am and 2pm on Saturdays, excluding UK public holidays. If you need to call us from abroad, or prefer not to use our 0845 number, you can also call us on **+44 1244 624 100**, to speak to one of our advisers. They'll be happy to answer any questions you may have and make the necessary arrangements. We will be able to give you all the information you need to help you choose the tariff that's right for your business. If you later find that you'd prefer to move your account onto a different tariff, simply ask your relationship management team.

Textphone users (if you have a hearing or speech impairment) can call us on **0845 732 3436**.*

*This is a Halifax service. The Lloyds Banking Group includes Lloyds Bank plc and a number of other companies using brands including Lloyds Bank, Halifax and Bank of Scotland, and their associated companies.

Day-to-day Electronic Business Tariff transactions.

Account payments	Charge
Direct Debit	Free
Standing order	Free
Transfer to another Bank of Scotland account in your name with a sort code starting 80-xx-xx or 12-xx-xx	Free
Business Debit Card transactions (excludes ATM)	Free
Cash withdrawals from a Bank of Scotland, Halifax or Lloyds Bank cash machine	Free
Cash withdrawals from another bank's ATM	Free*
Faster payments	Free
Internet Banking and Telephone Banking payment	Free
Internet Bulk Payment – per item	Free
Internet Bulk Payment – batch Direct Debit	Free
Cheque	65p
Other debit	65p
Account receipts	Charge
Automated credit – (including Telephone and Internet Banking)	Free
Automated credit – faster payments inbound	Free
Transfer from another Bank of Scotland account in your name with a sort code starting 80-xx-xx or 12-xx-xx	Free
Credit paid in at a Bank of Scotland branch (including via Business Cash Saver or an Immediate Deposit Machine)	65p
Credit paid in at another bank	65p
Credit paid in via a night safe	Free
Other credit	65p
Other services	Charge
Cash paid in	89p per £100
Cash paid out at a Bank of Scotland counter	89p per £100†
Cash exchanged	£1.65 per £100
Cheque paid in (or Postal Order)	30p
Cardnet envelope paid in	Free
BACS – file submitted	£4
BACS – debit or credit item	Free
Telepay item	32p

Day-to-day Electronic Business Tariff transactions (continued).

Account maintenance fee	Charge
A charge made for the basic administration costs of running your account	£5.00 per month
Minimum balance	
The amount of money you need to keep in the account to benefit from the Electronic Business Tariff	£1

All charges are per item unless stated otherwise.

*The owner of the machine may charge you for this transaction. All LINK machines will give you an on-screen warning of charges, in advance, allowing you to continue or cancel the transaction.

†This includes the use of debit cards to withdraw cash over branch counters and where a bank giro credit is paid using either a debit card or a cheque drawn on your account and processed as cleared funds.

Compare our Business Extra Tariff and Electronic Business Tariff.

	Number of items	Business Extra Tariff		Electronic Business Tariff	
		Cost per item	Charge	Cost per item	Charge
Account payments					
Direct Debit	20	43p	£8.60	Free	Free
Standing order	3	40p	£1.20	Free	Free
Business Debit Card transactions (excludes ATM)	15	40p	£6.00	Free	Free
Cheque	30	68p	£20.40	65p	£19.50
Sub Total	68		£36.20		£19.50
Account receipts and other transactions					
Automated credit	15	20p	£3.00	Free	Free
Credit paid in at a Bank of Scotland branch (including via Business Cash Saver or an Immediate Deposit Machine)	10	70p	£7.00	65p	£6.50
Cheque paid in	30	31p	£9.30	30p	£9.00
Sub Total	55		£19.30		£15.50
Account maintenance fee					
A charge made for the basic administration costs of running your account			£5.00 per month		£5.00 per month
Sub Total	123		£60.50		£40.00

This table is an illustration only and demonstrates the potential savings that you could make if you choose to use more low-cost services and opt for the Electronic Business Tariff.

Commercial Tariff.

Our Commercial Tariff is available for customers with a turnover of £2 million - £15 million who may require more flexible and complex solutions. We have included a breakdown of our published tariffs; however, please speak to your relationship management team about tailoring charges to your individual business needs.

Day-to-day Commercial Tariff transactions.

