

COMMERCIAL BANKING

Core Banking Agreement



Non Sterling Currency Account

Product & Services
Terms & Conditions



**BANK OF
SCOTLAND**

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

Important Information

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



Relationship Terms & Conditions

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



Product & Services Terms & Conditions

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



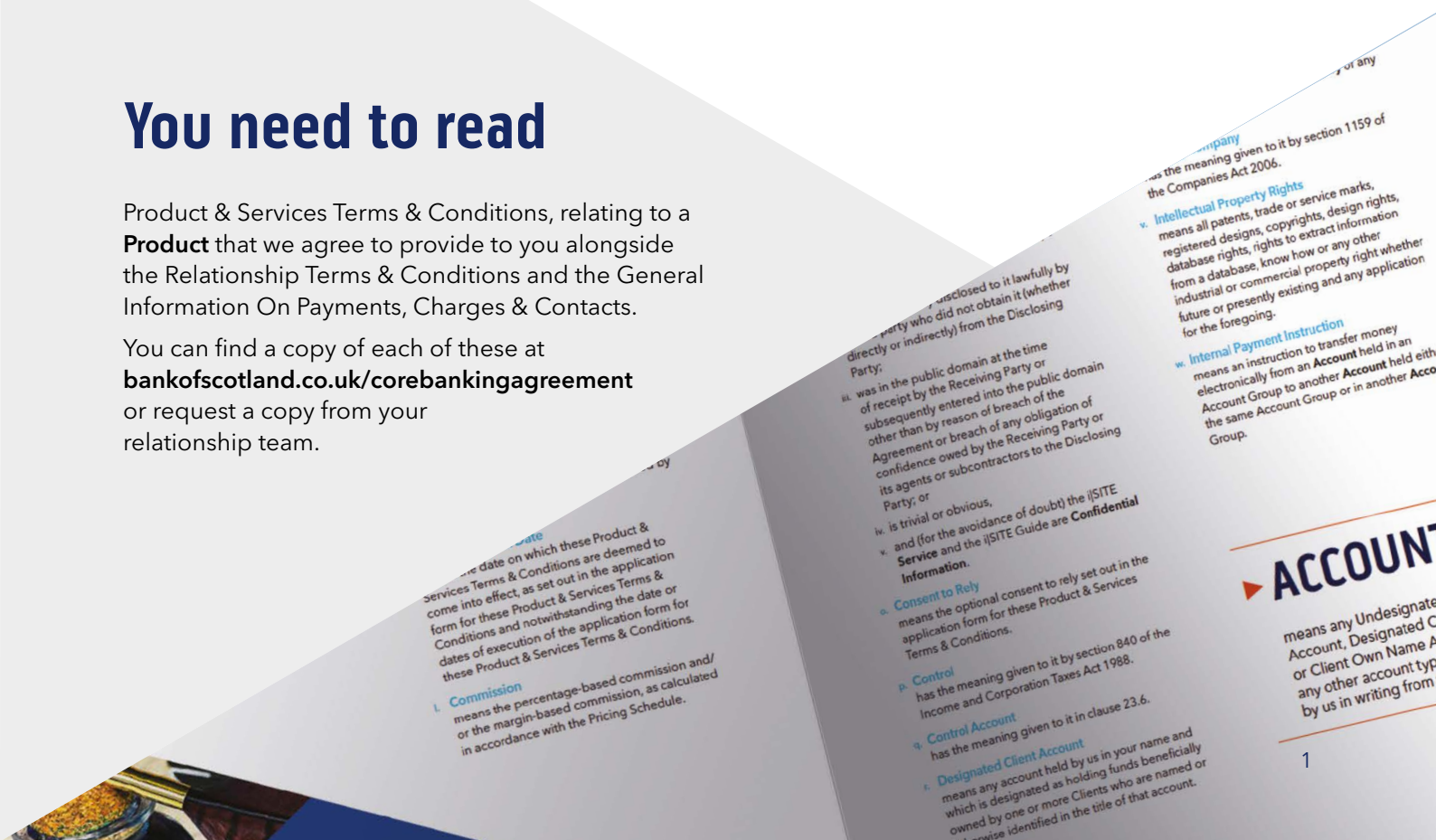
General Information On Payments, Charges & Contacts

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

You need to read

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

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



1. Definitions

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

Account(s)

means any non-sterling currency account that you hold with us.

