

COMMERCIAL BANKING

# Business Credit Card Terms and Conditions



**BANK OF  
SCOTLAND**

## If you are a Sole Trader or Partnership of 2 or 3 partners or an unincorporated body please refer to the Terms and Conditions regulated by the Consumer Credit Act 1974.

These are the conditions of an Agreement between us, Bank of Scotland plc and you, (the "Business"). In condition 24 we set out special meanings we have given to some words in this Agreement.

### Key financial information

#### 1. Business Limit

- 1.1 Your Business Limit will be agreed with you when you apply for your Business Credit Card and will be specified in your Statement. Changes in the Business Limit will be agreed between us in writing, unless otherwise stated in this Agreement.

#### 2. Your payments

- 2.1 You must pay at least the minimum payment every month of the higher of £5 or the total of:
- ▶ Any interest charged in the statement period;
  - ▶ Any charges set out in condition 8 charged in the statement period;
  - ▶ 1/12th of the annual fees; and
  - ▶ 1% of the balance shown in the Statement.

If your outstanding balance is less than £5, you must pay the full amount you owe.

You can always pay more than the minimum payment. Where interest is payable, the earlier you make a payment, the less interest you have to pay. We do not recommend that you only pay the minimum payment for a prolonged period.

- 2.2 The payment date will be 14 days after the Statement date (or the next Business Day should the payment date fall on a day that is not a Business Day) but we may change it under condition 18. The Statement will show the payment date and demand the minimum payment.

#### 3. Annual Percentage Rate (APR)

- 3.1 The typical APR is 22.4% (variable).

### Other financial information

#### 4. Interest rates

- 4.1 Our standard annual interest rates are:
- ▶ 16.30% p.a. (variable) for Cash Withdrawals; and
  - ▶ 16.30% p.a. (variable) for all other Transactions and amounts payable under this Agreement.
- 4.2 We generally charge interest daily on Transactions and other amounts debited to the Business Account. We start charging interest from and including the date the Transaction is added to the Cardholder Account and on any other amounts which are charged directly to the Business Account, from and including

the date they are added to the Business Account. We add this interest to the Business Account on the Statement date each month. We then charge the relevant standard rate of interest on the whole balance. This means that you pay interest on interest ("compound") until the minimum payment is made by you. The minimum payment reduces the balance by at least the amount of interest you owe us, so you no longer pay interest on it. We then charge interest on the remaining balance until next Statement date.

4.3 There are exceptions to the general rule set out in condition 4.2 on paying interest and compound interest:

- ▶ We do not charge any interest on Purchases (or charges set out in condition 9.2 incurred as a result of a Purchase) or charges set out in condition 9.3 if the outstanding balance shown on the Statement is paid in full by the payment date shown in the first Statement after we've added those Purchases or charges to the Business Account. If the outstanding balance is not paid in full, we'll add interest on those Purchases and charges to the next Statement and we'll charge interest from the date the Purchase or charge was added to the Cardholder Account;
- ▶ We will not charge interest on the charges laid out in condition 8.1; and
- ▶ We will not charge interest on annual fees

## 5. Annual fee

5.1 An annual fee of £32 is payable for each Cardholder in accordance with condition 9.5.

## 6. Allocation of payments

6.1 We use your payments to clear any overdue amounts before we apply them to your latest minimum payment.

We will reduce the amount you owe in the following order:

- ▶ any overdue amounts from previous statements; then
- ▶ the remaining balance on your statement; then
- ▶ any recent transactions not yet shown on your statement.

We use your payments to pay off balances charged at the highest interest rate first and so on down to balances with the lowest interest rates. This means the more expensive balances are always paid off first.

If there is more than one type of balance at the same interest rate, they are paid off in the following order:

Cash Withdrawals, Purchases and charges set out in 9.3, Annual Fees and then Charges as set out in condition 8.

In each case we will first pay any interest then any charges set out in conditions 9.1 and 9.2 (incurred as a result of those balances), starting with the oldest interest, charge or balance.

## 7. Variable rates

- 7.1 We may change interest rates and annual fees and other charges under condition 18. The APR does not take these variations into account.

## Key information

### 8. Charges

- 8.1 If we let you continue to use the Card(s) despite your having broken these conditions, we will charge you:
- ▶ £12 if you do not make at least the minimum payment by the payment date;
  - ▶ £12 in any one Statement period if the Business Limit is exceeded in that Statement period; and
  - ▶ £12 each time a Direct Debit, cheque or other payment order made by you is not accepted when we present it for payment;

We will also charge any other reasonable costs and expenses we incur as a result of your breaking these conditions.

The above charges will be added to the Business Account when they arise.

- 8.2 Our charges for Cash Withdrawals and our other charges are listed in condition 9.

## Other conditions

### 9. Additional Charges

- 9.1 We charge 2.5% of the amount of each Cash Withdrawal by a Cardholder (minimum £2.50) unless we tell you that a charge is not payable. If a Card is used for a Cash Withdrawal from another bank, ATM, or travel bureau or similar outlet, the bank, ATM operator or travel bureau or similar outlet may also charge a handling fee.
- 9.2 In addition to the charge in condition 9.1 above for Cash Withdrawals, all foreign currency Transactions are subject to a 2.95% non-sterling transaction fee. All foreign currency Transactions will be debited to the relevant Cardholder Account and Business Account in Sterling. Any currency conversions will be carried out using the Payment Scheme Exchange Rate on the day the Transaction is debited to the appropriate Cardholder Account. We add the 2.95% non-sterling transaction fee to the converted sterling amount and this fee and the converted sterling amount will be shown on your Statement.

You can find out the exchange rate by calling us on **0345 300 4709**. The day the currency conversion is carried out may be after the day you carried out the Transaction.

