

Direct Postal Lodgements

- 1.1 Cheques credited to your Account using the Direct Postal Lodgements service will be subject to the cheque clearance timescales set out in the Need to Know Brochure.
 - 1.2 We shall not be liable for any discrepancy between the amount(s) of any monies deposited using the Direct Postal Lodgements service compared with the amount(s) shown on the relevant pay-in slip. Our decision is final.
 - 1.3 We may credit/debit the Account with the value of any differences discovered in the checking of any money paid to the Account using the Direct Postal Lodgement service. Where any discrepancy arises we will notify you in writing of the amount credited or debited to the Account as the case may be.
 - 1.4 Where We receive a pay-in to the Account under the Direct Postal Lodgement service without a pay-in slip, we will endeavour to do all we can to identify the Account which should be credited. However, we cannot guarantee to do so and it is your responsibility to tell us of any credit not applied to the Account as expected. We shall not be liable for any delay in applying a pay-in under the Direct Postal Lodgement service where the pay-in slip is not included.
 - 1.5 You should keep a note of all cheques sent using the Direct Postal Lodgement service and include details of each individual cheque on each pay-in slip.
 - 1.6 Cheques paid in using Direct Postal Lodgement service envelopes should be placed in the envelopes in the following manner:
 - (a) A properly completed pay-in slip must be included with all pay-ins. The pay-in slip must contain details of each individual cheque being paid in to your Account.
 - (b) All cheques should be flat.
 - (c) All cheques should be counted and the value for each marked on the pay-in slip.
 - (d) There should be no staples or paper clips used to hold the pay-ins together.
 - 1.7 Only pre-printed pay-in slips should be used for paying in via Direct Postal Lodgement service envelopes.
 - 1.8 The weight of cheques deposited via the Direct Postal Lodgement service envelopes should not exceed 500g.
 - 1.9 Only Direct Postal Lodgement envelopes ordered from us should be used to pay cheques into Your Account.
 - 1.10 No documentation should be placed in these envelopes other than cheques and the relevant pay-in slip.
 - 1.11 You should retain Your proof of posting until You have received confirmation that any funds posted have been credited to Your Account.
 - 1.12 You may order a minimum of 20 Direct Postal Lodgements envelopes from us at any one time.
- ## 2 Termination
- 2.1 This Agreement shall continue until terminated in accordance with this clause.
 - 2.2 We may terminate this Agreement immediately if any of the termination provisions within the Account Terms become effective.
 - 2.3 Subject to clause 2.2 we will not terminate this Agreement without giving you at least two months' written notice.
 - 2.4 Closure of your Account will automatically terminate this Agreement.
- ## 3 Changes to this Agreement
- 3.1 We may change or introduce (where appropriate):
 - charges and annual fees; and/or
 - these terms and conditions.
- 3.2 We will notify you by notice in writing at least two months before we either make any changes to these terms and conditions or introduce charges or annual fees. You will be deemed to have accepted any change to these terms and conditions (including the introduction of charges or annual fees, as appropriate) if you do not notify us to the contrary before the date any such change comes into effect.

However, if you choose not to accept any change:

 - you can cancel the Direct Postal Lodgement service at any time before the change comes into effect; or
 - our notice of change shall be deemed to be notice of termination given under clause 2 and this Agreement will terminate the day before any change comes into effect.
 - 4.1 These terms and conditions apply to our Direct Postal Lodgement service only. In the event of any overlap and/or inconsistencies between these terms and conditions and any other terms and conditions relating to any of our other products and services, the terms and conditions relating to such other products and services will take precedence in respect of those products and services.
 - 4.2 Any notice to be given by either party in relation to the Agreement shall be written, sent by post or otherwise delivered to the other party. The address for any such notice to us shall be the branch at which your account is held or your relationship manager until further notice. The address for such notice to you will be the latest correspondence address we hold for you. Either party may subsequently change address for communication by giving 7 days' notice in writing to the other party.
 - 4.3 All notices or other communications between the parties shall be in the English language.
 - 5.1 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 not accept instructions and may refuse to make any payment or take any action pursuant to an instruction if it would result, or in our reasonable opinion is likely to result, in a breach by it 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 the Bank 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 instruction and/or payment as may be required.
- ## 6 Liability
- 6.1 Micro-enterprises

The provisions of this clause 6.1 shall apply if you are a Micro-enterprise

 - 6.1.1 If you are a Micro-enterprise and we fail to execute, or incorrectly execute a cheque payment on your Account, we will refund the amount of the payment to your account. We will also refund to you any interest and charges directly incurred by you on your Account that would not have been incurred had we executed the payment correctly.
 - 6.2 Non-Micro-enterprises

Clause 6.1 shall not apply if you are not a Micro-enterprise. Instead this clause 6.2 shall apply.

