

Your Agreement

Product Specific Conditions

Bulk Cheque Processing Service

Contains additional terms and conditions for the Bulk Cheque Processing Service that you receive from us.

1. Meanings of words we use

BGC

A bank giro credit form from a UK clearing bank or UK building society.

Bundle

A bundle of up to 250 **Cheques** together with a **BGC** and a paper list of **Cheques**.

Business Day

Mondays to Fridays except public and bank holidays. Most services are available 9am to 5pm but some branches may have shorter opening times.

Cheques

Any of the following if they are payable in sterling and drawn on a UK clearing bank or UK building society:

- Cheques, Travellers Cheques and Bankers Drafts;
- Government Payable Orders and Warrants issued by HM Paymaster General; and
- UK Postal Orders.

Clearing Centre

The premises we choose at which your **Cheques** and **BGCs** will be processed.

Customer Identification Ticket

The ticket we supply and you complete when you are preparing **Cheques** for collection.

Customer Preparation Checklist

The checklist we provide to you setting out the way that **Cheques** and **BGCs** must be prepared by you before they are delivered to the **Clearing Centre**.

DX Mail Service

The DX business mail network you have entered into a contract with which acts solely on your behalf to transport **Cheques** from your premises and deliver them to the **Clearing Centre**.

Instruction Materials

All documents, information and other materials we provide to you or tell you about related to the **Service**. For example, guidance we have written down or guidance we give you over the phone. This includes the **Customer Preparation Checklist**, client information book and a stationery list.

Security Company

The security company approved by the British Security Industry Association, which you have entered into a contract with and which acts solely on your behalf to transport **Cheques** from you and deliver them to the **Clearing Centre** or, alternatively, the **DX Mail Service**.

Service

The Bulk Cheque Processing Service supplied by us under these Product Specific Conditions.

Voucher Image

An electronic image, front and back, of the **Cheques** and **BGCs**, captured during processing.

Voucher Imaging

The process, which allows images of **Cheques** and **BGCs** to be exchanged between banks and building societies, through the Image Clearing System, for clearing and payment.

2. What is the Bulk Cheque Processing Service?

It is a secure way to deposit large volumes of **Cheques**.

The **Service** is designed for UK sterling **Cheques**. It is not designed for cash, electronic vouchers, foreign cheques, drafts, non-UK Payment Orders and other non-clearing items and it cannot be used for these.

More details about the way the **Service** works are set out in the **Customer Preparation Checklist**.

By using the **Service**, you confirm that you have full capacity and authority to enter into and perform the obligations set out in these Product Specific Conditions.

3. What do you need to read to understand your agreement with us?

These Product Specific Conditions are just one part of the agreement between you and us relating to the **Service**. You also need to read:

- The General Conditions
- The authority you have given to us
- Your application form for the **Service**
- The Account Charges and Processing Times brochure
- The charges schedule for the **Service**

These Product Specific Conditions apply in addition to the terms and conditions relating to any accounts that you hold with us.

4. What happens if the documents that make up the agreement say different things?

If these Product Specific Conditions say one thing, and the General Conditions say another, these Product Specific Conditions will apply.

5. When is the Service available?

We cannot guarantee that the **Service** will always be available. For example, the **Service** could be unavailable due to issues at our **Clearing Centre**.

6. What rules will we follow when we are providing the Service?

We will act as your clearing agent for the collection of English, Welsh, Scottish and Northern Irish **Cheques**.

We will use reasonable care and skill and take reasonable steps to ensure that no **Cheques** are lost or damaged or destroyed while they are in our physical possession and/or control.

We will not be able to provide the **Service** in the way set out in these Product Specific Conditions, or at all, if doing so would mean we would break the law, a regulation or any agreement we have with another person.

7. How does the Service work?

You must enter into a contract with a **Security Company**. You must put arrangements in place with the **Security Company** for the collection of **Cheques** from your premises and the delivery of **Cheques** to us for credit to your account(s) with us.

Unless you tell us otherwise in writing, we will accept any sealed **Bundles** of **Cheques** (together with the relevant documents) from the **Security Company**, which the **Security Company** delivers to the **Clearing Centre**.

We are acting as your agent in the collection of **Cheques**. We will (except to the extent that we are negligent) have a right of indemnity against you where claims are made by third parties against us for conversion of **Cheques** or for money had and received.

8. What is the process for receiving and processing Cheques using the Service?

You must make sure that **Cheques** are valid and complete and properly payable to you.

You must keep an audit trail and capture full codeline details of each **Cheque** to be processed. You must keep the audit trail for at least six months.

If **Cheques** are received and accepted at the **Clearing Centre** by 19.30 on any **Business Day**, they will be processed on the same **Business Day**. If they are received after 19:30, they will be processed on the next **Business Day**.

If we cannot process any **Cheque(s)** (for example, because they are damaged), we will let you know by letter the next **Business Day** after processing. If you do not prepare **Bundles** correctly, there may be a delay in processing the **Bundles**, or they may be returned to you for repair and re-submission.