If a Cardholder undertook a Transaction with a Retailer in a foreign currency but the Retailer converted the amount into Sterling (dynamic currency conversion) we receive the Transaction in that Sterling amount.

Sterling Cash Withdrawals from travel bureaux or other outlets providing similar services both in the UK and overseas will also be treated as a foreign currency Transaction and therefore will be subject to the 2.95% non-sterling transaction fee.

- 9.3 We charge:
- ▶ £6 for copies of non-current Statements;
  - ▶ £5 for copies of Transaction receipts, unless the Transaction query shows a mistake has been made.

These charges will be added to the Business Account when they arise.

- 9.4 You must keep within the Business Limit, and Cardholders must stay within their Cardholder Limit. We can decline Transactions that take a Cardholder over their Cardholder Limit or which take you over the Business Limit but if, as a service, we do authorise them where authorisation is requested, you will have to pay the charges in condition 8 for going over those limits. You must choose a Cardholder Limit for each Cardholder. The total of the Cardholder Limits must never exceed the Business Limit.
- 9.5 You must pay the annual fee set out in condition 5 for each Cardholder. This will be charged each time a new Cardholder is added (in the month after the Cardholder is added to the Business Account) and subsequently on the anniversary of that date.

The annual fee is not refundable in whole or in part if a Cardholder is removed but the Business Account remains open. On termination of this Agreement, we will refund any annual fee(s) already paid by you for each Cardholder for the year in which termination occurs pro rata from the date of termination to the end of the year for which the annual fee has been paid.

## 10. Your Obligations

- 10.1 You will ensure that:
- a. Business Representative is nominated by you at all times;
  - b. your authorised signatory notifies us in writing of the details of a Business Representative and of any changes to the Business Representative;
  - c. the Business Representative distributes the Cards and PINs to the Cardholders on receipt from us, together with the User Guide and Conditions of Use of the Card enclosed with the Card;
  - d. the Business Representative notifies each Cardholder of their Cardholder Limit;
  - e. all Cards are signed by the Cardholder immediately upon receipt;
  - f. the Cardholder complies with the Conditions of Use of the Card which are contained in the Terms and Conditions brochure which is sent to Cardholders with their Card, as amended from time to time;
  - g. the Business Representative distributes the Cardholder Statements to the relevant Cardholders immediately on receipt;
  - h. each Card is only used within the Cardholder Limit (in deciding whether or not this has been exceeded, we will take into consideration the amount of any Transaction not yet debited and any authorisation we have given in respect of a prospective Transaction); and

- i. the Business Representative shall comply at all times with the responsibilities set out above and in the User Guide and any other responsibilities on the part of the Business Representative contained or referred to in this Agreement.
- 10.2 You must ensure that the Card, Card number, PIN or Security Code is not used in a manner prohibited by law nor contrary to any requirements we give either you or a Cardholder in connection with their use or safekeeping including, but not limited to, the Conditions of Use of the Card. A Card, Card number, PIN or Security Code must not be used outside the period shown on the Card or if we have cancelled or suspended the Card.
- 10.3 You may apply for Cards to be issued to new Cardholders, or terminate the authority of any Cardholder to use a Card on forms provided by us for these purposes. If you terminate the authority of a Cardholder to use a Card, the Business Representative shall destroy the Cardholder's Card by cutting off the left hand corner through the smartcard chip. We may request that you notify us in writing promptly that this has been done and that the relevant Cardholder Account should be closed.
- 10.4 You must advise us promptly of any changes to a Cardholder Limit that you require. If a Cardholder wishes to change their Cardholder Limit they must refer to you and you may request us to consider a change. Provided that such change does not take the aggregate of the Cardholder Limits over the Business Limit, we will confirm and put into effect the new Cardholder Limit within 10 Business Days of receipt of such notification. The Business Representative will then be responsible for advising the Cardholder of the change in the Cardholder Limit. Where any request from you to increase a Cardholder Limit means that the Business Limit is exceeded, we reserve the right to refuse such request.
- 10.5 In order to obtain the Bank of Scotland Business Credit Card you must hold a Business Current Account and be eligible for the Card. This Business Current Account must remain open at all times during the course of this Agreement in order for you to continue to have the benefit of the Bank of Scotland Business Credit Card.

## **11. Use of the Card**

- 11.1 When using the Card for a Transaction, a Transaction will be properly authorised:
  - a. by the Cardholder using the Card together with the PIN or the Security Code, and where appropriate using any "Proceed" or similar key, or by the Cardholder presenting the Business Credit Card to a contactless card-reader. Subject to condition 11.9, once the "Proceed" or similar key has been used, or by the Cardholder presenting the Business Credit Card to a contactless card-reader authorisation cannot be withdrawn; or
  - b. by the Cardholder signing a sales voucher for the Transaction. If the Cardholder has signed a sales voucher for the Transaction subject to condition 11.9, authorisation cannot be withdrawn once the signed voucher has been accepted by the Retailer or provider of a Cash Withdrawal.

The authorisation of a Transaction can include authorising any single Transaction, a series of recurring Transactions or pre-authorising a future Transaction of a certain or uncertain amount.

