

COMMERCIAL BANKING

# Your account charges explained

November 2022



**BANK OF  
SCOTLAND**

By the side of business

# Account charges

To put your business in greater control we'd like to fully explain your business banking fees.

The charges and tariffs included in this brochure are correct at the time of going to print. For our most up-to-date rates, visit **[business.bankofscotland.co.uk/business-home/account-charges](https://business.bankofscotland.co.uk/business-home/account-charges)**

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## Help with queries

If at any point you think we've charged you the wrong amount, please speak to us. 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.

### 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 [bankofscotland.co.uk/business](http://bankofscotland.co.uk/business)

### 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<sup>†</sup> 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.

\*Occasionally we may need to carry out essential maintenance, resulting in some interruption to service.

<sup>†</sup>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.

### 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.

### 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 current account tariff that best suits your business

How do you use your business current account?

- ▶ Our Business Extra Tariff provides a set price for each of your basic account transactions.
- ▶ Or you may prefer our Electronic Business Tariff, which includes lower charges for electronic or automated transactions.

Talk to us if you're unsure about which tariff is best for your business.

### Charges and interest

With our **Business Extra**, or **Electronic 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.

## Commercial Current Account

### Business Extra Tariff

On this tariff 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.

If there are charges to pay but you're not due a regular statement, we'll send you an extra one free of charge.

### Electronic Business Tariff

On this tariff, you can keep charges low with free transactions including Debit card payments, UK Sterling Direct Debits, Standing Orders and Internet payments. The Electronic Business Tariff will apply to the Commercial Insurer Trust Account and the Commercial Pledged Account.

## Commercial Instant Access Account

Transfers to or from another account in your name with the same sort code are free, however the Commercial Instant Access Account is for surplus business funds and must not be used for trading turnover. If the Account is used for trading turnover, the Business Extra Tariff will apply.

## Other Accounts

### Specialist Accounts Tariff

We apply a Specialist Account Tariff on the following products:

- ▶ Credit Union Account.
- ▶ School Bank Account.
- ▶ Commercial Undesignated Client Account.
- ▶ Commercial Designated Client Account.
- ▶ Commercial Loan Servicing Account.
- ▶ Commercial Pension Fund Account.
- ▶ Commercial Segregated Funds Account.

Our Specialist Account Tariff is provided free of charge. Charges for CHAPS, International Payments, Online Channels and other ancillary services apply to all products except the Commercial Loan Servicing Account.

You can find details of these charges in the following places:

- ▶ CHAPS and other ancillary services charges are detailed within 'Other Services charges for all tariffs' section within this document.
- ▶ International payments charges are detailed on our **bankofscotland.co.uk** website.
- ▶ Online banking charges, which apply to Corporate Online, and Commercial Banking Online channels, are detailed in relevant online channel charges brochures.

## What to do next

Call our business customer service centre to speak to one of our advisers (our contact details are on the back cover). They'll be happy to answer your questions and give you the information you need to help you choose the right tariff for your business. You can move your account onto a different tariff at a later date if you change your mind.

## Day-to-day Business Tariff transactions

Transaction type	Business Extra Tariff	Electronic Business Tariff
<b>Monthly Account Maintenance Fee</b>	£15.00	£20.00
<b>Electronic transactions</b>		
UK Sterling Direct Debits	37p	Free
Standing order	37p	Free
Business Debit card transaction (excluding ATM)	37p	Free
ATM withdrawals (free from a Lloyds Banking Group Cashpoint** machine) †	37p	Free
Internet Bulk Payment – batch UK Sterling Direct Debit ‡	37p	Free
Automated credit	37p	Free
Automated credit – Telephone and Internet Banking	37p	Free
Automated credit – Faster Payments inbound	37p	Free
Internet Banking and PhoneBank** payments	37p	Free
Internet Bulk Payment – per item ‡	37p	Free
Faster Payments outbound	37p	Free
Cheque out	80p	£1.10
Transfer (to or from another account in your name with the sort code starting 80 or 12)	Free	Free
<b>Cheques and Cash</b>		
Cheque paid in at a Bank of Scotland counter (or Postal order)	75p	90p
Cheque paid in via an Immediate Deposit Machine (available in branch)	25p	30p
Cheque paid in via a Mobile App	25p	30p
Postal cheque paid in	50p	65p
Night safe cheque paid in	50p	65p
Cash paid in at a Bank of Scotland counter	90p per £100	£1.40 per £100

