

COMMERCIAL BANKING

Core Banking Agreement



Liquidity Solutions — Master Terms

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



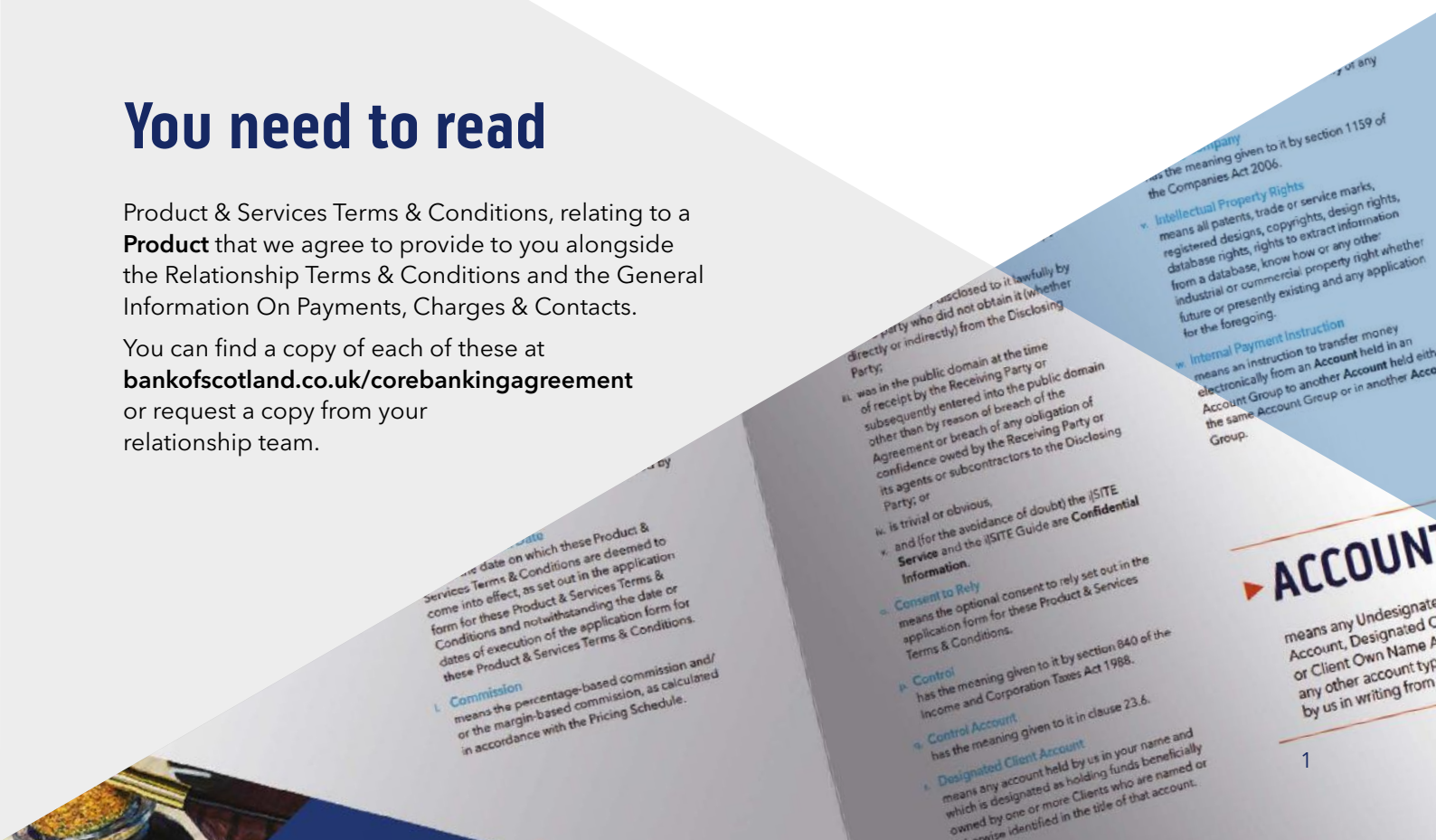
General Information On Payments, Charges & Contacts