Account payments	Charge
Direct Debit	43p
Standing order	50p
Transfer to another Bank of Scotland account in your name with a sort code starting 80-xx-xx or 12-xx-xx	Free
Business Debit Card transactions (excludes ATM)	44p
ATM withdrawals from a Bank of Scotland, Halifax or Lloyds Bank cash machine	Free
ATM withdrawals from another bank's ATM	42p
Faster payments	25p
Internet Banking and Telephone Banking payments	25p
Internet Bulk Payment – per item	20p
Internet Bulk Payment – batch Direct Debit	43pt
Cheque	62p
Other debit	59p
Account receipts	Charge
Automated credit	15p
Automated credit – faster payments inbound	15p
Automated credit – Telephone and Internet Banking	25p
Credit paid in at a Bank of Scotland branch (including via Business Cash Saver or an Immediate Deposit Machine)	75p
Credit paid in at another bank	75p
Credit paid in via a night safe – amount up to £5k	Free
Transfer to another Bank of Scotland account in your name with a sort code starting 80-xx-xx or 12-xx-xx	Free
Other credit	75p
Other services	Charge
Cash paid in	56p per £100
Cash paid out at a Bank of Scotland counter – amount up to £1k	56p per £100*
Cash exchanged	£2 per £100
Cheque paid in	31p
Cardnet envelope paid in	Free

*This includes the use of debit cards to withdraw cash over branch counters and where a bank giro credit is paid using either a debit card or a cheque drawn on your account and processed as cleared funds.

You will be charged an item fee for each individual payment that you make within a Bulk Payments batch. In addition you will also be charged for the debit made to your account for the total amount of the Bulk Payments batch - charged at the rate of a Direct Debit. For example, a batch of 10 payments will incur a charge of 10 x 15p for the individual payments as well as 1 x 43p for the Direct Debit to the account. This makes a total of 11 individual charges.

Day-to-day Commercial Tariff transactions (continued).

Other services (continued)	Charge
BACS – file submitted	£4
BACS – debit or credit item	10p
Telepay item	32p

You can check the current interest rates at bankofscotlandbusiness.co.uk/rates-and-charges

Other service charges for all tariffs.

Bankers draft	Charge
Bankers draft (sterling)	£20
Special cheque presentation	Charge
A cheque paid into your account sent direct to another branch or bank for payment. Normally this service is used to find out earlier if a cheque is going to be paid, although it doesn't speed up the clearing process	£10
Electronic fund transfer 'CHAPS' payment	Charge
Transfer of funds for same-day value	£30
Stopped cheque	Charge
Your instruction to us not to pay a cheque that you have issued	£10
If the cheque has been lost or stolen	Free
Statements	Charge
You will receive a regular monthly statement of your account	Free
Intermediate statements	Charge
Ordered at branch	£3
Copy statements	£5 per sheet
Vouchers with statements	Charge
Cheques and/or credit vouchers returned with your statement	£5 per sheet
Monitoring	Charge
Where, by agreement, we will monitor your account on a regular basis to make transfers in accordance with your instructions:	
Daily monitoring	£20 per month
Weekly monitoring	£7 per month
Monthly monitoring	£5 per month

Other service charges for all tariffs (continued).

Status enquiry	Charge
Where you can request information about a third party to assess if they can commit to a financial arrangement or make a payment. This can only be requested with the third party's consent and the information is based on their account status at the time of enquiry.	£10.21 (includes VAT*)
Audit letter	Charge
Details of balances and other information provided, at your request, to your accountant	£25 per hour plus VAT (min £25)
Clerical administration fee	
We are happy to discuss your day-to-day business banking activities without charge. However, if we spend a significant amount of time on a specific area not covered in this brochure, we may charge a fee. In all cases this will be agreed with you first.	
Using other banks	
Other banks sometimes charge us when you use their counter services. In turn, we may pass these costs on to you. Your branch will be able to tell you which banks charge and why.	
Inter-Bank Agency Agreements are arrangements between banks to provide a range of branch counter services to another bank's customers by prior arrangement.	
They provide a convenient service to business customers who find the accessibility of their own bank's branches difficult – for example due to location.	
How do they work?	
The nature and range of the counter services offered under an Inter-Bank Agency Agreement is at the discretion of the providing bank. Once the service is set up, Bank of Scotland will claim back charges from the customer's own bank on a quarterly basis. The additional charge, if any, made by the account-holding branch is negotiated with their customer.	
The Counter Services available at Bank of Scotland branches are as follows:	
<ul style="list-style-type: none">▪ Cash transactions▪ Cheques paid in▪ Bank Giro credits▪ Wages/salary cheques cashed▪ Night safes▪ Special presentations (cheques)▪ Returned cheques collected.	
While we wish to be as helpful as possible, there may be local circumstances where we are unable to provide this service.	
Other services	
Some charges may not be included in your pre-notification. If this is the case, we'll call or write to tell you how much the service will cost, before we provide it.	

*VAT is 20% as at 4 January 2011.

International Services.

If your business imports or exports goods and services, we have a range of international services to support your business. To find out the details of our service charges, please speak to your relationship management team or see our International Services tariff.

Business Debit and Cashpoint® Card charges.

These charges will apply in addition to any current account debit charges (see day-to-day banking transactions for all three tariffs).

