

# Copy of the proposed credit agreement containing notice of your right to withdraw

## Do NOT sign or return this copy

Between us <input type="text" value="Bank of Scotland plc"/>	Of (full branch address) <input type="text"/>
and you (customers full name) <input type="text"/>	(address) <input type="text"/>

In condition 8 we set out special meanings we have given to some words in this agreement.

### Key Financial Information

We will lend you the Cash Loan.

Amount of loan	£
Instalments	[ ] instalments of interest accrued since your last instalment date (or, in the case of your first instalment, since we provided the Loan); then* [ ] instalments of £ [ ]; and one final instalment of all amounts then outstanding
annual percentage rate (variable)	%

- **Term** [ ] months
- You must repay the Loan by (a) a first instalment one month after we provide the Loan (or on any earlier date you notify to us) and subsequent monthly instalments on the same day of the month; and (b) paying all Fees when they become due under condition 4(f).
- If any payment from you or us under this agreement would be due on a non-Business Day, it will be treated as due on the next Business Day.
- The repayments do not take into account any variation to the amount of interest you pay as a result of us varying the interest rate or the way interest is calculated and charged or any variation to the amount of your instalments under condition 4(h).

### Other Financial Information

The annual percentage rate above, and Total Charge for Credit below, do not take account of any variations (i) to the amount of interest payable (see "Key Financial Information" above); (ii) under conditions 4(d), 4(e), or 4(h); (iii) as a result of instalments falling due on a non-Business Day; or (iv) between the actual and estimated Legal Fees and Valuation Fee (if they are estimated below).

	Cash Loan
Arrangement fee	£
Legal fees	£ estimated*
Valuation fee	£ estimated*
Interest	£ (on Cash Loan and amount to fund Fees over the Term)*
Total Charge for Credit	£ estimated*

- Yearly interest rate [ ]% over the Base Rate. At the time we prepared this document, this equalled [ ]% (variable), as the Base Rate was then [ ]% (variable).
- We charge interest on the daily balance of your Loan and add it when an instalment is due. We may vary the way interest is calculated and charged.

### Key Information

Security

You must pay reasonable costs we incur as a result of you breaking this agreement, such as the expenses of tracing you and enforcing this agreement.

You may have to pay revaluation fees in accordance with condition 7(c).

You can end this agreement at any time by making a single payment. The following examples illustrate how much you would pay to settle your Cash Loan early:

<b>Amount needed to settle early</b>	After 1/4 of term	After 1/2 of term	After 3/4 of term
	£	£	£

The above early settlement amounts are only illustrative because we have not taken account of any variations that may occur under this agreement.

This agreement is not cancellable under the Consumer Credit Act 1974, Timeshare Act 1992 or Financial Services (Distance Marketing) Regulations 2004.

### MISSING PAYMENTS

Missing payments could have severe consequences and make obtaining credit more difficult.

### YOUR HOME MAY BE REPOSSESSED

Your home may be repossessed if you do not keep up repayments on a mortgage or other debt secured on it.

\* delete as appropriate

**IMPORTANT - READ THIS CAREFULLY TO FIND OUT ABOUT YOUR RIGHTS**

The Consumer Credit Act 1974 lays down certain requirements for your protection which should have been complied with when this agreement was made. If they were not, we cannot enforce this agreement without getting a court order.

The Act also gives you a number of rights. You can settle this agreement at any time by giving notice in writing and paying off the amount you owe under the agreement. Examples indicating the amount you have to pay appear in the agreement.

If you would like to know more about your rights under the Act, contact either your local Trading Standards Department or your nearest Citizens' Advice Bureau.

**YOUR RIGHT TO WITHDRAW**

This is a copy of your proposed credit agreement which is to be secured on land. It has been given to you now so that you may have at least a week to consider its terms before the actual agreement is sent to you for signature. You should read it carefully. If you do not understand it, you may need to seek professional advice. If you do not wish to go ahead with it, you need not do so.

If you decide **NOT** to go ahead with the agreement, you should inform us or, if you prefer, any supplier or broker involved in the negotiations. You can do this in writing or orally for example by telephone. If the agreement arrives for signature and you have decided **NOT** to go ahead, **DO NOT SIGN IT**. Then you will not be legally bound by the agreement.