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. Introduction

- 1.1 These **Master Terms** include terms and conditions relevant to the pooling and sweeping services which we offer to our customers from time to time (other than the Authority to Debit Percentage Sweep service).
- 1.2 These **Master Terms** are supplemented by **Supplementary Service Terms, Country Terms** (if any) and **Update Agreements** (if any) which, when combined with these **Master Terms**, form the Product & Services Terms & Conditions for the **Services**.
- 1.3 Each of our services and products have separate terms and conditions applying to them (including in the form of other Product & Services Terms & Conditions).
- 1.4 These Product & Services Terms & Conditions apply to the Services. Subject to clause 1.5 and clause 1.6, 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 services or products (either electronic, automated or other), the provisions of any such separate agreements will apply to those products and services.
- 1.5 Subject to clause 1.7, 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, these Product & Services Terms & Conditions for the **Services** will take precedence.
- 1.6 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.
- 1.7 In the event of any conflict between:
 - 1.7.1 these **Master Terms** and the **Supplementary Service Terms**, the **Supplementary Service Terms** will take precedence;
 - 1.7.2 these **Master Terms** and the **Country Terms**, the **Country Terms** will take precedence;
 - 1.7.3 the **Supplementary Service Terms** and the **Country Terms**, the **Country Terms** will take precedence.
- 1.8 These Product & Services Terms & Conditions replace and supersede the terms of any previous arrangement or agreement with any **Participant** relating to the **Services**.
- 1.9 A reference to the **Master Terms, Application Form, Supplementary Service Terms, Country Terms** and **Update Agreements** or other ancillary documents is a reference to such documents as amended from time to time (an amendment includes a supplement or novation) and (in the case of the **Application Form** and **Update Agreements**, other than **Withdrawal Notices**) as countersigned by us.

MASTER TERMS

These Master Terms are supplemented by Supplementary Service Terms, Country Terms (if any) and Update Agreements (if any) which, when combined with these Master Terms, form the Product & Services Terms & Conditions for the Services.

2. Definitions

2.1 Words and expressions 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 defined terms below throughout these Product & Services Terms & Conditions.

2.2 Unless expressly defined in the **Supplementary Service Terms, Application Form, Country Terms** and/or **Update Agreements**, words and expressions defined in the **Master Terms** have the same meaning in the **Supplementary Service Terms, Application Form, Country Terms** and/or **Update Agreements**.

Account

means each account of each **Participant** to which a **Service** applies, as specified in the **Supplementary Service Terms** or **New Account Agreement**, as applicable.

Affiliates

means in relation to any person, any entity controlled, directly or indirectly, by the person, or any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose, "control" of any entity or person means ownership of a majority of the voting power of the entity or person.

Annex

has the meaning given to it in the **Supplementary Service Terms** for our pooling services.

Application Form

means the application form for our pooling services and/or our sweeping services (as applicable) provided to the **Customer** by us.

Authorised Signatory

means anyone who is an authorised signatory under a **Participant's Mandate**.

Balance

has the meaning given to it in the **Supplementary Service Terms**.

Board Resolution

means, where a **Participant** is incorporated as a limited liability company, a board resolution of such **Participant** (substantially in the same form provided by us to the **Customer**) and, where the **Participant** is incorporated as a limited liability partnership, a members resolution of such **Participant** (in the form prescribed by such **Participant's** limited liability partnership agreement):

- i. approving the terms of these Product & Services Terms & Conditions;
- ii. confirming that the **Participant's** entry into these Product & Services Terms & Conditions and access to the **Services** will be of benefit to the **Participant**;
- iii. authorising **Authorised Signatories** to sign these Product & Services Terms & Conditions and all other ancillary documentation required in connection with the **Services**; and
- iv. authorising the **Participant** to enter into any other agreements necessary for the utilisation of additional **Services**.

Certificate of Legal Validity

means a certificate, substantially in the same form provided by us to the **Customer**, issued by a lawyer who is licensed to practice in the country of incorporation of the **Participant** to which the certificate relates, where the **Participant** is not incorporated in Scotland.

Country Terms

means terms and conditions relating to our pooling services and relating to a specific jurisdiction, as provided by us to the **Customer** from time to time (if applicable).

Customer

means the party specified on the **Application Form** as the **Customer**.

Master Terms

means these master terms.

New Account Agreement

has the meaning given to it in the **Supplementary Service Terms** for our pooling services.

New Participant Agreement

has the meaning given to it in the **Supplementary Service Terms** for our pooling services.

New Service Agreement

has the meaning given to it in the **Supplementary Service Terms** for our pooling services.

Participant

means each party specified in the **Application Form** or any **New Participant Agreement** as a **Participant** and unless otherwise specified, will include the **Customer**.

Supplementary Service Terms

means the supplementary service terms applicable to each **Service** which we provide to the **Customer**.

Services

means each of the pooling and sweeping services specified in the **Application Form(s)** or any **New Service Agreement**, as applicable.

Transfer

means a transfer of funds to be made pursuant to a **Service**.

Update Agreements

means each **New Account Agreement**, **New Participant Agreement**, **New Service Agreement** and **Withdrawal Notice**.

Withdrawal Notice

has the meaning given to it in the **Supplementary Service Terms** for our pooling services.

▶ ACCOUNT

means each account of each Participant to which a Service applies, as specified in the Supplementary Service Terms or New Account Agreement, as applicable.

