

Your Agreement

Product Specific Conditions

Applicable to:

Commercial Trust Account

Trustee Account

Business Banking Trustee Account

Contains additional terms and conditions for the Trust Account which you hold with us.

1. Meaning of words we use

Beneficiary or Beneficiaries

The person or people that the **Settlor** wants to benefit from the money that is held in the **Trust**.

Business Day

Has the meaning given in the **General Conditions**.

If the **Trust Account** is a euro denominated currency account, then for the purposes of payments to and from the **Trust Account**, the term "**Business Day**" includes a **Euro Payment Day** if a **Euro Payment Day** does not otherwise fall on a **Business Day**.

Blocking Notice

The notice that a **Beneficiary** may send to us if a default occurs under the terms of the **Trust**.

Euro Payment Day

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

Non-Sterling Currency Account Charging Cycle

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

Settlor

This is the person or people who set up the **Trust** and make a gift to the **Trust**. They choose the initial **Trustees** and decide who the **Beneficiaries** are.

TARGET2

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

Trust

The trust which the **Trust Account** relates to.

Trust Account

The trust account you hold with us. It is an account which is designated as holding funds for the benefit of the **Beneficiaries**. These beneficiaries are not named or otherwise identified in the title of the account.

Trustee or Trustees

The trustee or trustees of the **Trust**. The trustee(s) may be individuals or a trust company. Where we refer to 'you' and 'your' in these terms, we are referring to the trustee(s) acting in their capacity as trustee.

2. 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 **Trust Account** which you hold with us. Together with the documents listed below, these documents form **Your Agreement**.

You also need to read:

- ▶ the **General Conditions**;
- ▶ the **Authority** you have given to us relating to the operation of your **Trust Account**;
- ▶ the **Account Charges and Processing Times** brochure or **Account** specific tariff sheet; and
- ▶ any other document which we title "**Your Agreement**" or which we say to you forms part of your agreement with us.

3. What happens if the documents which 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.

4. Who can have a Trust Account?

Only **Trustees** can have a **Trust Account**.

5. Opening and operating a Trust Account

To open a **Trust Account** we need a completed Legal Confirmation of Trust Deed form and a copy of the "proof of registration" document which evidences the **Trust's** registration with HMRC's Trust Registration Service or a valid reason why the **Trust** is exempt from registration.

You must operate the **Trust Account** in accordance with the **Trust** and all your obligations which apply to you in relation to the opening and operation of the **Trust Account**.

You give us permission to contact the **Beneficiary** to confirm any proposed transaction on the **Trust Account**, if we choose to do so.

We won't be required to consider the terms of the **Trust**, its validity or your powers as **Trustee**.

We will assume that all funds held in the **Trust Account** are subject to the **Trust**.

A **Trust Account** can be denominated in sterling or a currency other than sterling. If you hold a **Trust Account** in a currency other than sterling, you must also maintain a sterling **Trust Account**.

6. Instructions and responsibilities

The **Trust Account** must only be used for monies related to the **Trust** for which it is held. You must not deposit any of your own funds in this account which you hold otherwise than as **Trustee**.

All **Trustees** must act in accordance with the **Authority** relating to the operation of the **Trust Account**.

You are responsible for carrying out due diligence and any applicable anti-money laundering checks on the **Beneficiaries**. If we ask, you agree to confirm you have done these and provide us with evidence that you have done this as soon as possible.

Each **Trustee** is jointly and severally liable for any sums owing to us on the **Trust Account**. This means that all **Trustees** are responsible together and each is also responsible individually to us for these amounts.

If you are acting within your duties as **Trustee**, your liability shall be limited to the extent of the assets of the **Trust**.

7. Do you need to make a minimum deposit?

No, although we may ask for a minimum deposit to be made and/or maintained in the future.

8. How can payments into and out of the Trust Account be made?

Cash cannot be paid into or withdrawn from your **Trust Account**. Payments in and out of your **Trust Account** can only be made electronically.

When you ask us to make payments from the **Trust Account**, we will always make those payments in the currency of the **Trust Account** unless you specifically ask us to do something different.