**YOUR RIGHT TO APPEAL LENDING CONDITIONS**

If you are unhappy with any of the conditions relating to your requested lending, please do not sign the document, but instead speak to your Relationship Manager. If you are still unhappy you can appeal to our Independent Appeals Team to review your case within 30 days of this letter. You can find further details about the process on our website at [www.bankofscotlandbusiness.co.uk/business-finance/lending-support/appeals-process](http://www.bankofscotlandbusiness.co.uk/business-finance/lending-support/appeals-process).

You can't use this process to appeal the proposed costs of agreed lending, such as interest rates, fees and costs, or our standard terms and conditions. If you do appeal our lending condition(s), then this could delay how long it takes for us to put your new lending facility in place, although we aim to deal with 90% of all appeals within 30 days of receipt.

This document creates legal obligations and therefore before signing we recommend that you consider getting independent advice. This may help you in understanding the potential consequences in the event that things go wrong.

By signing in the signature box you understand that we can make the checks, and use and disclose your personal information, in accordance with conditions 6(g), 7(d) and the section headed "Personal and Business Information and Lloyds Banking Group".

**Summary of information**

Purpose of Cash Loan

Existing sort code and account number (if to be repaid)

<input type="text"/>											
<input type="text"/>											
<input type="text"/>											
<input type="text"/>											

Indicate whether the amount of the following items is to be funded by us or settled separately:

	Funded by us	Settled separately
Arrangement fee	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Legal fees	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Valuation fee	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

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

## FIXED AND BASE RATE TERMS AND CONDITIONS

### 1 Joint Customers and Partners

- (a) If there is more than one customer, you are all jointly and severally responsible for keeping to all the terms of this agreement. If any of you does not keep to the terms we can take action against any of you, singly or together.
- (b) If you are a Partnership, or you sign this agreement on behalf of such a body, then all persons who are or become members of that body are jointly and severally responsible for keeping to the terms of this agreement. Those obligations remain binding if the body is dissolved or reconstituted, or changes its name or constitution. Notwithstanding the business purposes declaration set out in this agreement, the obligations in this agreement are binding on the Partnership whether or not the Loan is used in connection with its business.
- (c) If you are an Unincorporated Association, or you sign this agreement on behalf of such a body, then all persons who are members of that body and have signed or ratified the agreement are jointly and severally responsible for keeping to the terms of this agreement. Those obligations remain binding if the body is dissolved or reconstituted, or it changes its name or constitution. Notwithstanding the business purposes declaration set out in this agreement, the obligations in this agreement are binding on the Unincorporated Association whether or not the Loan is used in connection with its business.
- (d) If you are a Partnership or Unincorporated Association we may require all partners, or members or officers, to sign a resolution approving this agreement before we enter into it.

### 2 Availability of Loan

- (a) This agreement has no effect until we and you have signed it and we have received it back at the bank address specified in this agreement. You must sign and return the original copy of this agreement to us within 14 days of the date of our signature.
- (b) You should tell us when you want the Loan paid to you. This must be on a Business Day no more than 30 days after we sign this agreement (unless we permit a delay). We may withhold payment of the Loan to you if we reasonably believe that you have not complied or will not comply with the terms of this agreement (see condition 5(a)). We will credit the Cash Loan to the Servicing Account. We will then immediately pay out of that Servicing Account any part of the Cash Loan you have asked us to use to pay off any existing account for you. We will debit Fees, when they are due under condition 4(f).
- (c) If we fund payment of Fees over the Term, we will charge you interest (at the same rate as for the Cash Loan) on the amount we provide to fund Fees. If Fees are estimated, we will fund the amount of the estimated Fees. The Cash Loan instalments will also cover the amount we provide to fund Fees and interest on that amount.
- (d) You confirm that your intention is to use the Loan for the purposes specified within this agreement.

### 3 Interest

- (a) For variable rate loans, the interest rate will change when the Base Rate changes. We will make such changes immediately and without notice to you. Details of any change in the Base Rate will be available in our branches, updated on our website and advertised in a selection of national newspapers. When we tell you about a change and we are required to notify you personally, we will do so at least annually on your statement, by statement insert, letter, email, text or in any other way which is sent to you individually. We will not change the margin by which the interest rate on your Loan tracks the Base Rate. The margin is set out in the "Other Financial Information" section of the agreement.
- (b) For fixed rate loans, we will not change the interest rate on your Loan.
- (c) As we charge interest on the daily balance of your Loan, if an instalment or part of an instalment is unpaid at any time after the date it became due, the amount unpaid (including any interest included in that amount) will form part of the balance owing in respect of your Loan and we will charge interest on it accordingly.