Credit Product Rate

means the rate to which an **Account** is linked for credit interest and is set at 0.25% below the relevant **Reference Interest Rate**. The relevant **Reference Interest Rates** can be found on **Our Website**.

Debit Product Rate

means the rate to which an **Account** is linked for debit interest and is set at 0.25% above the relevant **Reference Interest Rate**. The relevant **Reference Interest Rates** can be found on **Our Website**.

Euro Payment Day

means a day on which **TARGET2** is open for settlement of payments in euro.

Facility Letter

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

3. Running the Account

Foreign Currency Account Charging Cycle

means the monthly, quarterly, or half-yearly charging cycle relating to the payment of interest and charges on an **Account** as agreed with us.

Residence

means the place where:

- i. if you are a sole trader, you operate your business;
- ii. if you are a company or other incorporated body (such as a Scottish partnership or limited liability partnership), you are established and controlled;
- iii. if your organisation is an unincorporated body (such as an English partnership, an unincorporated charity, or a club), your organisation's central management is situated; or
- iv. if you are trustee(s) of a trust or pension scheme, the trust or scheme is established and controlled.

Third Party Provider

means a service provider authorised by law to access information or make payments for you from your payment accounts.

Uncleared Balance

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

TARGET2

means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system.

- 3.1 It is a condition of operating an **Account** that you maintain a sterling current account or sterling deposit account with us, unless otherwise agreed in writing between you and us.
- 3.2 This **Account** will be operated in accordance with the **Mandate** for your existing sterling current or deposit account, unless otherwise agreed with us.
- 3.3 In certain circumstances, we may not allow transfers from **Accounts** to other **Accounts** you have with us.
- 3.4 In the event of any inconsistency between **The Agreement**, the **Mandate** that relates to the **Account** and/or the application form for the **Account**, **The Agreement** shall apply.

2. Eligibility

- 2.1 The minimum age for opening and operating an **Account** is 18.
- 2.2 You can only apply for an **Account** if your **Residence** is within the United Kingdom.

► Foreign Currency

Foreign Currency Account Charging Cycle means the monthly, quarterly, or half-yearly charging cycle relating to the payment of interest and charges on an Account as agreed with us.

4. Instructions

4.1 The ways in which your consent for a payment transaction will be given to us are:

- 4.1.1 by providing **Account** details to us, our representative or any third parties and requesting a money transfer from an **Account** (in accordance with our requirements for online/internet banking (if relevant));
- 4.1.2 by providing **Account** details and completing any necessary formalities to complete a payment from an **Account** (in accordance with our requirements for online/internet banking (if relevant));
- 4.1.3 in the case of a **Direct Debit** or **Standing Order** on an **Account**, by completing and signing the relevant form setting up the **Direct Debit** or **Standing Order**; and/or
- 4.1.4 by presenting completed cheque to any person;
- 4.1.5 through a Third Party Provider, by following any procedures required by such Third Party Provider; and/or
- 4.1.6 by entering your PIN or providing any other security code (when using a charge card or an online/internet banking service that we provide to you);

and consent will be provided at the time that any actions set out in clauses 4.1 are taken by you.

4.2 These Product & Services Terms & Conditions include provisions relevant to the receipt of payments into an **Account**. The terms and conditions applicable to payments instructed to be made into an **Account** (including the information to be supplied by you for the payment to be made) will vary according to the particular payment service selected by you from time to time.

4.3 You agree that you shall be liable to us for all sums that become due to us in connection with these Product & Services Terms & Conditions. We shall not be liable for and you shall indemnify us in respect of all losses, claims, actions, proceedings, demands, damages, costs and expenses incurred or sustained by us arising out of or in connection with any cheques, payment instructions or other instructions given by you or on your behalf in accordance with your **Mandate**, except where:

4.3.1 it should have been readily apparent to a reasonable banker processing such cheques, payment instructions or other instructions in the ordinary course of business that (where applicable) the signature was not the signature authorised by you or that any cheques, payment instructions or other instructions had been altered or falsified in any way; and/or

4.3.2 any losses, claims, actions, proceedings, demands, damages, costs and expenses incurred or sustained by us were as a result of the fraudulent actions of an unrelated third party.

