

Core Banking Agreement



Liquidity Solutions Sweeping — Supplementary Service 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.





SWEEP DATE

means the
Business Day on
which a Sweep will
be carried out.

1. Introduction

- 1.1 These **Supplementary Service Terms** include terms and conditions relevant to the sweeping services which we offer to our customers from time to time (other than the Authority to Debit Percentage Sweep service).
- 1.2 These **Supplementary Service Terms** are supplemented by **Master Terms** and **Country Terms** (if any) which, when combined with these **Supplementary Service Terms**, form the Product & Services Terms & Conditions for the **Sweeping Service**.

2. Definitions

- 2.1 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 defined terms below throughout these Product & Services Terms & Conditions.
- 2.2 Unless expressly defined in these **Supplementary Service Terms**, words and expressions defined in the **Master Terms** will have the same meaning when used in these **Supplementary Service Terms**.

Account

means the **Master Account** or any **Sub Account**, as applicable.

Balance

means the credit or debit balance (as applicable) that we have recorded on an **Account** at the time that we intend to initiate a **Sweep** in accordance with a **Sweep Instruction**. The balance will be cleared or ledger based, as specified in the **Application Form**.

Euro Payment Day

means a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer payment system is open for settlement of payments in euro.

Master Account

means the account specified as such in the **Application Form**.

Sub Account

means any account specified as such in the **Application Form**.

Sweep

means a transfer of funds under these **Supplementary Service Terms**.

Sweep Date

means the **Business Day** on which a **Sweep** will be carried out.

Sweep Instruction(s)

means the instruction(s) set out in the **Application Form** in relation to a **Sweep**.

Sweeping Service

means the service provided by us as detailed in these **Supplementary Service Terms**.

3. Sweeping arrangements

- 3.1 Once we receive the duly completed **Application Form** (in a form which is acceptable to us), you have provided your consent for us to execute your **Sweep Instruction(s)** and we will start making **Sweeps** on the date specified in the **Application Form** or as soon as reasonably practicable thereafter.
- 3.2 **Sweeps** will only be carried out on **Business Days**. If an **Account** is a euro denominated account then a **Business Day** will include any **Euro Payment Day**. Your **Application Form** sets out how we will deal with any **Sweep** scheduled on a non-**Business Day**.
- 3.3 The **Sub Account** will be credited and/or debited at the frequency set out in the **Application Form** with such an amount (if any) as is necessary so that, following the **Sweep**, the **Sub Account** is left with the balance (or the balance within a range) specified in the **Application Form**.
- 3.4 If any **Sweep** does or would result in a debit balance on a **Sub Account**, or if the **Sweep** does or would exceed any borrowing limit that may be agreed on a **Sub Account**, we may, at our sole option:
- 3.4.1 implement the **Sweep** in whole or not at all; or
 - 3.4.2 if the **Sweep** has already been made, reverse the **Sweep** in whole or in part at any time up to the close of banking business on the following **Business Day**.
- 3.5 If any cheques or other payments paid into an **Account** and forming part of a **Sweep** are returned unpaid, recalled or reversed, we may (whether or not we had previously regarded such items as being cleared) debit the amount of any unpaid cheques or other recalled or reversed payments from an **Account** or any account held by any **Participant** with us to which funds have been transferred.
- 3.6 The carrying out of any one **Sweep** under these **Supplementary Service Terms** will not be affected by the failure of any other **Sweep**.
- 3.7 We will not calculate and/or apportion any interest, other earnings or costs between **Participants**.

4. Representations

4.1 In addition to the warranties and representations set out in the **Master Terms**, each **Participant** warrants and represents that:

4.1.1 it is the sole legal and beneficial owner of the **Balance** on its **Accounts** and that no trust arrangements, agency arrangements or other beneficial interest exists in relation to such **Accounts** (unless a security interest exists in relation to such **Accounts** and the **Participant** has provided us with any evidence that we may require to confirm the security interest holder authorises us to act upon any **Sweep Instruction**);

4.1.2 unless the **Master Account** and the relevant **Sub Account** are held by the same legal entity, each **Sweep** from an **Account** will be recorded by it as a loan to or from the other relevant **Participant** or (as the case may be) as a payment in or towards repayment of amounts owing to or from the other relevant **Participant** (as applicable) and the funds transferred will be held by it or the other relevant **Participant** (as applicable) beneficially and not as trustee;

4.1.3 unless the **Master Account** and the relevant **Sub Account** are held by the same legal entity, each **Sweep** is to be made for the purpose of treasury management arrangements for the group of organisations of which it is part; and

4.1.4 it is solvent and will not cease to be solvent as a result of any **Sweep**.



Your Application Form sets out how we will deal with any Sweep scheduled on a non-Business Day.

CHARGES

The Customer will be responsible for paying any applicable taxes and duties at the applicable rate.



5. Termination

- 5.1 These **Supplementary Service Terms** will automatically come to an end if:
 - 5.1.1 the **Master Account** is closed;
 - 5.1.2 a **Sub Account** is closed (where such **Sub Account** is the only remaining **Sub Account** to which the **Sweeping Service** applies);
 - 5.1.3 a **Participant** stops receiving the **Sweeping Service**; and/or
 - 5.1.4 a **Participant** ends its relationship with us.
- 5.2 We may stop providing the **Sweeping Service** (thereby terminating these **Supplementary Service Terms**) immediately if:
 - 5.2.1 changes to or in the interpretation of law or governmental order, rule, regulation or direction mean that it will no longer be viable for us to offer the **Sweeping Service**;
 - 5.2.2 under our agreement with any **Participant**, we have the right to immediately:
 - 5.2.2.1 close an **Account**;
 - 5.2.2.2 stop providing the **Sweeping Service** to such **Participant**; and/or
 - 5.2.2.3 end the relationship between us and such **Participant**.