## Day-to-day Business tariff transactions (continued)

Cash in at an Immediate Deposit Machine (available in branch)	75p per £100	£1.00 per £100
Cash paid out at a Lloyds Bank counter **	90p per £100	£1.40 per £100

### Other branch transactions

Other debit	70p	80p
Other credit	70p	80p
Postal credit paid in	70p	80p
Credit paid in at a Lloyds Bank branch	85p	85p
Credit paid in via an Immediate Deposit Machine (available in branch)	70p	80p
Credit paid in via a Mobile App	70p	80p

### Other services

Cash exchanged	£1.90 per £100	£2.50 per £100
Bacs – batch file submitted	£5.50	£5.50
Bacs – debit or credit item	15p	Free
Telepay – debit or credit item	50p	50p
Cardnet envelope paid in	Free	Free
Credit paid in via Night Safe	Free	Free

## What's included

Transaction type	Description	What's included
Monthly Fee	The fee charged for the provision of your account with us	Monthly Account Fee
Faster payments/Telephone Banking (debit/credit)	Any payment made in or out of your current account using automated Telephone Banking	Faster Payments, Internet Banking & Telephone Banking payment, Internet Bulk Payment – per item Automated Credit, Automated Credit – faster payments inbound, Automated Credit (Telephone & Internet Banking)
Cash payments	Any cash payment in or out of your current account made via a branch counter, or bulk or remote cash deposit service	Cash paid in, Cash paid out at a Bank of Scotland counter



Cash payments in at an IDM	Any cash payment made in to your current account made via an Immediate Deposit Machine	Cash paid in at an Immediate Deposit Machine
Cheques in (or Postal Order) at a branch	Any cheque payment in to your current account made via a branch counter, or bulk or remote cash deposit service	Cheque payment in, Postal Order
Cheques in at an IDM or Digital Channel	Any cheque payment in to your current account made via an Immediate Deposit Machine or Digital Channel	Cheque payment in at an Immediate Deposit Machine or Digital Channel
ATM and Electronic Internal	Withdrawing cash from an ATM, making a transfer between your Bank of Scotland accounts using an automated channel such as Online Banking, or Automated Telephone Banking	Cash withdrawals from a Bank of Scotland, Halifax or Lloyds Bank cash machine, Transfer to another Bank of Scotland account in your name with a sort code starting with a 80 or 12  Transfer from another Bank of Scotland account in your name with a sort code starting with a 80 or 12, Credit paid in via a night safe

† The owner of the machine may also 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 UK Sterling Direct Debit. For example, on Business Extra, a batch of 10 payments will incur a charge of 10 x 37p for the individual payments as well as 1 x 37p for the UK Sterling Direct Debit to the account. This makes a total of 11 individual charges.

\* Cashpoint® is a registered trademark of Lloyds Bank plc and PhoneBank® is a registered trademark of Lloyds Bank plc.

\*\*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 a cheque drawn on your account and processed as cleared funds.

## Compare our Business Extra Tariff and Electronic Business Tariff

Account payments	Number of items	Business Extra Tariff		Electronic Business Tariff	
		Cost per item	Charge	Cost per item	Charge
Direct Debit	20	37p	£7.40	Free	Free
Standing order	3	37p	£1.11	Free	Free
Business Debit Card transactions (excludes ATM)	15	37p	£5.55	Free	Free
Cheque	30	80p	£24.00	£1.10	£33.00
<b>Sub Total</b>	<b>68</b>		<b>£38.06</b>		<b>£33.00</b>

### Account receipts and other transactions

Automated credit	15	37p	£5.55	Free	Free
Credit paid in at a Bank of Scotland branch (including an Immediate Deposit Machine)	10	85p	£8.50	85p	£8.50
Cheque paid in at a branch counter	30	85p	£22.50	90p	£27.00
<b>Sub Total</b>	<b>55</b>		<b>£36.55</b>		<b>£35.50</b>

### Account maintenance fee

A charge made for the basic administration costs of running your account			£15.00 per month		£20.00 per month
<b>Sub Total</b>	<b>123</b>		<b>£89.61</b>		<b>£88.50</b>

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.