- 11.2 You should notify Business Card Services as soon as possible if you or a Cardholder becomes aware of a Transaction which has not been authorised by a Cardholder. Contact details are set out in the section called "Help and Information".
- 11.3 If a Cardholder is unable to use the PIN because of a disability you should contact us at the address shown in the section called "Help and Information".
- 11.4 A Retailer, ATM operator or other third party may contact us or an agent acting for us for confirmation – or "authorisation" – that we will pay the Transaction. We have the right to refuse authorisation for any particular Transaction if reasonable, for example if the Transaction results in the Business or Cardholder Limit being exceeded, you are in breach of this Agreement, or we (or the systems we use) reasonably suspect the Transaction is fraudulent. You will usually find out that we have refused to authorise a Transaction if a Retailer asks for payment by another method or the ATM will not dispense cash. However, a Retailer may be unable to immediately tell you that a Transaction has been refused. If any Transaction is declined you may contact us at Business Card Services on **0345 300 4709** or by writing to us at Business Card Services, Bank of Scotland plc, 11 Portland Street, Manchester, Greater Manchester M1 3HU. If we have declined the Transaction we will, where reasonably possible, tell you why the Transaction was declined. We are not responsible for any loss if a Retailer refuses to accept your card or we refuse to authorise a Transaction or delay in doing so. If the reason for our declining the Transaction was based on incorrect information, we will agree with you what needs to be done to correct that information.
- 11.5 If authorisation is given, that Transaction will immediately reduce the total amount that can be drawn within the relevant Cardholder Limit and the Business Limit.
- 11.6 If we are authorised in advance to make a future Card Transaction and the amount of the transaction is not known, we may reserve funds in the relevant Cardholder Account only if you consent to an exact amount of funds to be reserved. Reserved funds will be released when we are made aware of the amount of the Card Transaction.
- 11.7 We and/or any member of the Lloyds Banking Group may be subject to sanctions and/or embargoes imposed by the international community including the UK, EU, UN and the USA. We may refuse Transactions or refuse to make any payment if it would result, or in our reasonable opinion is likely to result, in a breach by us or any member of the Lloyds Banking Group or any of their respective employees of any sanction or embargo whether or not imposed in the UK and we will not be liable for any loss, damage, cost or expense by reason aforesaid. We shall be permitted to disclose to the relevant authorities such information in relation to any Transaction and/or payment as may be required.
- 11.8 Cardholders may make Cash Withdrawals of up to £500 per day, provided they do not exceed their Cardholder Limit. We may change the Cash Withdrawal limit of £500 by giving you notice under condition 18.

- 11.9 Where a Cardholder sets up a regular payment (recurring Transaction) to be made from the Cardholder Account, such Transactions should be cancelled by you or the Cardholder telling the Retailer, or other party the Cardholder has made the arrangement with or us. If you ask us to stop the payment, you must tell us no later than the close of business on the Business Day before the payment was due to take place. We also advise you to contact the person you make payment to so that they do not keep trying to take payment. You will need to contact them if you want to cancel your agreement with them, in any case, as we cannot do that for you. By cancelling a recurring Transaction arrangement you or a Cardholder will have withdrawn authorisation for future Transactions. We will treat any future Transactions made pursuant to that arrangement as unauthorised.
- 11.10 Cards belong to us and must be returned as soon as reasonably possible if we reasonably ask you to do so and in accordance with our reasonable instructions. Anyone acting for us may recover or retain them.
- 11.11 Card chip content is our property and can only be used for purposes we authorise.

## 12. Third Party Providers (TPPs)

- 12.1 Your Business Representative will be able to give consent to a TPP to access the information on your Business Account for you, as long as the TPP is open and transparent about its identity and acts in accordance with relevant regulatory requirements. You must be registered for Internet Banking to do this. We will treat any instruction from a TPP as if it were from you.
- 12.2 We may refuse access to a TPP if we are concerned about fraudulent or unauthorised access by that TPP. Before we do this, we will tell you and explain our reasons for doing so, unless it is not reasonably practicable, in which case we will tell you immediately afterwards. In either case, we will tell you in the way which we consider most appropriate in the circumstances. We won't tell you where doing so would compromise our reasonable security measures or otherwise be unlawful.
- 12.3 We may make available to a TPP a specific means of accessing your account. If we do, and it tries to access your account by a different way, we may refuse to allow that access.
- 12.4 If you use a third party card issuer they may be able to request confirmation from us that you have the necessary credit available on your Business Account for them to approve a Card Transaction. We will only respond to a request if you have given us explicit consent to do so.

## 13. Change to your Business Limit

- 13.1 You may request an increase in the Business Limit on the form provided by us for this purpose. Any increase will be subject to our normal credit review and approval process. You may request a lower Business Limit and tell us if you do not want the Business Limit to be increased by us.
- 13.2 We will not increase the Business Limit or any Cardholder Limit without giving you notification of any such increase. You will have the right to refuse any such increase and we will tell you at the time how to do this. In some circumstances we may lower the Business Limit. Generally we will tell you in advance if we intend



to do this but there may be instances where such a reduction in the Business Limit is made by us without notifying you in advance. If the Business Limit is reduced, individual Cardholder Limits may also be reduced. If the Business Limit, or any part of it, has been unused for a period of six months we may agree with you to reduce the Business Limit, taking into account your Business Credit Card spending profile in the six months prior to that period.

