

COMMERCIAL BANKING

Core Banking Agreement



CORPORATE LOAN SERVICING ACCOUNT

Product & Services
Terms & Conditions



**BANK OF
SCOTLAND**

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Core Banking Agreement
("The Agreement") contains
terms, conditions and
important information that
apply to certain of our
products and services.
Those products and services
can be identified as they
state in the header
Core Banking Agreement.

Important Information

The following documents detail both your and our rights and obligations in relation to the Products.



Relationship Terms & Conditions

These contain the general relationship terms and conditions for all **Products** under **The Agreement**;



Product & Services Terms & Conditions

These contain additional terms and conditions for a specific **Product** provided under **The Agreement**; and



General Information On Payments, Charges & Contacts

This contains the general information you will need to know in respect of payments and standard charges under **The Agreement**. Also included are general contact details and information on large print, Braille and call recording.

You need to read

Product & Services Terms & Conditions, relating to a **Product** that we agree to provide to you alongside the Relationship Terms & Conditions and the General Information On Payments, Charges & Contacts.

You can find a copy of each of these at bankofscotland.co.uk/corebankingagreement or request a copy from your relationship team.





1. Definitions

- 1.1 Words and expressions as defined in the Relationship Terms & Conditions and the General Information On Payments, Charges & Contacts have the same meaning in these Product & Services Terms & Conditions unless otherwise stated in these Product & Services Terms & Conditions. We also use the following defined terms throughout these Product & Services Terms & Conditions.

Corporate Loan Servicing Account(s)

means any Corporate Loan Servicing Account(s) that you hold with us used solely for the purpose of processing loan payments.

Facility Letter

means the document detailing specific terms and conditions relevant to borrowing agreed by your relationship team (as amended, varied or supplemented from time to time).

Interest Cycle

means the charging cycle relating to the payment of interest, which shall be monthly unless otherwise agreed with your relationship team.

Trading Account

means an account used by you for day to day banking transactions.

Unauthorised Debit Interest Rate

means the standard unauthorised debit interest rate charged on an account for unauthorised overdraft borrowing, details of which are available in the General Information On Payments, Charges & Contacts and from your relationship team, or are as otherwise agreed between you and us in writing.

Uncleared Balance

means any balance which is still to be cleared through the clearing cycle after being paid into an account.

2. Eligibility

- 2.1 The minimum age for opening and operating an account is 18.

3. Purpose of the Corporate Loan Servicing Account

- 3.1 A **Corporate Loan Servicing Account** must not be used as a **Trading Account**. The account may only be used to make payments due under a **Facility Letter**.
- 3.2 In relation to a **Corporate Loan Servicing Account**:
 - 3.2.1 you cannot make cash deposits into a **Corporate Loan Servicing Account**;
 - 3.2.2 debit cards are not provided and cannot be linked to a **Corporate Loan Servicing Account**;
 - 3.2.3 you can only make withdrawals from the **Corporate Loan Servicing Account** to make payments due under the **Facility Letter**. Withdrawals are otherwise not permitted on the **Corporate Loan Servicing Account**.

4. Instructions

- 4.1 Consent for a payment transaction will be given to us by you as authorised in your **Facility Letter**.
- 4.2 We will not accept instructions given by fax or email. Payments into the **Corporate Loan Servicing Account** cannot be made in cash. You can make payments into the **Corporate Loan Servicing Account** by transfer from another bank account. Withdrawals can only be made by transferring funds to us as detailed in the **Facility Letter**.
- 4.3 You agree that you shall be liable to us for all sums that become due to us in connection with these Product & Services Terms & Conditions. We shall not be liable for and you shall indemnify us in respect of all losses, claims, actions, proceedings, demands, damages, costs and expenses incurred or sustained by us arising out of or in connection with the **Corporate Loan Servicing Account**.

CORPORATE LOAN SERVICING ACCOUNT(S)

means any Corporate Loan Servicing Account(s) that you hold with us used solely for the purpose of processing loan payments

5. Interest on money in a Corporate Loan Servicing Account

- 5.1 No interest will be paid on any money held in the **Corporate Loan Servicing Account**.