For some currencies we may need to convert your balance into the relevant foreign currency and check that a **Trust Account** will be held by our appointed bank in that country in order that we can ensure that such **Trust Account** is held in accordance with local laws and banking practices. Details of whether a **Trust Account** is held with an appointed bank is available from us on request.

All payments into a **Trust Account** must be made in the currency of the **Trust Account**.

9. Charges for non-sterling Trust Accounts

Where the **Trust Account** is denominated in a currency other than sterling, unless we agree otherwise, account transaction charges will be debited to the **Trust Account** in line with the **Non-Sterling Currency Account Charging Cycle**.

10. Can you have an Overdraft on a Trust Account?

We may agree an **Authorised Overdraft** on a **Trust Account**.

You must not let your account go into an **Unauthorised Overdraft**. You will be using an **Unauthorised Overdraft** if:

- ▶ you make a payment when you don't have enough **Available Funds** in your **Trust Account**; or
- ▶ a payment into your **Trust Account** is recalled by the paying bank or we have added charges, and you don't have enough **Available Funds** in your **Trust Account** to cover the amount.

The **General Conditions** and **Account Charges and Processing Times** brochure explain the different types of overdraft and what charges and interest you will pay if your **Trust Account** becomes overdrawn.

11. Can we take money from a Trust Account to pay off a debt you owe?

The **General Conditions** explain when we can use money in any of your **Accounts** to repay money you owe to us. Where the **Account** is a **Trust Account**, we will only use money from **Trust Accounts** in your name as follows:

- ▶ to debts held with us in your name as sole trustee; or
- ▶ to debts held with us in your name jointly as trustee with another person.

We will only apply set-off where the accounts are held on trust for the same **Beneficiary**.

12. Statements

Any payments into and out of the **Trust Account** will be shown in the same currency as the **Trust Account**.

13. What happens if there is a Blocking Notice?

The **Beneficiary** may request to take full control of the **Trust Account** by sending a **Blocking Notice**. The **Blocking Notice** instructs us to block the account for the **Beneficiary** to take control of the **Trust Account** and withdraw the funds they are owed.

If we become aware that a charge or other arrangement (such as a **Trust**) has become enforceable, we can freeze or block the **Trust Account** whilst we check whether the request is valid. We won't be responsible for any money you or anyone else loses or anything which happens due to us freezing or blocking your accounts. You agree to indemnify us, our agents, employees, officers and directors for any money we or other people lose due to anything we do or don't do under this condition, unless it is due to us being very careless or doing things wrong purposefully.

14. What happens if the Trustees change?

If a **Trustee** retires and/or a new **Trustee** is appointed, you need to tell us. We will change the **Trustee** details on the **Trust Account** once we have been notified and we have been provided with the proof we ask for.

15. What happens if a Trustee dies?

If a **Trustee** dies you need to tell us.

If there are one or more surviving **Trustees**, we will remove the deceased **Trustee** from the **Trust Account** once we have been notified of the death and provided with the proof we ask for. The **Trust Account** will continue in the name of the surviving **Trustee** or **Trustees**.

If there are no surviving **Trustees**, the **Settlor** and the personal representatives of the deceased **Trustee** will need to consult the terms of the **Trust** to determine how a new trustee may be appointed. We will update the **Trust Account** with details of the new **Trustee** once we have been notified of the death and provided with the proof we ask for regarding the new **Trustee** and evidence of their appointment.

16. What happens if a Beneficiary dies?

If a **Beneficiary** dies, you should seek legal advice as to whether this affects the continuation of the **Trust**.

17. When we aren't responsible if things go wrong

Unless we have been very careless or done things wrong purposefully, we (and our agents, employees, officers and directors) won't be responsible for, and you will indemnify us for, any money which you, the **Beneficiary** or any other person loses as a result of us taking or not taking any action relating to:

- ▶ the **Trust**;
- ▶ the instrument creating a **Trust**;
- ▶ the **Blocking Notice**; or
- ▶ any related documentation or notices relating to the **Trust Account**.

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

 **Contact your relationship team**

 **Go to business.bankofscotland.co.uk**

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Eligible deposits with us are protected by the Financial Services Compensation Scheme (FSCS). We are covered by the Financial Ombudsman Service (FOS). Please note that due to FSCS and FOS eligibility criteria not all business customers will be covered.

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