## 14. The Business and Cardholder Accounts and repayment

- 14.1 We will debit all Transactions to the appropriate Cardholder Account when we receive them, which together with other sums due under this Agreement, including annual fees, will be aggregated into the Business Account.
- A Transaction is received by us when we receive the instruction from Mastercard.
- 14.2 Subject to 14.3 we will send you a Statement together with individual Cardholder Statements on the same date each month (or if not a Business Day, the next Business Day). You should check the Statement and you should ensure that the individual Cardholder checks his or her own Cardholder Statement, as soon as possible, preferably within 30 days. If there is an entry which seems to be wrong you should tell us as soon as possible. Delay in notification may make correcting any error difficult. If we need to investigate a Transaction on a Cardholder Account you and the Cardholder should co-operate with us and the police, if we need to involve them.
- 14.3 We will only send Cardholder Statements if there have been Transactions on the Cardholder Account or payments made by or to the Cardholder Account or the Business Account in the relevant month. Cardholder Statements do not constitute demands for payment and the Cardholder is not liable for payments due under this Agreement.
- 14.4 You as a Business are liable for and must pay all payments due under this Agreement on time. Payments should be received from you and will be credited to your Business Account and reduce your outstanding balance as follows:
- a. cash payments made at a Bank of Scotland branch counter on a Business Day will be credited to the Business Account and reduce your outstanding balance the same Business Day;
  - b. cash payments made at other banks will be credited to the Business Account and reduce your outstanding balance on the day we receive them if a Business Day, and if not a Business Day then the next Business Day following the day of receipt;
  - c. Direct Debits will be credited to the Business Account and reduce your outstanding balance on the day we receive them if a Business Day, and if not a Business Day then the next Business Day following the day of receipt;
  - d. if you make a payment through Bank of Scotland Online for Business internet banking service from a Bank of Scotland account, your Business Account will normally be credited within 2 hours and at the latest by the close of the next Business Day and your outstanding balance will be reduced at the latest by the close of the next Business Day – the same day that the Bank of Scotland account is debited;

- e. if you make a payment using another bank's online banking service, the payment will be credited to the Business Account and reduce your outstanding balance on the day we receive it if a Business Day, and if not a Business Day then the next Business Day following the day of receipt;
- f. cheques will be credited to the Business Account the day we receive them but will not reduce the outstanding balance until cleared;
- g. Payments made using a debit card (available in limited circumstances) will be credited to your Business Account and will reduce your outstanding balance on the Business Day they are received.

Where a payment is received for your Business Account after the cut-off time we set for the type of payment or on a day which is not a Business Day, the payment will be deemed to have been received on the next Business Day. Further guidance is set out in the User Guide.

Payments should be made in pounds Sterling only. If you do not send your payment in pounds Sterling, we will convert it using our standard exchange rates and will confirm the exchange rate we use in writing afterwards. You can find out details of our standard exchange rates by calling us.

- 14.5 When making payments to your Business Account you must always give us the account details with your payment. You can do this by:
- a. using the details that we give you on the Bank Giro Credit payment slip; or
  - b. if using the Bank of Scotland Online for Business internet banking service, selecting the correct bill payment option.

If you do not provide the correct details we will not be liable in the event that your Business Account is not credited within the timescales set out in condition 14.4, if at all. However where any payment is not credited to your Business Account due to your providing incorrect remittance details we will use all reasonable efforts to recover your payment.

- 14.6 If, in the absence of any circumstances beyond our control and subject to condition 14.5, we fail to credit your Business Account and reduce your outstanding balance as set out in condition 14.4 we will ensure that your Business Account is properly credited. We will also refund to you any interest and charges directly incurred by you on the Business Account that would not have been incurred had we acted in accordance with our obligations in that condition.
- 14.7 You must repay us the amount of any excess over the Business Limit or any Cardholder Limits and any arrears as soon as we ask you to. Any payments you make will pay off the longest outstanding arrears first.
- 14.8 Where you ask us for a refund, we only credit refunds when we receive proper vouchers or confirmation acceptable to us and we normally charge interest until then. We will refund interest on Transactions that were incorrectly charged to you together with any charges directly incurred on the Business Account that would not otherwise have been incurred.

- 14.9 If, in the absence of any circumstances beyond our control, we incorrectly apply, or omit to apply, a Transaction to any Cardholder Account or your Business Account we will correct our act or omission and refund to you any interest and charges directly incurred by you on the Business Account that would not have been incurred if we had applied the Transaction correctly.
- 14.10 When a Cardholder carries out a Transaction with a Retailer and:
- the Cardholder authorised the Transaction without knowing the exact amount of the Transaction; and
  - the actual amount of the Transaction is more than the Cardholder expected,
- you may request a refund of that Transaction provided that any such request is made within 8 weeks of the Transaction being debited to the Cardholder Account. You will provide us with all reasonable information that we require to enable us to decide whether it is reasonable for us to refund the amount of the Transaction.
- 14.11 You authorise us to make payments due to us under this Agreement from the Business Current Account or any other current accounts you have with us (provided such deductions are not prohibited by the conditions of use of such accounts) if any payment due under this Agreement is not made in time. We will take such payments without telling you before we do so.

## 15. Payment amount

- 15.1 You must make at least the minimum payment by the payment due date if there is a balance payable to us on your statement. You can always pay more than the minimum payment at any time, including repaying everything you owe.
- 15.2 You must not pay us more than you owe when you make payments to your Business Account, or transfer funds from another credit or store card if this creates a credit balance on your account. If there is a credit balance on your Business Account at any time, we may apply it to any recent Transactions not yet shown on your account, or to Transactions made after the date your Business Account goes into credit. We may also return any credit balance to the account from which the money has been sent or pay the funds into your Business Current Account or any other current accounts you have with us. We do not pay interest on any credit balances.
- 15.3 If you normally pay a fixed amount or percentage by Direct Debit, we will:
- increase the Direct Debit, if needed, to cover your minimum payment; or
  - reduce the Direct Debit, if your balance due is lower, to avoid putting your account into credit.
- 15.4 Your Direct Debit amount will automatically reduce to take account of any payments you make between your statement date and the date 4 clear working days before your Direct Debit payment is taken from your bank. This date will be shown on your statement.
- 15.5 Refunds and credit adjustments to your account between the statement date and your payment due date will reduce your overall balance. But they will only count towards your minimum

payment for that month (excluding arrears and any amount you owe above the credit limit) if they reduce the balance to less than that minimum payment amount. If this happens, and you have not yet paid your minimum payment, we will reduce the minimum payment needed so that it equals the full remaining balance (if any).