## Other service charges for all tariffs

<b>Bankers draft</b>	<b>Charge</b>
Bankers draft (sterling)	£20
<b>Electronic fund transfer 'CHAPS' payment</b>	<b>Charge</b>
Transfer of funds for same-day value	£30
<b>Stopped cheque</b>	<b>Charge</b>
Your instruction to us not to pay a cheque that you have issued	£10
If the cheque has been lost or stolen	Free
<b>Returned Cheque – Paid in</b>	<b>Charge</b>
If a cheque credited to your account is returned to us unpaid by another bank or branch for any reason, we will debit your account and advise you and/or present it again for payment	Free
<b>Statements</b>	<b>Charge</b>
You will receive a regular monthly statement of your account	Free
<b>Intermediate statements</b>	<b>Charge</b>
Ordered at branch	£3
Copy statements	£5 per sheet
<b>Monitoring</b>	<b>Charge</b>
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
<b>Status enquiry</b>	<b>Charge</b>
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*)

## Other service charges for all tariffs (continued)

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### Audit letter

### Charge

Details of balances and other information provided, at your request, to your accountant. The maximum you'll be charged is for 5 accounts.

£25 per account plus VAT\*

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### Clerical administration fee

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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.

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### Using other banks

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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.

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### How do they work?

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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:

- ▶ 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.

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### Other services

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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.

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\*VAT at 20%.

## 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 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, bureau de change and other outlets displaying the VISA sign	2.75% non-sterling transaction fee. This is a fee for currency conversion. The total converted sterling value then incurs a 1.5% non-sterling cash transaction fee (minimum £1.50). The non-sterling cash transaction fee will not be charged if you: <ul style="list-style-type: none"> <li>▶ withdraw Euro within the EEA or UK;</li> <li>▶ or if you withdraw Euro from outside the EEA or UK and the cash machine operator's payment service provider is based in the EEA or UK</li> </ul> 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, this is a fee for foreign currency conversion

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. You can also find out more information about our exchange rates on our website. This will help you compare our rates with other card issuers.

You agree to exclude provisions of law that can be disapplied for business customers. This means we will not send you certain information, such as electronic messages, after each non-currency transaction which might be sent to personal customers.

## 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.

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 type of facility and 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 during an agreed fixed rate period. Depending on market conditions, break costs could be substantial.**

**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.

## Unauthorised borrowing

Unauthorised borrowing interest	Interest Rate
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.  For the purpose of calculating the unauthorised borrowing rate, if the Bank of England Bank Rate falls below 0%, the Bank of England Bank Rate will be treated as 0% until such time it exceeds 0%.	22.5% above the Bank of England Bank Rate

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	Charge
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.	£25 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 [bankofscotland.co.uk/business/contactus](http://bankofscotland.co.uk/business/contactus)

## Get in touch



[bankofscotland.co.uk/business](https://bankofscotland.co.uk/business)



Call us on 0345 300 0268

Lines are open 7am-8pm Monday  
to Friday and 9am-2pm Saturdays  
From abroad: +44 (0)131 549 87 24

Please contact us if you would 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 Relay UK. More information on the Relay UK Service can be found at: [relayuk.bt.com](https://relayuk.bt.com)

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 under Registration Number 169628.

We adhere to The Standards of Lending Practice which are monitored and enforced by the LSB: [www.lendingstandardsboard.org.uk](https://www.lendingstandardsboard.org.uk) and apply to businesses which have an annual turnover of no more than £25 million.

Eligible deposits with us are protected by the Financial Services Compensation Scheme (FSCS). We are covered by the Financial Ombudsman Service (FOS). Please note that due to FSCS and FOS eligibility criteria not all business customers will be covered.

Lloyds Banking Group is a financial services group that incorporates a number of brands including Bank of Scotland. More information on Lloyds Banking Group can be found at [lloydsbankinggroup.com](https://lloydsbankinggroup.com)

Information correct as at: November 2022.