### 4 Your Payments

- (a) You must pay us all sums due in this agreement on time. If you fail to pay on time, we may take action in accordance with condition 5(a)(i).
- (b) You authorise us to collect instalments by automated transfer from the Servicing Account. We recommend that you keep sufficient available funds in that account.
- (c) We may agree to collect the interest and capital repayment elements making up your instalments from separate accounts or (if they are both collected from an account you hold with us) we may show them separately on any related statements.
- (d) We have a right to vary the timing, frequency, number and amount of your instalments for any reason, including for example:
- (i) to take account of a change in our systems (provided we will take all reasonable steps to avoid any disadvantage to you as a result); or
  - (ii) where we reasonably believe that you will not be able to make your repayments in accordance with this agreement (for example if you are experiencing temporary financial difficulties), provided that we will always exercise our rights under this condition 4(d) in a reasonable and proportionate way.
- (e) You may repay the Loan (or any part of it) early. You cannot redraw anything you have paid off. We will use any partial repayments to reduce the total amount outstanding in relation to the Loan. If your interest rate is fixed we will reduce the term of your Loan and if your interest rate is variable we will reduce the amount of your regular instalments.
- (f) You must pay us the Arrangement Fee specified in this agreement when we provide the Cash Loan or immediately after telling us you no longer want the Cash Loan. You must pay any Legal Fees and Valuation Fee specified in this agreement when they become due (which is normally when we provide the Cash Loan but may be later when they are due to a third party), even if you do not draw the Cash Loan or we do not provide it. Except where you exercise your right of withdrawal, Fees are not refundable if this agreement ends early.
- (g) If any Fees are indicated within this agreement as 'estimated', they are based on equivalent fees we typically charge other borrowers around the time we enter into this agreement, but the actual amounts we will debit may turn out to be different. We will let you know in advance the details of the actual amounts we will debit.
- (h) If you fail to pay an instalment in full and on time, and any part of that amount has not been paid by the time we calculate your next instalment amount, we may (at our discretion):
- increase the amount of that next instalment and each of your remaining regular instalments proportionally to ensure that the full balance of the Loan is repaid within the agreed term;
  - extend the term of your Loan; or
  - increase the amount of your final instalment.

This does not affect our right to take action in accordance with condition 5(a)(i).

- (i) We will apply any payments we receive from you against any interest before any other amounts on your account, including the outstanding capital of your Loan. This will not apply to payments made specifically for fees and/or charges or where we collect the interest and capital that make up your repayment from separate accounts.

### 5 Default, non compliance and other causes of termination

- (a) Without prejudice to condition 5(e), we may require immediate repayment of everything you owe us (or we need not pay the Loan, or any part of it, over to you) if any of the following occurs and we reasonably consider it may negatively affect your ability to repay the Loan:
- (i) you fail to make a payment on time;
  - (ii) any information you have given or give us in future is inaccurate or changes materially in a way that reasonably affects our decision to lend to you;
  - (iii) 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);
  - (iv) without our consent which we will not unreasonably withhold or delay, you create or permit any new charge, mortgage, standard security or security interest over your business or any part of it, or its property, assets or income;

- (v) without our consent which we will not unreasonably withhold or delay, 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) save that no such sale, lease or other disposal may be made or entered into (1) if it would breach the terms of any security document given to us; or (2) in respect of any undertaking, property, revenue or asset over which we then have a fixed charge or fixed security asset;
- (vi) you cease trading or significantly change the nature of your business as it is now conducted;
- (vii) you do not have the insurance over your business and its assets that we reasonably think is normal for a business of your type (you must promptly show us evidence of this insurance if we ask for it) and do not arrange such insurance within 30 days of us asking you to;
- (viii) you factor or assign any debts owed to your business without our consent;
- (ix) you become insolvent (or in Scotland, apparently insolvent), a bankruptcy or sequestration petition 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;
- (x) if you are a 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;
- (xi) you seriously or persistently break this or any other agreement with us;
- (xii) any of the security documents are not executed, or any security we hold in connection with this agreement is or becomes void or voidable or unenforceable in whole or part (unless due to fault or error on the part of the Bank);
- (xiii) we reasonably believe that the security is worth substantially less than when it was given to us, and you do not arrange any additional security that we may reasonably require to make up for the deficiency within 30 days of our request;
- (xiv) any person giving security we hold in connection with this agreement defaults on it, or on any other agreement with us or security given to us and you do not arrange any additional security that we may reasonably require to make up for the deficiency within 30 days of our request;
- (xv) if you use the Cash Loan to inject capital into a business of which you are or are to become a partner; into a limited liability partnership of which you are or are to become a member; or into a company of which you are or are to become a director, and:
  - (1) you cease for any reason to be a partner of that business, member of that limited liability partnership or director of that company;
  - (2) any of the events referred to in paragraphs (iii), (vi) or (x) applies in relation to that partnership, limited liability partnership or company; or
  - (3) that company (if it is a limited company) or limited liability partnership has 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 it has a receiver appointed over all or part of its assets or it ceases to trade, or it is deemed by law unable to pay its debts, or it makes 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 its indebtedness.