6. Suspension

- 6.1 We may stop a payment or suspend or delay providing the **Sweeping Service** if:
 - 6.1.1 any of the reasons set out in the sections entitled "Suspension of a Product" or "When we can stop the use of a Payment Instrument" in the Relationship Terms & Conditions apply to a **Participant**; and/or
 - 6.1.2 an **Account** has been suspended or blocked.

7. Charges

- 7.1 The **Customer** will be responsible for paying any applicable taxes and duties at the applicable rate, save that if any taxes or duties are payable for the same reason in the same amount by another **Participant**, the payment of those taxes or duties by such **Participant** will satisfy the obligation to pay those amounts by the **Customer**.

8. Liability

- 8.1 We will not be responsible for any loss or damage that any **Participant** may suffer if:
- 8.1.1 the **Sweeping Service** is used in a way or for a purpose which is not recommended, authorised or intended by us;
 - 8.1.2 the **Sweeping Service** is used in a way which contravenes any law or regulation in any relevant jurisdiction; and/or
 - 8.1.3 our failure or delay is due to a **Participant's** failure or delay in performing its obligations under **The Agreement**.
- 8.2 Each **Participant** agrees that it is responsible for any loss or damage that we may suffer, where this is due to a **Participant's**:
- 8.2.1 failure (or the failure of its employees, servants, agents or representatives) to act in accordance with the terms of **The Agreement**; or
 - 8.2.2 failure (or the failure of its employees, servants, agents or representatives) to comply with any applicable law or regulation.
- 8.3 If a **Participant** is a partnership, charity, trust or any other organisation or club, it will ensure that any persons becoming partners, members, trustees or committee members following the date that it signs the **Application Form** for the **Sweeping Service** are bound by the terms of **The Agreement** and that the terms of **The Agreement** are enforceable against them.
- 8.4 We will not be liable for any loss, damage, injury, interruption, delay or non-performance howsoever caused or arising save to the extent that the same is caused directly by our (or our servants' or agents') fraud, breach of contract or negligence and in the case of claims arising from breach of contract or negligence, our total aggregate liability in any given year in respect of all claims arising out of or in connection with the **Sweeping Service** shall not exceed the total amount of charges actually paid to us in respect of the **Sweeping Service** during the year and year shall mean a period of 12 calendar months prior to the liability arising or such lesser period as these **Supplementary Service Terms** have been in effect.
- 8.5 We will not be bound by any representation or warranty given by any of our employees or agents in connection with the **Sweeping Service** unless such representation or warranty has been confirmed in writing by a **Participant's** relationship team.
- 8.6 Each **Participant** hereby agrees to indemnify us against any loss or damage and any claims, actions, proceedings, costs or expenses suffered or incurred by us by reason directly or indirectly of its negligence or the negligence of its employees, agents or representatives or the failure on the part of any of the foregoing to act in accordance with the **Terms And Conditions** or of us acting in accordance with the **Terms And Conditions**.
- 8.7 Nothing in these **Supplementary Service Terms** limits or excludes our liability in any way under the sections entitled "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 entitled "Your responsibility for unauthorised transactions" in the Relationship Terms & Conditions will not be affected or prejudiced by any term of these **Supplementary Service Terms**.

► Provisions

We will not be bound by any representation or warranty given by any of our employees or agents in connection with the **Sweeping Service** unless such representation or warranty has been confirmed in writing by a **Participant's** relationship team.

9. Amendments

- 9.1 You agree that we will delete or suspend a **Sub Account** from the **Sweep Instruction** on 15 days' notice in writing from any **Authorised Signatory**.
- 9.2 You agree that we will amend any **Sweep Instruction** or accept additional instructions relating to the **Sweep Instruction** on 15 days' written notice from any **Authorised Signatory**, provided that, in the case of additional instructions, such instructions shall have similar characteristics (ie sweep type, frequency etc) to the existing **Sweep Instruction**.
- 9.3 We may delete a **Sub Account** from the **Sweep Instruction** by giving 2 months' notice in writing to the **Customer**.

10. Contact details

- 10.1 You can contact us:



by telephone on
01733 883 172; or



by email at
GRPS0358
@lloydsbanking.com; or



by post at
150 Fountainbridge,
Edinburgh EH3 9PE

or by such other contact methods as we may from time to time advise you. Further contact details are set out within General Information On Payments, Charges & Contacts.

- 10.2 Any notice to be sent by us in relation to these **Supplementary Service Terms** will be sent to all **Participants**. The address for any notice to each **Participant** will be the current address held on bank records.

11. Other terms

- 11.1 These **Supplementary Service Terms** do not in any way prejudice or affect the instructions given to us in any relevant **Mandate**, nor do they prejudice or affect any set off, guarantee or other security arrangement which has been, or is in the future, agreed between a **Participant** and us.
- 11.2 In the event of any conflict between the **Sweep Instructions** provided by any of the **Participants**, the terms of the **Sweep Instructions** provided by the **Customer** will take precedence.



▶ SWEEP INSTRUCTIONS

The terms of the Sweep Instructions provided by the Customer will take precedence.