## 16. Lost or stolen Cards or confidential information and unauthorised Transactions

- 16.1 If any Card is lost or stolen, or the PIN becomes known to any other person or the Card, Card details or PIN are for any reason liable to misuse or have been misused, you or the relevant Cardholder must notify us as soon as possible by telephoning on **0800 028 8335** (if abroad, **+44 131 454 1605**) (24 hours). We may ask you to confirm in writing to us at Business Card Services, Bank of Scotland plc, 11 Portland Street, Manchester, Greater Manchester M1 3HU within seven days. If a Card which has been lost or stolen is subsequently found it must not be used. The Card must be properly destroyed in accordance with condition 16.8. We may ask that the Business Representative notify us in writing that the Card has been destroyed.
- 16.2 Unless we can show that you or a Cardholder have acted fraudulently you will not have to pay anything:
- a. in respect of the use of any Card that is lost or stolen (but you must tell us as soon as you become aware of such loss or theft); or
  - b. in respect of the use of any Card that is used without your permission.
- 16.3 Unless we can show that you or a Cardholder have acted fraudulently you will not have to pay anything in respect of the use of a Card or the Card details for a Transaction where the Cardholder does not need to be present.
- 16.4 If you or any Cardholder has acted fraudulently in connection with the use of a Card or the Card details, you will be responsible for all losses arising out of or in connection with unauthorised Transactions.
- 16.5 Unless we can show that you or a Cardholder have acted fraudulently we will refund the amount of any unauthorised Transaction to the Business Account by the end of the next Business Day. We will also refund any interest charged in respect of that Transaction together with any charges directly incurred on the Business Account which would not otherwise have been incurred.
- 16.6 Unless you have acted fraudulently, you will not be responsible for any losses arising if we fail to apply procedures that we are legally required to use to check that a payment has been authorised by you or a Cardholder.
- 16.7 Both you and the relevant Cardholder will assist us, our agents or the police in the investigation of the loss, theft or possible misuse of any Card, Card details or the disclosure of the PIN, and will assist us to recover the Card. You and each Cardholder consent to the disclosure to any relevant third parties of any relevant information concerning a Cardholder Account in connection with such matters.

- 16.8 If we or our agents reasonably request, you are responsible for recovering and destroying all Cards issued to Cardholders by cutting off the left hand corner through the smartcard chip. We may ask that the Business Representative notify us in writing that all Cards have been destroyed promptly on destruction of the Card(s).

## 17. Termination and suspension

- 17.1 This Agreement shall continue until terminated in accordance with the provisions of this condition 17.
- 17.2 This Agreement may be terminated at any time:
- by you giving us not less than one months' written notice; or
  - by us giving you not less than two months' written notice beginning on the day after the day on which our notice is served; or
  - by us immediately on giving you notice if you are in breach of this Agreement.

On the expiry of any notice (including any notice we are required to serve by law) the whole outstanding balance due to us under this Agreement will become immediately due and payable.

- 17.3 On termination of this Agreement all Cards issued to you must be destroyed and notification given to us as set out in condition 16.8.
- 17.4 On the occurrence of any of the following events, we may terminate this Agreement and/or terminate or suspend your right to use any or all of the Cards issued under this Agreement, and the whole of the outstanding balance due to us under this Agreement will become due and payable immediately without demand or notice if we reasonably consider it may negatively affect your ability to repay amounts you may borrow from us from time to time under this Agreement:
- you do not pay any sum due under this Agreement on time;
  - any information you have given or give us in future (in connection with this Agreement or not) is inaccurate or changes materially before we sign this Agreement;
  - unless you have informed us in writing before we sign this Agreement, if any material litigation is, or material administrative, criminal or judicial proceedings are, being taken against you at the time this Agreement is signed; ("material" means likely, if successful, to have any damaging effect on your Business);
  - without our consent, you create or permit any new charge, mortgage or security interest over your Business or any part of it, or its property, assets or income;
  - without our consent, you sell or lease or dispose of your Business or any part of it, or, other than in the normal course of business, its property, assets or income (or attempt to do so);
  - you change the nature of your Business as it is now conducted;
  - you do not have the insurance over your Business and its assets that is normal for a business of your type (and you must show us evidence of this insurance if we ask for it);
  - you factor or assign any debts owed to your Business without our consent;

- i. you die, become of unsound mind, become insolvent (or in Scotland, apparently insolvent), a bankruptcy petition (or in Scotland a petition for sequestration) is presented against you, or steps are taken to appoint an administrator, judicial factor or similar officer to you or you apply to the court for a moratorium, or make a proposal to creditors for a voluntary arrangement or you grant a trust deed for creditors or take any action (including entering negotiations) with a view to readjustment, rescheduling, forgiveness or deferral of any part of your indebtedness;
- j. if you are a Limited Company or Limited Liability Partnership, you have a petition presented or resolution passed for winding up or an administration application is presented or made for the making of an administration order or a notice of intention to appoint an administrator is issued or notice of appointment of an administrator is filed with the court or you have a receiver appointed over all or part of your assets or you cease to trade, or you are deemed by law unable to pay your debts, or you make an application in connection with a moratorium or a proposal to creditors for a voluntary arrangement or takes any action (including entering negotiations) with a view to readjustment, rescheduling, forgiveness or deferral of any part of your indebtedness including in Scotland granting a trust deed for creditors;
- k. if you are a Partnership (including Limited Liability Partnership) or Unincorporated Association, you dissolve or a petition is presented for an order to be made for the winding up of the Partnership or an application or a petition is presented or made for an administration order against the Partnership;
- l. if you are a Limited Liability Partnership, any member ceases without our written consent to be a member, or you cease for any reason to be a Limited Liability Partnership; or
- m. you commit any breach of any other agreement with us; or
- n. this Agreement or the use of the Cards would result in a breach of law or regulation by us.