► Uncleared Balance

means any balance which is still to be cleared through the clearing cycle after being paid into an account

6. Borrowing

- 6.1 Borrowing is not permitted on a **Corporate Loan Servicing Account**. If a **Corporate Loan Servicing Account** does become overdrawn, unauthorised borrowing interest and charges will be charged.
- 6.2 Unauthorised borrowing will incur interest at the **Unauthorised Debit Interest Rate** and will be charged when the overdrawn balance on a **Corporate Loan Servicing Account** (including any **Uncleared Balance**) goes overdrawn (including any **Uncleared Balance**). Unauthorised borrowing will also incur unauthorised borrowing charges. Interest will be debited to a **Corporate Loan Servicing Account** in line with the **Interest Cycle**.



7. Charges

- 7.1 No account transaction charges will apply to a **Corporate Loan Servicing Account**.

8. Termination

- 8.1 As the **Corporate Loan Servicing Account** is used to service loan repayments under the **Facility Letter**, once the loan has been repaid or cancelled, you must close the **Corporate Loan Servicing Account**. We may also close the **Corporate Loan Servicing Account** without further notice to you. Until such time as the **Corporate Loan Servicing Account** is closed, you will continue to be liable for any liabilities in respect of the **Corporate Loan Servicing Account**. Any credits in the **Corporate Loan Servicing Account** on closure will be returned to you.

► SIGNATORY

If you appoint a new Authorised Signatory, you must complete a new Mandate. We must be satisfied with our identification, background and other checks in relation to the new Authorised Signatory before we will be prepared to accept instructions from that person.

► CHANGES

It normally takes us seven Business Days to process any changes to your Mandate. Until the changes have been processed and we are satisfied with our identification, background and other checks (if applicable), we can continue to rely on your existing Mandate.

9. Liability

- 9.1 We will only be liable for any reasonable losses, costs and expenses incurred by you which arise directly from our breach of contract or negligence in relation to an account and if, in the ordinary course of events and with the knowledge we had, we might reasonably have expected such loss to result directly from our breach or negligence. Our liability in connection with the services provided under these Product & Services Terms & Conditions will be limited to the monetary amount of the relevant transaction in relation to the account pursuant to which our breach of contract or negligence occurred.
- 9.2 Nothing in these Product & Services Terms & Conditions limits or excludes our liability in any way under the sections titled "Refunds for incorrectly executed payment instructions", "Refunds for incorrect payment amounts/sums" and "Refunds for unauthorised transactions" in the Relationship Terms & Conditions. Any limitation on your liability under the section titled "Your responsibility for unauthorised transactions" in the Relationship Terms & Conditions will not be affected or prejudiced by any term of these Product & Services Terms & Conditions.

10. Contact details

10.1 You can contact us:



by telephone on
0345 835 7478; or



by post
Bank of Scotland
Commercial Servicing,
Edinburgh BX2 1LB



or by such other contact
methods as we may from time
to time advise you.

10.2 Further contact details are set out within General
Information On Payments, Charges & Contacts.



11. Other terms

- 11.1 Each of our services and products have separate terms and conditions applying to them (including in the form of other Product & Services Terms & Conditions).
- 11.2 These Product & Services Terms & Conditions apply to the services provided to you under these Product & Services Terms & Conditions. Subject to clause 11.3 and clause 11.4, if separate terms and conditions (including in the form of other Product & Services Terms & Conditions) are provided to you by us for the supply by us of any of our other products or services (either electronic, automated or other), the provisions of any such separate agreements will apply to those products and services.
- 11.3 To the extent of any conflict between these Product & Services Terms & Conditions and any other separate terms and conditions relating to the supply of the services provided to you under these Product & Services Terms & Conditions, these Product & Services Terms & Conditions will take precedence.
- 11.4 To the extent of any conflict between these Product & Services Terms & Conditions and any other separate terms and conditions relating to the supply by us of any of our other products and services (either electronic, automated or other), the terms and conditions relating to such other products and services will take precedence in respect of the provision by us to you of those products and services.



SERVICES

Each of our services and products have separate terms and conditions applying to them (including in the form of other Product & Services Terms & Conditions)