4.4 If an **Account** is a euro denominated currency account, then for the purposes of payments to and from such **Account**, the term "**Business Day**" shall be deemed to include a **Euro Payment Day** if a **Euro Payment Day** would not otherwise fall on a **Business Day**.

4.5 It is acknowledged that for some currencies we may have to convert your balance into the relevant foreign currency and that an **Account** will be held by our appointed bank in that country in order that we may ensure that such **Account** is held in accordance with local laws and banking practices. Details of whether an **Account** is held with an appointed bank are available from your relationship team.



5. Interest on money in an Account

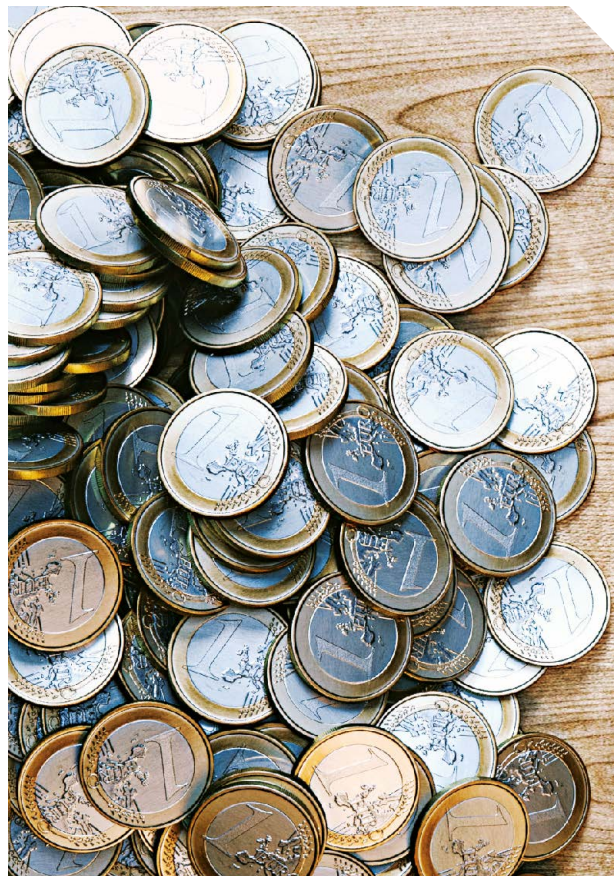
- 5.1 Until further notice, interest (if payable on an **Account**) is calculated on a daily basis on cleared credit balances at the **Credit Product Rate**. Interest will be credited to an **Account** on the dates and frequency agreed with us, which in the absence of agreement shall be half-yearly.
- 5.2 Any interest will be taxed according to your individual circumstances and as specified by law.
- 5.3 The **Credit Product Rates** and the balances in relation to which such rates are payable are available from your relationship team.

6. Borrowing

- 6.1 You should only overdraw an **Account** within an overdraft limit agreed in advance with your relationship team. The overdraft limit will be confirmed in writing by your relationship team. We normally confirm the limit on an annual basis if the borrowing facility is to continue or at such other time that the limit is changed with our agreement.
- 6.2 We may at our sole discretion permit you to exceed any agreed overdraft limit or overdraw an **Account** where an overdraft limit has not been agreed in advance with your relationship team. Such amounts will constitute unauthorised borrowing and may incur unauthorised borrowing interest.
- 6.3 Fees or charges may apply in relation to your overdraft. These include arrangement fees for the setting up and renewal of an overdraft facility and charges for taking security. These fees or charges will be advised to you by your relationship team at the time of your request and confirmed in writing in your most recent **Facility Letter** or otherwise. These fees and charges are not refundable if the overdraft facility is not used.
- 6.4 Authorised borrowing for **Accounts** which are held in major currencies is charged at the **Debit Product Rate** of the **Account's** currency (unless otherwise agreed with your relationship team) on the total amount outstanding (including any **Uncleared Balance**) within your agreed overdraft limit. Such interest will be debited in line with the **Foreign Currency Account Charging Cycle**.
- 6.5 Unauthorised borrowing interest for **Accounts** which are held in major currencies is charged at the **Debit Product Rate** of the **Account's** currency plus 12%. For details of which currencies are considered major currencies and/or the interest rates applicable to any other currencies, please contact your relationship team.
- 6.6 Unauthorised borrowing interest will be charged when the overdrawn balance on an **Account** (including any **Uncleared Balance**) exceeds the agreed overdraft limit or alternatively when an **Account** goes overdrawn (including any **Uncleared Balance**) when there is no agreed overdraft limit. Interest will be debited to an **Account** in line with the **Foreign Currency Account Charging Cycle**.
- 6.7 We may at any time, without giving you notice, withdraw or restrict any right to an overdraft or demand immediate repayment of your overdraft. We will write to you if we require any repayment of your overdraft.
- 6.8 Nothing in **The Agreement** restricts our right to refuse to allow any overdraft or other borrowing or increase in any overdraft or other borrowing.