3. Documentation

- 3.1 The **Customer** will be responsible for providing us with all documents, authorisations and any information which we may require from each **Participant** in connection with the **Services**.
- 3.2 These Product & Services Terms & Conditions will not become effective until each **Participant** (unless otherwise specified) has provided us, in a form and substance to our satisfaction, with:
 - 3.2.1 a **Certificate of Legal Validity**, if applicable;
 - 3.2.2 a certified **Board Resolution**; and
 - 3.2.3 any other documents specified in the **Supplementary Service Terms** for any **Services** which we have agreed to provide to the **Participants**.
- 3.3 Unless we have agreed another date with the **Customer**, each **Service** will commence upon notice by us to the **Customer** as soon as reasonably practicable following our countersignature of the **Application Form**, **New Account Agreement**, **New Participant Agreement** or **New Service Agreement**, as applicable.

4. Representations

- 4.1 Each **Participant** represents and warrants to us that:
 - 4.1.1 it is duly incorporated and validly existing under the laws of its place of incorporation;
 - 4.1.2 it has all rights, powers and capacity which are requisite to enable it to enter into these Product & Services Terms & Conditions and to perform its obligations under these Product & Services Terms & Conditions without infringing the terms of its constitutional documents, the powers conferred in such constitutional documents or the rights of any third party;
 - 4.1.3 it has relied on its own independent business judgment and advisers in connection with the **Services** and has not relied on us or anyone acting on our behalf for any explicit or implicit advice on accounting, legal or tax matters in connection with the **Services**;
 - 4.1.4 entering into these Product & Services Terms & Conditions and performing the obligations under these Product & Services Terms & Conditions will not breach any law that is binding on it;
 - 4.1.5 it is the sole legal and beneficial owner of the **Balance** on its **Accounts** and that no trust arrangements, agency arrangement or other beneficial interest exists in relation to such **Accounts**;
 - 4.1.6 it will not create any security over, assign, transfer or otherwise dispose of any of its rights or benefits over any **Accounts**;
 - 4.1.7 entering into these Product & Services Terms & Conditions is to its benefit and in its best interests; and
 - 4.1.8 the **Participants** are **Affiliates** (or the same legal entity).

5. Set off

- 4.2 The **Customer** will promptly inform us:
- 4.2.1 should any representation or warranty of any **Participant** contained in these Product & Services Terms & Conditions cease to be true;
 - 4.2.2 of any change in (and we will not be liable if the **Customer** fails to provide an update where required):
 - 4.2.2.1 any **Participant's** registered name or address;
 - 4.2.2.2 the authority of any **Authorised Signatory**; and/or
 - 4.2.2.3 any other document, information or authorities supplied to us when the **Participant** entered into these Product & Services Terms & Conditions.
- 4.3 **Participants** make the warranties and representations set out in clause 4 and any warranties and representations set out in the **Supplementary Service Terms** on the date on which these Product & Services Terms & Conditions become effective and will be deemed to repeat such warranties and representations continually until these Product & Services Terms & Conditions are terminated.
- 4.4 Subject to any legal or regulatory requirement which may apply, we are authorised to act upon any instruction that is in accordance with the terms of these Product & Services Terms & Conditions without enquiring about its purpose or the circumstances in which it was given. If there is a conflict between any instructions that are given in accordance with the terms of these Product & Services Terms & Conditions, we reserve the right to act upon the first instruction which we receive.
- 5.1 Any amount payable to Bank of Scotland plc by any **Participant** in respect of a **Service** or **Balance**, may, at our option (at any time and without notice), be reduced by its set off against and application against it of any amount payable by Bank of Scotland plc to any **Participant** in respect of a **Service** or **Balance** (whether at such time or in the future or upon the occurrence of a contingency).
- 5.2 If an obligation in clause 5.1 is unascertained, Bank of Scotland plc may estimate the amount of that obligation and set off and apply in respect of the estimate amount.
- 5.3 The right in clause 5.1 will apply irrespective of the currency, place of payment or booking office of the obligation.
- 5.4 If the obligations in clause 5.1 are in different currencies, Bank of Scotland plc may convert either obligation using the **Lloyds Bank Foreign Exchange Rate** for the purposes of the set off.
- 5.5 Nothing within this clause 5 will be effective to create a charge or other security interest. This clause 5 will be without prejudice and in addition to any right of set off, compensation, retention, combination or balancing of accounts, lien or other right to which any party is at any time otherwise entitled (whether by operation of law, contract or otherwise).