We will not be responsible, and no risk will pass to us for **Cheques** and/or credit slips until they have been delivered to and accepted by the **Clearing Centre**.

At the **Clearing Centre**, each delivery is opened and prepared for processing. We will make reasonable attempts to reconcile any discrepancies by checking items against the paper list of **Cheques** and **BGCs**. This is the only way that we reconcile the **Cheques** amount. We will tell you by letter of any alterations made to the **BGCs** where the discrepancy is £10 and over.

We will tell you by telephone about any delivery, which has been damaged to such a degree that we feel like the contents could have been interfered with. If this happens, we will identify any discrepancies within the damaged delivery as soon as is practical. We will then forward full written details to **you** within three **Business Days**.

You can usually withdraw funds by 23.59 on the **Business Day** after the day we start processing the **Cheques**. Sometimes we need to do further checks before you can withdraw the funds. Until this time, **Cheques** may be returned unpaid.

Any returned **Cheques** will be automatically taken from the account set out in the crediting details section of the application form for the **Service**. We will tell you by letter and include a **Voucher Image** of the **Cheque** and the reason for its return.

We will keep **Voucher Images** for 10 years.
We will destroy original paper items after 15 **Business Days**.

9. How must you prepare Cheques that you want to be processed using the Service?

You must prepare **Cheques** in **Bundles** of no more than 250 items. You must provide a fully completed **BGC** with each bundle and a paper list of **Cheques**, as set out in the **Customer Preparation Checklist**.

You must place the **Cheques**, paper list of **Cheques** and **BGCs** in the designated delivery packaging. Your name and the date of remittance must be clearly visible. You must complete a **Customer Identification Ticket** for each bag you submit and place the **Customer Identification Ticket** in the bag.

10. Can we change or choose a different Clearing Centre?

Yes, we may choose another **Clearing Centre** from time to time. We will not be responsible for any money you lose or costs you have to pay if we do so.

11. How can you add more accounts to the Service?

You can do this through your relationship team. Once you add an account to the **Service**, you can then name it on a **BGC** so that **Cheques** can be paid into it.

12. How do you get more Customer Identification Tickets and BGCs?

You can ask us. We will provide them to you as long as the request is for a reasonable amount considering how much you are likely to use the **Service**.

13. What rules do you need to follow when you are using the Service?

You must:

- have and maintain all necessary licenses, permits, registrations, consents and authorisations, which you are required to have by law
- comply with any security procedures we or others tell you about
- co-operate with us and provide us with information we need relating to the **Service**.

14. What are you and we responsible for relating to the Service?

Our total liability to you relating to the **Service** in any period of 12 months (or such lesser period as we have been providing the **Service** to you) up to the date when the liability was incurred, whether in contract, tort, delict or otherwise, in each case howsoever caused including if caused by negligence, will not be more than:

- the amount (if any) of any refund we are required to provide to you for a payment by law; and
- 150% of the charges, which you have paid for the **Service** in respect of that period.

Unless we are responsible to you by law or under our agreement with you relating to the **Service**, we will not be liable in tort, negligence, delict or in any other way for:

- your fraud; or
- any failure by you to use, or to make sure that the **Service** is used, is in line with these Product Specific Conditions and any other instructions we provide from time to time.

15. How should we contact each other about the Service?

The General Conditions set out information about contacting each other, but there are some additional things you need to know about this **Service**.

If you have missing work or you have received an incorrect credit, you should contact our iPSL Research & Adjustment Team on **0345 1650414**, Option 2.

If you need more stationery, you should contact the Bulk Stationery Team by email at **corp.bulkstationery@lloydsbanking.com**

16. What charges will you pay for the Service?

You will need to pay charges for the **Service**. The charges are set out in the charges schedule for the **Service**, or they will be as you have agreed in writing with us. You can ask us for a copy of the charges at any time.

Charges will be collected from the account chosen in your application form for the **Service**. We will take the charges from that account monthly in arrears.

17. How do you change the account you want us to take your charges from for the Service?

You will need to complete a separate application form for the **Service**.

18. When can we suspend or end the Service?

The General Conditions set out information about closure and suspension of accounts and services, but there are some additional things you need to know about this **Service**.

We can end the **Service** where you no longer have an account with us.

We can suspend the **Service** if the **Cheque** and Credit Clearing Company suspends the service provided to us, where we have concerns about security or where we need to protect the security, reputation or integrity of the **Service**.

If you end or we end the **Service**, you will still be responsible for any amount, which you owe to us (whether such amount is incurred before or after closure). Those amounts will become immediately payable and due.

**Tell us what you think
of this communication**

**We won't ask for any personal
information in this survey.**



Our service promise

Please let us know if you have a problem – we're here to help. See our complaints process on our 'Help & Support' page at business.bankofscotland.co.uk/complaint

Find out more

 **Speak to your relationship team**

 **bankofscotland.co.uk/business**

Please contact us if you would 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 Relay UK. More information on the Relay UK service can be found at: relayuk.bt.com

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