7. Charges

- 7.1 Charges will apply to an **Account** and any transactions on an **Account**, as set out in the General Information On Payments, Charges & Contacts, or as otherwise agreed in writing with your relationship team.
- 7.2 If you are the recipient of a payment (i.e. a payee) we may deduct our charges as set out in the tariff from the money transferred before crediting it to you. If we deduct any charges under this clause, we will give you details in your regular bank statements or charges invoices (or other agreed means by which you wish to be notified) of the amount of the money we receive and of our charges for receiving the money.
- 7.3 **Account** transaction charges will be debited to an **Account** in line with the **Foreign Currency Account Charging Cycle** (unless otherwise agreed with your relationship team).
- 7.4 Unless we tell you or you request otherwise, we will send you pre-notification of **Account** transaction charges and debit interest at least 14 days in advance of them being debited to an **Account**.
- 7.5 We will tell you the charge for any other service or product before we provide that service or product to you, and at any time that you ask.



► INTEREST

Until further notice, interest (if payable on an Account) is calculated on a daily basis on cleared credit balances at the Credit Product Rate. Interest will be credited to an Account on the dates and frequency agreed with us, which in the absence of agreement shall be half-yearly.

8. Changes to your information

- 8.1 If you appoint a new **Authorised Signatory**, you must complete a new **Mandate**. We must be satisfied with our identification, background and other checks in relation to the new **Authorised Signatory** before we will be prepared to accept instructions from that person.
- 8.2 It normally takes us seven **Business Days** to process any changes to your **Mandate**. Until the changes have been processed, and we are satisfied with our identification, background and other checks (if applicable), we can continue to rely on your existing **Mandate**.



AUTHORISED SIGNATORY

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

9. Liability

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

A photograph of several wind turbines against a sunset sky. The sky transitions from a deep blue at the top to a warm orange and yellow near the horizon. The turbines are silhouetted against the bright part of the sky. A semi-transparent grey diagonal bar runs from the bottom left towards the top right, partially obscuring the turbines and the text.

7 Days

It normally takes us seven Business Days to process any changes to your Mandate.

10. Contact details

10.1 You can contact us:



by telephone on
0345 600 8526



by post at
Bank of Scotland
PO Box 1000
BX2 1LB



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

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

11. Other terms

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

11.2 These Product & Services Terms & Conditions apply to the services provided to you under these Product & Services Terms & Conditions. Subject to clause 11.3 and clause 11.4, if separate terms and conditions (including in the form of other Product & Services Terms & Conditions) are provided to you by us for the supply by us of any of our other products or services (either electronic, automated or other), the provisions of any such separate agreements will apply to those products and services.

11.3 To the extent of any conflict between these Product & Services Terms & Conditions and any other separate terms and conditions relating to the supply of the services provided to you under these Product & Services Terms & Conditions, these Product & Services Terms & Conditions will take precedence.

11.4 To the extent of any conflict between these Product & Services Terms & Conditions and any other separate terms and conditions relating to the supply by us of any of our other products and services (either electronic, automated or other), the terms and conditions relating to such other products and services will take precedence in respect of the provision by us to you of those products and services.

► PRECEDENCE

To the extent of any conflict between these Product & Services Terms & Conditions and any other separate terms and conditions relating to the supply of the services provided to you under these Product & Services Terms & Conditions, these Product & Services Terms & Conditions will take precedence.