17.5 We may also cancel or suspend:

- a. your use of the Services at any time if you or any Cardholder has broken this Agreement or the Conditions of Use repeatedly or seriously; or
- b. the use of any Card if:
  - ▶ we reasonably suspect fraudulent or other misuse of the Card or that any security requirements relating to the use of the Card, Card details or PIN have been compromised; or
  - ▶ you are over your Business Limit and/or any payments that have fallen due under this Agreement are outstanding and we reasonably believe you are unable to make repayments to us.

17.6 If we do cancel or suspend use of the Services and/or any Card under conditions 17.4 or 17.5, we will tell you as soon as possible and advise you of the reason or reasons unless the law prevents us from doing so or we reasonably believe it would undermine our security measures. If we cancel your use of the Services or any Card. You must ensure that Cardholders stop using affected Cards and if they are cancelled that they return them to the Business Representative with the left hand corner cut-off through the smartcard chip. The Business Representative may be requested to

return the destroyed Card(s) to us or notify us in writing that the Card(s) have been destroyed as soon as this has been done. If we suspend use of a Card, we will allow it to be used again or will replace it as soon as the reasons for suspending it no longer exist.

- 17.7 We may refuse to re-issue any Card where immediately before the date of re-issue:
- a. payments that have fallen due under this Agreement are still outstanding and we have told you that your Card(s) will be cancelled; or
  - b. if, having reviewed the way your Business Account has been conducted and/or your wider banking relationship and/or made a credit assessment, we reasonably believe it prudent not to re-issue your Card(s) because you will be unable to make repayments as they fall due under this Agreement; or
  - c. we have another good reason for doing so, such as suspected fraud or misuse of the Business Account or any Cardholder Account.

## 18. Variation

- 18.1 We may change:

- ▶ interest rates, except fixed interest rates (if any), and exchange rates. This includes changing the way they are calculated or charged, or introducing different rates for different types of Transaction or different types of rate. The new rates apply to Transactions and to your outstanding balance from the date the rate changes; and/or
- ▶ charges (or introduce new charges), annual fees, minimum payment amounts, Statement dates and payment dates.

These changes may be particular to you and based on a number of factors such as increased or decreased credit risk and the way you use your Business Account.

We may also make any other changes to these conditions or the Conditions of Use of the Card.

- 18.2 Subject to conditions 18.3, 18.4, 18.5 and 18.6, we will notify you in writing at least two months before we make any change to these conditions or the Conditions of Use of the Card. You will be deemed to have accepted any such change if you do not notify us to the contrary before the date any such change comes into effect. However if you do not accept any change:
- ▶ you can close the Business Account at any time before the change comes into effect provided that all outstanding amounts on the Business Account are paid (and we will not charge you extra to do so); or
  - ▶ our notice of the change will be deemed to be notice of termination given under condition 17.2 and this Agreement will terminate the day before any change comes into effect when the whole outstanding balance due to us under this Agreement will become immediately due and payable.
- 18.3 If we make any change in the interest rates which is to your advantage we may do so immediately and without giving you any prior notice. We will notify you about the change by putting notices in a selection of national newspapers (including The Daily Telegraph, The Times, Daily Mail, The Sun and Daily

Record (Scotland)) and our branches within three Business Days of making the change. We will also update our website and interest rate helpline within three Business Days of making any such change. Changes will also be shown on your Statement. We may also publish other interest rate changes as set out above, in addition to giving you notice as provided in condition 18.2.

- 18.4 If we make any change to the interest rates which are not to your advantage, we will notify you in writing at least two months before we make the change as provided in condition 18.2. If you want to close your Business Account you should let us know before the change comes into effect. The change will then not apply to you unless we need to make the change to comply with regulatory requirements. You will be able to pay the outstanding balance on the Business Account at the existing rate of interest over a reasonable period of time to be agreed between us
- 18.5 We may change these conditions or the Conditions of Use at any time to reflect changes in law, regulation or codes of practice which apply to us or the way we are regulated. We will always endeavour to give you at least two months' notice of such changes in accordance with condition 18.2 wherever possible. Where this is not possible we will give you as much prior notice as reasonably practicable.
- 18.6 The Payment Scheme Exchange Rate changes on a daily basis; is applied immediately and without giving you any prior notice.

## 19. Changing Card Type

- 19.1 We may issue a different Card Type from the one you applied for to be used alongside or instead of existing Cards.
- 19.2 The terms that apply to any Promotional Transactions will not be affected if we give you a new Card Type and we will tell you if there are any changes to interest rates, charges, credit limits and promotional schemes.

## 20. General

- 20.1 In order for us to cancel the Card, you must notify us if any Cardholder leaves your employment voluntarily or otherwise, or on the bankruptcy (or in Scotland sequestration) or death of the Cardholder.
- 20.2 We will not be liable to you or any Cardholder for:
- ▶ any breach or failure to fulfil our obligations;
  - ▶ any act or omission of Retailers or agents; or
  - ▶ any loss or breach caused by the failure of any of our machines, data processing systems or transmission links or any industrial disputes

and which in each case occurs due to abnormal and unforeseeable circumstances beyond our control (including any strike, lock-out, labour dispute, act of God, war, riot, civil commotion, malicious damage, compliance with a law or governmental order, rule, regulation or direction, accident, breakdown or other failure of equipment, software or communications network, fire, flood, or other circumstances affecting the supply of goods or services).