- (xvi) where you do not have a Servicing Account.

- (b) If you use the Cash Loan to inject capital into a business of which you are or are to become a partner; into a limited liability partnership of which you are or are to become a member; or into a company of which you are or are to become a director, condition 5(a)(iv), (v), (vi) and (viii), and any references to Financial Statements in this agreement, do not apply to you.

- (c) If you die, we need not pay the Loan, or any part of it, over to you.

- (d) Where there is more than one customer, we will have the rights in condition 5(a) if any of the stated circumstances applies to any one of you. We will also have the rights in condition 5(c) if any one of you dies and we reasonably think the remaining customer(s) may be unable to repay the Loan in accordance with this agreement.

- (e) We will send you formal notice under the Consumer Credit Act 1974 before we require repayment. This will tell you what you must do to avoid us enforcing this agreement, and give you a short time to do this.

- (f) If you are unable to meet any payments due to us (or think you may have difficulties) you should contact your branch as soon as possible. This is very much in your own interests and it is likely to save you money.

- (g) Where no default has occurred under condition 5(a) we will not terminate this agreement without giving at least 30 days' notice. Such notice will be in the prescribed form in accordance with the Consumer Credit Act 1974.

### 6 Other conditions

- (a) You must effect any life assurance policy mentioned within this agreement, if you have not already done so. You must make any payments on time, and give us evidence of this if we ask for it.

- (b) You must have a Servicing Account whilst this agreement lasts from which we will take the payments due under this agreement.

- (c) You must provide us with copies of any financial or any other information that we may from time to time reasonably request (including your Financial Statements) audited or certified by an independent accountant as required by law or by us from time to time as soon as reasonably possible and in any event within 180 days of the end of the period to which they relate.

- (d) This agreement (and any non-contractual obligations arising out of or in connection with this agreement) is governed by English law and the courts of England and Wales shall have jurisdiction over it, unless your business address on the front pages of the agreement is in Scotland, in which case it will be governed by Scots law and the courts of Scotland shall have jurisdiction over it.

- (e) We may sell, assign, transfer or securitise our rights and/or our obligations under this agreement, or enter into transactions which have the effect of transferring our economic or credit risks and/or rewards under this agreement and references to "we", "us" and "our" shall include our successors and assigns.

- (f) In the event of a proposed sale, securitisation or transfer of risks and/or rewards of the Loan (or part of it), or assignment or transfer of any of our rights under this agreement:

- (i) we may disclose information about you, your finances and this agreement to any potential purchaser, assignee, transferee, counterparty to an agreement transferring risks and/or rewards, rating agencies, listing authorities, their and our advisers, and any other person to whom it is reasonable for us to disclose such information in relation to the proposed sale, securitisation, transfer, assignment or transfer of risks and/or rewards;
- (ii) we only make such disclosure to them if they agree to keep the information confidential and to use it only to consider the possible sale, securitisation, transfer, assignment or transfer of risks and/or rewards;
- (iii) if the sale, securitisation, transfer or assignment goes ahead, any purchaser, assignee, transferee, counterparty to an agreement transferring risks and/or rewards and any other person to whom it is reasonable for us to disclose such information in relation to such transaction may then use the information in all the same ways as us.

- (g) You understand that we can disclose information about you, your finances and this agreement to any person providing any security, and that they can give us information about you.