6. Performance

- 6.1 We may use any payment system or intermediary bank we select in connection with the provision of any **Service** to any **Participant**.
- 6.2 If we are unable to perform an obligation under these Product & Services Terms & Conditions as a result of circumstances beyond our control (examples of such circumstances are set out in the section entitled "Circumstances beyond our control" in the Relationship Terms & Conditions), each **Participant** acknowledges and agrees that our obligation will be suspended to the extent that and for so long as we are unable to perform that obligation. For the avoidance of doubt, **Bank of Scotland plc** will not be required to perform that obligation in another place, currency or by providing cash.
- 6.3 We may, acting in our sole discretion, effect any **Transfer** in relation to an **Account**, notwithstanding that any borrowing limit applicable to such **Account** may be exceeded as a result of such **Transfer**. The execution of such **Transfer** will not be deemed to constitute the offering of an extension to any borrowing limit.
- 6.4 We shall be responsible for calculating all interest amounts in connection with these Product & Services Terms & Conditions and in doing so we will act in good faith and in a commercially reasonable manner.

7. Fees and Charges

- 7.1 We will charge the **Customer** for **Services** by applying the charges listed in the **Annex** to the relevant **Supplementary Service Terms** or, where no charges are listed in such **Annex**, the charges set out in the charges schedule to the relevant **Supplementary Service Terms**.
- 7.2 We will invoice the **Customer** for the charges on a monthly basis (or such other period as may be agreed between the **Customer** and us) and the **Customer** authorises us to debit the charges shown on the invoice from the **Customer's Account** (as set out on the **Application Form**, or such other account as may be agreed between the **Customer** and us). We will debit the charges shown on the invoice no less than 15 days and no more than 21 days after the invoice date.
- 7.3 We will notify the **Customer** of the applicable fees and charges for any other **Service** before we provide that **Service** to the **Participants** or at any time following a request by a **Participant**.
- 7.4 Each **Participant** acknowledges and agrees that:
 - 7.4.1 payments made by us will be made net of taxes and subject to deduction or withholding in each case if applicable;
 - 7.4.2 each **Participant** is responsible for assessing their own tax liability in connection with the **Services**; and
 - 7.4.3 the **Customer** shall pay to us all costs and expenses (including legal fees on a full indemnity basis) incurred by us in connection with the exercise and preservation of our rights under these Product & Services Terms & Conditions.

8. Termination

- 8.1 We reserve the right not to open an **Account** or to require an **Account** to be closed without giving a reason. This applies even if closure of the **Account** results in a loss of tax benefits. Bank of Scotland plc will not be liable to compensate any **Participant** for any loss of tax benefits or any other consequential or indirect losses whatsoever and howsoever arising.
- 8.2 We may stop providing a **Customer** and any or all of the **Participants** with the **Services** immediately if any of the warranties and representations set out in these Product & Services Terms & Conditions given by any **Participant** cease to be true.
- 8.3 To the extent that we have the right to terminate the **Services** in respect of any **Participant** pursuant to the section entitled "Termination" in the Relationship Terms & Conditions, we shall also have the right to terminate the **Services** in respect of the **Customer** and all or any other of the **Participants**.
- 8.4 Termination by the **Customer** of a **Participant's** use of one or more **Services** or these Product & Services Terms & Conditions or the removal of an **Account** in relation to one or more of the **Services** will not release that **Participant** from any liability under these Product & Services Terms & Conditions.



9. Country Terms

- 9.1 **Country Terms** amend and/or supplement each **Participant's** rights and obligations under these Product & Services Terms & Conditions.
- 9.2 **Country Terms** may apply in any jurisdiction where a relevant **Account** is held or is to be held and/or where any **Participant** is incorporated in that jurisdiction.



WEBSITE COPIES

You can also find a copy of the Relationship Terms & Conditions, the General Information On Payments, Charges & Contacts and each set of Product & Services Terms & Conditions on Our Website.

10. Other Terms

- 10.1 No security interest may be granted over or in respect of any **Account** and the rights of a **Participant** in connection with any **Account** may not be transferred, assigned or held in trust and any purported creation of security, assignation, transfer, trust or other disposal shall be void and of no effect.
- 10.2 These Product & Services Terms & Conditions may be executed in a number of counterparts. All of such counterparts taken together will be deemed to constitute one and the same agreement.
- 10.3 The address for any notice to us will be the **Customer's** relationship team, until further notice.
- 10.4 A notice given to the **Customer** pursuant to these Product & Services Terms & Conditions will be deemed to have been given to all **Participants**. We will not be liable for any loss, damage, injury, interruption, delay or non-performance resulting from the **Customer** failing to communicate such notice to any **Participant**.

11. Contact details

11.1 You can contact us:



by telephone on
01733 883 172; or



by post at
150 Fountainbridge,
Edinburgh EH3 9PE



by email
GRPS0358@lloydsbanking.com; or



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

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