Using your card in the UK	Charge
ATM withdrawals from a Lloyds Bank, Bank of Scotland or Halifax cash machine	Free
ATM withdrawals from other machines (LINK and non-LINK)	Free However, the owner of the machine may charge you All LINK machines will give you an on-screen warning of charges, in advance, allowing you to continue or cancel the transaction
Purchase of foreign currency or travellers' cheques from a Bank of Scotland branch, travel bureau or any other provider displaying the VISA sign	Free
Using your card abroad	Charge
Withdrawals from ATMs displaying the VISA sign or from other banks' counters, travel agents, bureaux de change and other outlets displaying the VISA sign	The converted sterling value includes a 2.75% non-sterling transaction fee; the total converted sterling value then incurs an additional 1.5% non-sterling cash transaction fee (minimum £1.50) If you are using another bank's ATM, some providers may charge you a fee for using their machines
All other Business Debit Card transactions	2.75% non-sterling transaction fee

All charges are per transaction unless stated otherwise. The above fees only apply to the Business Debit and Cashpoint Cards, and separate fees are applicable to all other card products. Please refer to your relationship manager for details of these charges.

Charges when you borrow.

If you need to borrow money for any purpose or period, please talk it over with us first to avoid paying unauthorised borrowing charges. Then, once we've agreed terms, we'll write to you to let you know the interest rate, when it's charged and the fees payable. In the case of an agreed overdraft, the limit, review date and current interest rate will be shown on your statement, and we will give you written confirmation of the terms at the time they are agreed. Please speak to your relationship management team for further details of the interest rate and fees that apply to our borrowing facilities. Typical charges include:

An arrangement fee which is dependent on the amount you borrow.

A management fee might become payable if your business requires specialist support if concerns were to arise regarding your trading performance.

Security fees

If required, we will arrange security against your borrowing. Your relationship management team can provide an estimate of the fees and expenses which may be payable in a given situation. You will also be required to pay expenses and fees which we may incur, such as:

- Solicitors' and/or valuation fees
- Expenses in connection with enquiries made about the security subject
- Fees payable to register the security.

Break costs may apply if you repay all or part of any borrowing in excess of £25,000 during an agreed fixed rate period.

Depending on market conditions, break costs could be substantial.

Unauthorised borrowing.

If you overdraw your account or exceed an overdraft limit without prior agreement, you'll be charged a higher rate of interest on this unauthorised borrowing. The rate is displayed in all branches and on our website at bankofscotlandbusiness.co.uk/rates-and-charges. Because of the additional work involved in monitoring your account, we may also charge the following fees:

Unauthorised borrowing fee	Charge
The first time you overdraw your account or exceed your agreed limit with us by £50 or more, an Unauthorised Borrowing Fee (UBF) is chargeable. After that, the UBF is chargeable every time you increase your unauthorised borrowing by £50 or more from the previous day's closing balance unless a higher limit is agreed with us, or until the account is within its existing limit or in credit.	£15 (one charge per day, maximum)
Unpaid item Where you do not have enough money available to make a payment and we do not agree to extend an unauthorised overdraft, you will not be able to make that payment. We will write to let you know and will charge the following fee for each item we do not pay	£35 for each item not paid

We'll contact you every time we return an item unpaid. Any unauthorised borrowing or return item charges will be accrued into one lump sum and charged on a monthly basis.

Any property given as security which may include your home, may be repossessed if you do not keep up repayments on your mortgage or other debts secured on it.

All lending is subject to a satisfactory credit assessment and we will need your permission to carry out a credit check on you and your business.

You should not apply for an amount that you cannot comfortably afford to repay now and in the future to avoid the possibility of legal action.

Our service promise.

If you experience a problem, we will always try to resolve it as quickly as possible. Please bring it to the attention of any member of staff. Our complaints procedures are published at bankofscotlandbusiness.co.uk/contactus

Please contact us if you'd like this information in an alternative format such as Braille, large print or audio.

If you have a hearing or speech impairment you can use Text Relay (previously Typetalk) or if you would prefer to use a Textphone, please feel free to call us on 0845 606 6114 (lines open 7am-8pm, Mon-Fri and 9am-2pm Sat).

bankofscotlandbusiness.co.uk

Calls may be monitored or recorded in case we need to check we have carried out your instructions correctly and to help improve our quality of service.

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Bank of Scotland plc Registered office: The Mound, Edinburgh EH1 1YZ. Registered in Scotland No. 327000.

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

We subscribe to The Lending Code; copies of the Code can be obtained from www.lendingstandardsboard.org.uk

Bank of Scotland plc is covered by the Financial Services Compensation Scheme and the Financial Ombudsman Service.

(Please note that due to the schemes' eligibility criteria not all Bank of Scotland business customers will be covered by these schemes.)

Information correct as at: October 2013.