- (h) (i) We can change any terms of this agreement at any time:
- if the change is to your advantage;
  - to reflect changes in law, codes of practice which apply to us or the way we are regulated; or
  - to reflect any changes we make to our systems or processes.
- (ii) Subject to condition 6(h)(i) above, we will tell you personally at least 30 days before we make a change to your disadvantage (other than a change to the Base Rate), (if applicable) which we will make in accordance with condition 3). If you close or change your account within 60 days of us telling you about this change and repay the outstanding balance, we will not charge you extra to do so.
- (iii) When we tell you about a change we will do so by letter, email, statement or statement insert.
- (iv) If we agree to fix any condition for a certain time, we will not change it during that time.
- (i) The Loan is conditional on the security (if any) listed within this agreement being provided and maintained while you owe us anything under this agreement. This agreement is not secured by any other security that has been or in future is provided.
- (j) We will not be liable for any loss, damage, interruption, delay or non-performance in connection with this agreement to the extent that it is caused by events which are beyond our reasonable control which may include for example explosion, terrorism, war, riot or other civil disturbance or failure or interruption of any electronic communications system caused by someone else.
- (k) You acknowledge and agree with us that in deciding to enter into this agreement you have made your own assessment of the viability and profitability of any purchase, project or purpose for which the Loan has been sought and you have not received or relied upon any advice given by us or anyone on our behalf.
- (l) If you owe us money under this agreement, we may use money in any of your other accounts with us to reduce or repay (by way of set-off or otherwise) what you owe us without telling you before we do so. For example, we may exercise this right if you withdraw from this agreement and do not repay the credit that we have advanced to you within the required 30 day period.

## 7 Land Mortgages

- (a) This agreement is secured by a mortgage over land ("the Property"). The Property includes all your interest in or over the land which is the security.
- (b) We will require a valuation of the Property, a satisfactory report on title, confirmation that the Property is insured to our reasonable satisfaction, and any other information or other thing we reasonably require.
- (c) Where reasonable (for example, to meet regulatory requirements or check the Property continues to be adequate security for payment of the total amount outstanding in respect of the Loan), we may have the Property revalued at any time during the Term. You will pay the reasonable cost of each revaluation.
- Where we revalue under this condition you must give, or do what you reasonably can to get any tenant to give, us (or our agents) access to the Property at any reasonable hours we request to carry out an internal and external inspection, so long as we have given you reasonable notice (not less than 24 hours) beforehand.
- If the total amount outstanding in respect of the Loan exceeds 80% of the new valuation (after taking into account other loans secured on the Property in priority to the loan from us) ("the Security Cover"), we may require you within 30 days:
- to charge additional property to us which will in our reasonable opinion restore the Security Cover; or
  - to reduce the amount you owe so that it is within the Security Cover.
- (d) You understand that we can ask anyone connected with the Property (such as any landlords, tenants and other mortgagees) to give us information we reasonably require in connection with the Property about you.

## 8 Definitions

In this agreement the following terms shall have the following meanings:

- (a) **"Base Rate"** means the bank rate from time to time of the Bank of England (or any rate at any time replacing that rate), which will be available in the branch of ours where your account is held and on our website, currently [www.bankofscotlandbusiness.co.uk](http://www.bankofscotlandbusiness.co.uk), and may be varied (either up or down) by the Bank of England at any time.
- (b) **"Business Day"** means a day other than a Saturday or a Sunday on which banks in the jurisdiction of the applicable law under condition 6(d) are open for normal business.
- (c) **"Current Account"** means your main business current account with us.
- (d) **"Fees"** means the fees (but not interest) in the table in the Other Financial Information section within this agreement.
- (e) **"Financial Statement"** means at any particular time the latest balance sheet and profit and loss account of your business together with the notes to both. You must ensure they are audited or signed by an independent accountant if required by law or if reasonably required by us. You must also ensure that, unless we allow otherwise (we will not unreasonably withhold or delay our permission), they are prepared on the same basis and (except to the extent necessary to reflect any changes in generally accepted accounting principles) in accordance with the same accounting principles as the latest such balance sheet and profit and loss account received by us prior to the date on which this agreement is signed by us.
- (f) **"Loan"** means the Cash Loan and (if applicable) the amount we provide to fund Fees over the Term.
- (g) **"Servicing Account"** means an account through which we channel your and our payments under this agreement. Your Servicing account may be a Current Account held with us.
- (h) **"you"**, where there is more than one of you, means any and all of you and, in the case of a Scottish partnership, also includes the partnership itself.

## 9 Third party rights

This agreement is for the benefit of the contracting parties only and shall not confer any benefit on or be enforceable by a third party.