- 20.3 We will not be liable to you or any Cardholder:
- ▶ for any losses not directly associated with the incident that may cause you to make a claim against us whatsoever or howsoever arising and whether such liability was reasonably foreseeable or not and whether or not we have been advised of the possibility of any such loss being incurred; nor
  - ▶ for any loss of profits, loss of business, loss of goodwill or any form of special damages.
- 20.4 We will not be liable to you or any Cardholder for refusal of any other bank, cash terminal or other machine or Retailer to accept or honour a Card nor, to the extent we can exclude such responsibility by law, will we be responsible in any way for the goods or services supplied to you or any Cardholder.
- 20.5 To the extent we can exclude liability by law and in the absence of negligence on our part, we accept no responsibility to you or any Cardholder if a request for authorisation is declined or if a Card is not accepted in payment nor for any loss or damage resulting from the way either is communicated to you or the Cardholder.
- 20.6 No delay, neglect or forbearance on our part in enforcing any term or condition of this Agreement will either be deemed to be a waiver or in any way prejudice any right of ours under this Agreement.
- 20.7 We may transfer our rights under this Agreement to someone else, but you may not do this.
- 20.8 We may require security for any amounts due under this Agreement. If you have provided us with any other security that security may also serve to secure amounts due under this Agreement.
- 20.9 We may offer (and withdraw) extra benefits and services. These conditions apply to them unless they are not appropriate or we agree different terms.
- 20.10 If a court orders you to make payments to us we will charge interest at the relevant standard rate on amounts you owe us both before and after the court order.
- 20.11 Nothing in this Agreement confers or is intended to confer a benefit enforceable by a person who is not a party to it and such a person shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.
- 20.12 If we are told that money has been paid into your Business Account by mistake, we can take from your account an amount up to the mistaken payment amount. We do not have to ask you to agree to this, but will let you know if it happens. We will act reasonably and try to minimise any inconvenience to you. If we are unable to return funds to that person, we can give them details about you and your Business Account so they can recover the money from you.

## 21. Promotional Transactions

- 21.1 From time to time we may run Promotions under which special terms may apply to certain Transactions ("Promotional Transactions"). We will give you notice in writing of such Promotions.

- 21.2 You may lose the preferential terms that apply to Promotional Transactions if you are in material breach of this Agreement. In particular we will start charging the relevant standard interest rate, charges or fees if (i) you miss a minimum payment or exceed the Business Limit, and do not correct this within 10 Business Days after we have told you about it or (ii) there is any misuse of a Card or we suspect fraud. We will not restore the preferential terms once we have withdrawn them, even if you later comply with your obligations to us.

## 22. Notices and communication

- 22.1 Any notice to be given by either party under this Agreement shall, unless provided otherwise in this Agreement, be written, sent by post or delivered by hand to the other party (and deemed received upon receipt). The address for any such notice for us will be Business Card Services, Bank of Scotland plc, 11 Portland Street, Manchester M1 3HU until further notice. The address for any such notice for you will be the correspondence address given on the application form for the Business Account. Either party may change address for communication by giving 7 days' notice in writing to the other party.
- 22.2 We will use your contact details and appropriate secure procedures to let you know if we suspect fraud or a security threat, or if there has been a major operational or security incident which may affect you.
- 22.3 The language of this Agreement shall be English and communications and notices between us shall be in English.

## 23. Governing Law

- 23.1 This Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with the laws of England and Wales if your Business Current Account is held in England and Wales or the laws of Scotland if your Business Current Account is held in Scotland.

The courts of England and Wales or Scotland (depending on where your Business Current Account is held) shall have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including any dispute relating to any non-contractual obligation arising out of or in connection with this Agreement).

## 24. Defined Terms

**Agreement:** these Terms and Conditions under which the Bank provides the Services to the Business.

**ATM:** an Automated Teller Machine from which cash may be withdrawn.

**Business:** any body corporate or unincorporated, sole trader or partnership responsible for payment of all sums due under this Agreement, in whose name a Business Account is maintained by us and named in the application form for the Business Account and where the Business (not being a body corporate) consists of two or more persons, then this definition means all or any of them and the liability of such persons will be joint and several.

**Business Account:** the running Business Credit Card account opened and maintained by us in the name of the Business under this Agreement into which Cardholder Account(s) are aggregated.

**Business Current Account:** means the Business Banking current account held by the Business with Bank of Scotland plc.

**Business Day:** means 9am to 5pm Monday to Friday other than public and bank holidays in England and Wales or Scotland (if in Scotland), unless transacting through one of our branches which opens for shorter hours or we notify you of different times for the processing of payments to and from your Business Account or any Cardholder Account.

**Business Limit:** the credit limit given to the Business and specified by us in writing, being the maximum amount of credit we will give to the Business under the Business Account.

**Business Representative:** the representative nominated by the Business from time to time on the forms provided by us for this purpose and who is the main point of contact for Cardholders and for us and to whom the Cards and PINs and other information concerning the Bank of Scotland Business Credit Card will be delivered from time to time in accordance with this Agreement.

**Card:** any credit card issued under this Agreement (including renewal, replacement and additional Cards).

**Cardholder:** any employee authorised by the Business from time to time to use a Card issued by us under this Agreement.

**Cardholder Account:** an account opened and maintained by us for each Cardholder for which we charge the Business an annual fee for the purpose of recording Transactions made by a Cardholder and the annual Cardholder fee.

**Cardholder Limit:** the maximum value of Transactions the Business has allowed the Cardholder to spend each month under the Cardholder Account.

**Cardholder Statement:** a monthly statement of Transactions for each Cardholder Account sent to you each month and to be distributed by you to the relevant Cardholder(s). The Cardholder Statement will not be a demand for payment.

**Card Type:** any Card we issue under the VISA, Mastercard, American Express or any other Card acceptance scheme.

**Cash Withdrawal:** cash withdrawals, advances made by Card or Card number, including purchases of currency or travellers' cheques.