 - 6.2.1 We shall not be liable for the defective execution of cheque payments unless we are negligent or in breach of contract. If we are liable to you under this clause 6.2 we will refund to you the amount of the payment to the extent it has been wrongly paid and any charges or interest you paid as a result and pay you any interest we would have paid you on that amount, but beyond this we not have any further liability to you.
 - 6.3 You are responsible for ensuring that cheques issued by you are correctly and legibly completed and signed.

- 6.4 We will not be liable to you for any consequential or indirect loss, loss of profits, loss of business, loss of goodwill or any form of special damages arising from the operation of an Account whether such liability was reasonably foreseeable or not and whether or not we have been advised of the possibility of such loss being incurred.
- 6.5 We shall have no liability to you under this Agreement if we are prevented from or delayed in performing our obligations under this Agreement, or from carrying on its business, by any abnormal or unforeseeable circumstances beyond our reasonable control including (without prejudice to the generality of the foregoing and without limitation) acts of God, expropriation or confiscation of facilities, any form of war, hostilities, rebellion, terrorist activity, local or national emergency, sabotage or riots, and floods, fires, explosions or other catastrophes or natural disasters, compliance with a law or governmental order, rule, regulation or direction, or failure of equipment, software or communications network(s) or other circumstances affecting the supply of goods or services.
- 6.6 Nothing in this clause 6 excludes our liability for fraudulent misrepresentation by us, our servants or agents or our liability for death or personal injury caused by our negligence or the negligence of our servants or agents.
- ## 7 General
- 7.1 No failure or delay by a party to exercise any right or remedy provided under this Agreement or by law shall constitute a waiver of that (or any other) right or remedy, nor preclude or restrict its further exercise. No single or partial exercise of such right or remedy shall preclude or restrict the further exercise of that (or any other) right or remedy.
- 7.2 If any clause or part of this Agreement is found by any court, tribunal, administrative body or authority of competent jurisdiction to be illegal, invalid or unenforceable, that provision will to the extent required be severed from this Agreement and this will not affect any other provisions of this Agreement, which shall remain in full force and effect.
- 7.3 This Agreement and the documents referred to in it, are made for the benefit of the parties to them and their successors and permitted assigns and are not intended to benefit, or be enforceable by, anyone else.
- 7.4 You shall not assign or transfer any of your rights and obligations under this Agreement without our prior written consent. We may assign, transfer or sub-contract all or any of its rights or obligations under this Agreement.
- 7.5 If there are two or more persons comprised in the expression "you" your undertakings and liabilities shall be joint and several and the reference to "you" shall be deemed to mean any one or more of you.
- 7.6 If you are a partnership this Agreement shall continue in full force and effect and bind each of the partners notwithstanding any change in the name, style or constitution of the partnership whether by the death or the retirement of a partner or partners or the introduction of a new partner or partners or otherwise.
- 7.7 This Agreement and any non-contractual obligations arising out of or in connection with it shall be governed and construed in accordance with either the laws of England and Wales if your Account is held in England and Wales or the laws of Scotland if your Account is held in Scotland. The courts of England and Wales or Scotland (depending on where Your 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 connection with this Agreement).
- ## 8 Definitions
- We use the following defined terms throughout these Conditions:
- Account** - means the account you currently hold with us.
- Account Terms** - means the "agreement" as defined in the conditions governing each Account maintained on your behalf by us.
- Agreement** - means the agreement between us and you that is made up of the accompanying application form, the mandate or authority that relates to your account and these terms and conditions.
- Business Day** - means 9am to 5pm Mondays to Fridays 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 Account.
- Direct Postal Lodgement** - means the service provided to customers to deposit cheques to their account in sealed envelopes which are subject to subsequent verification.
- Lloyds Banking Group** - means Lloyds Banking Group plc and its subsidiaries for the time being.
- Micro-enterprise** - means any enterprise, or group of enterprises of which it forms part, which at the time you enter into this Agreement employs fewer than 10 persons and has an annual turnover (or balance sheet) of less than €2 million (or its equivalent).
- Need to Know Brochure** - means any brochure or leaflet of ours that sets out the timing of payments.
- We, our and us** - means Bank of Scotland plc, registered in Scotland number SC327000. Registered Office: The Mound, Edinburgh EH1 1YZ and its successors and assigns.
- You and your** - means the party(ies) who have entered into the Agreement with us.

Service Promise

We aim to provide the highest level of customer service possible. However, if you experience a problem, we will always seek to resolve this as quickly and efficiently as possible. If something has gone wrong please bring this to the attention of any member of staff. The complaint procedures are also published on our website: www.bankofscotlandbusiness.co.uk/contactus.

Information is available in large print, audio and Braille on request.

www.bankofscotlandbusiness.co.uk

We accept call via Text Relay.

Telephone calls may be recorded for security purposes and monitored under our quality control procedures.

Please note that any data sent via e-mail is not secure and could be read by others.

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.

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.

The 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. More information on the Lloyds Banking Group can be found at www.lloydsbankinggroup.com.