**Cash Withdrawal Limit:** the maximum amount of cash a Cardholder may withdraw in one day.

**Conditions of Use:** the conditions for the use of a Card by a Cardholder which are set out below, and which may be varied by us from time to time in accordance with condition 18 of this Agreement.

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

**Payment Scheme Exchange Rate:** means the foreign exchange wholesale rate set by Mastercard and applied to Transactions carried out in foreign currencies to convert them to Sterling.

**PIN:** the Personal Identification Number issued to Cardholders (or subsequently selected by the Cardholders where self-selection is available) to enable Cardholders to make Transactions.

**Promotion:** means any preferential terms (such as lower interest rates) for a specified period, to be offered by us from time to time.

**Promotional Transaction:** means a Transaction that preferential terms (such as lower interest rates) apply to for a specified period. We will tell the Business the terms before any Promotion is offered by us.

**Purchase:** a payment for goods or services from a Retailer made by a Cardholder using the Card or Card number.

**Retailer:** a person who agrees, by arrangement with us or a Card acceptance scheme, to accept the Card as payment for goods or services.

**Security Code:** the last three digits on the signature strip on the reverse of the Card.

**Services:** the Card facilities to be provided to the Business and to the Cardholders under this Agreement, together with any other services associated with the Card(s) that we may make available to the Business and/or the Cardholders from time to time.

**Statement:** the monthly statement of the Business Account issued to the Business and which will also include a demand for the minimum payment.

**TPP:** a third party provider, authorised by law to access information from your payment accounts. For example this might include an account aggregator which gives you a consolidated view of your account information across multiple providers.

**Transaction:** Purchases or Cash Withdrawals.

**User Guide:** the guidelines for using a Card provided by us and which may be varied by us.

**we/us/our:** Bank of Scotland plc, and any person we may transfer our rights or duties to.

**you/your:** the Business named at the beginning of this Agreement.

## Personal and business data and Lloyds Banking Group

### Using data for provision of payment services

You give us your explicit consent (or have obtained the explicit consent of the relevant individual) for us to access, process and keep any personal information that you provide to us for the purposes of providing payment services to you. This won't affect any rights any of us have under data protection legislation. You can withdraw your consent by ending your agreement with us.

# Bank of Scotland Business Credit Card

## Conditions of Use

### Conditions of Use

1. Each Cardholder must sign their Card as soon as they receive it.
2. The Cardholder must not allow any other person to use the Card, Card number, Security Code or PIN and must always keep them safe. The Cardholder must always follow any instructions we give in connection with the use and safe-keeping of the Card, Card number and PIN.
3. The Cardholder must memorise the PIN and then destroy the slip on which it is printed. The PIN must be kept secret. Do not let anyone else know it or use it.
4. The Cardholder should not write the PIN on the Card or on anything which is kept at any time with the Card.
5. In the event of any loss, theft, or possible misuse of the Card, the Cardholder must give us or our agents any information or help we ask for, and assist us to recover the Card where relevant. We may pass the information provided to the police or any other relevant third party.
6. If a Card is found after the Cardholder or the Business has told us it has been lost or stolen, it must not be used. The Cardholder must ensure that it is destroyed immediately by cutting off the bottom left hand corner through the smartcard chip.
7. If either we or the Business asks the Cardholder to return the Card to us or the Business Representative, the Cardholder must do so immediately, with the bottom left hand corner cut-off, and with the smartcard chip cut through.
8. The Cardholder Account may only be used for the purposes of the Business and may not be used for any other purposes, including personal, family or household purposes. The Cardholder shall be liable to the Business for payment of any Card Transactions made by him/her which are not authorised by the Business. The Business will remain liable to us for all Card Transactions and any charges until payment is made of the full amount outstanding.
9. The Cardholder shall be responsible to the Business for checking his/her Cardholder Statement.
10. Cardholders must not exceed their Cardholder Limit.
11. The Business shall be liable for payment of all reasonable costs and expenses incurred by us:
  - 11.1 as a result of any breach by the Cardholder of these Conditions of Use, as amended from time to time; and
  - 11.2 in recovering any Cards which should have been returned to us.

12. All expenses, costs and charges referred to in these Conditions of Use, as amended from time to time, shall be debited to the Business Account.
13. The Card, Card number, Security Code or PIN must not be used for any illegal purpose or outside the period shown on the Card or if we have cancelled or suspended it.

## Help and Information

If you have any queries about the Business Credit Card or require a copy of this Agreement or any document referred to in it, please contact your relationship team or Business Card Services in writing at Bank of Scotland plc, 11 Portland Street, Manchester, Greater Manchester M1 3HU or by telephone on **0345 300 4709**. These Business Credit Card terms and conditions can also be found on our website at **[business.bankofscotland.co.uk/business-home](https://business.bankofscotland.co.uk/business-home)**

## 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

**[business.bankofscotland.co.uk/business-home/contact-us/](https://business.bankofscotland.co.uk/business-home/contact-us/)**

If you are dissatisfied with the outcome of a complaint that you have made to us, you may be eligible to refer the matter to the Financial Ombudsman Service ("FOS"). To understand whether you are eligible to refer the matter to the FOS, please speak to the FOS directly or refer to the FOS' website at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk). Details of how to contact the FOS can also be found on our Website.

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 **0345 300 2755** (lines open 7am-8pm, Monday-Friday and 9am-2pm Saturday).

## Find out more



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



Visit your local branch

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.

Bank of Scotland plc. Registered Office: The Mound, Edinburgh EH1 1YZ. Registered in Scotland No. SC327000.

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](http://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.)

The Lloyds Banking Group includes companies using brands including Lloyds Bank, Halifax and Bank of Scotland and their associated companies. More information on the Lloyds Banking Group can be found at [lloydsbankinggroup.com](http://lloydsbankinggroup.com)

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**BANK OF  
SCOTLAND**