## 10 Post-judgment interest

If you do not pay us what you owe under this agreement and we obtain judgment against you in court, we may continue to charge interest on the judgment amount at the contractual rate after judgment has been given.

## 11 Waivers

If you break this agreement and we decide not to enforce any of our rights under this agreement (for example if we decide not to charge interest in certain circumstances), that will not prevent us from enforcing those rights in respect of any subsequent breach by you. A delay by us in enforcing a right does not constitute a waiver.

## 12 Severability

If any term or provision in this agreement shall in whole or in part be held to any extent to be invalid, void, illegal or unenforceable under any enactment or rule of law, that term or provision shall to that extent be deemed not to form part of this agreement and the enforceability of the remainder of this agreement shall not be affected.

## Personal and business information and Lloyds Banking Group

This information does not form part of your product conditions.

### Use of business information

When businesses apply for, or hold, products or services provided by us, we may acquire and process information relating to the business as well as personal data of individuals associated with the business. More information about how we use business information is available at [www.bankofscotland.co.uk/businessprivacy](http://www.bankofscotland.co.uk/businessprivacy)

## Privacy notice

### Who looks after your personal information

Your personal information will be held by Bank of Scotland plc which is part of the Lloyds Banking Group. More information on the Group can be found at [www.lloydsbankinggroup.com](http://www.lloydsbankinggroup.com)

### How we use your personal information

We will use your personal information:

- to provide products and services, manage your relationship with us and comply with any laws or regulations we are subject to (for example the laws that prevent financial crime or the regulatory requirements governing the products we offer).
- for other purposes including improving our services, exercising our rights in relation to agreements and contracts and identifying products and services that may be of interest.

To support us with the above we analyse information we know about you and how you use our products and services, including some automated decision making. You can find out more about how we do this, and in what circumstances you can ask us to stop, in our full privacy notice.

### Who we share your personal information with

Your personal information will be shared within Lloyds Banking Group and other companies that provide services to you or us, so that we and any other companies in our Group can look after your relationship with us. By sharing this information it enables us to better understand our customers' needs, run accounts and policies, and provide products and services efficiently. This processing may include activities which take place outside of the European Economic Area. If this is the case we will ensure appropriate safeguards are in place to protect your personal information. You can find out more about how we share your personal information with credit reference agencies below and can access more information about how else we share your information in our full privacy notice.

### Where we collect your personal information from

We will collect personal information about you from a number of sources including:

- information given to us on application forms, when you talk to us in branch, over the phone or through the device you use and when new services are requested.
- from analysis of how you operate our products and services, including the frequency, nature, location, origin and recipients of any payments.
- from or through other organisations (for example card associations, credit reference agencies, insurance companies, retailers, comparison websites, social media and fraud prevention agencies).
- in certain circumstances we may also use information about health or criminal convictions but we will only do this where allowed by law or if you give us your consent.

You can find out more about where we collect personal information about you from in our full privacy notice.

### Do you have to give us your personal information

We may be required by law, or as a consequence of any contractual relationship we have, to collect certain personal information. Failure to provide this information may prevent or delay us fulfilling these obligations or performing services.

### What rights you have over your personal information

The law gives you a number of rights in relation to your personal information including:

- the right to access the personal information we have about you. This includes information from application forms, statements, correspondence and call recordings.
- the right to get us to correct personal information that is wrong or incomplete.
- in certain circumstances, the right to ask us to stop using or delete your personal information.
- from 25 May 2018 you will have the right to receive any personal information we have collected from you in an easily re-usable format when it's processed on certain grounds, such as consent or for contractual reasons. You can also ask us to pass this information on to another organisation.

You can find out more about these rights and how you can exercise them in our full privacy notice.

### Other individuals you have financial links with

We may also collect personal information about other individuals who you have a financial link with. This may include people who you have joint accounts or policies with such as your partner/spouse, dependents, beneficiaries or people you have commercial links to, for example other directors or officers of your company.

We will collect this information to assess any applications, provide the services requested and to carry out credit reference and fraud prevention checks. You can find out more about how we process personal information about individuals with whom you have a financial link in our full privacy notice.

### How we use credit reference agencies

In order to process your application we may supply your personal information to credit reference agencies (CRAs) including how you use our products and services and they will give us information about you, such as about your financial history. We do this to assess creditworthiness and product suitability, check your identity, manage your account, trace and recover debts and prevent criminal activity.

We may also continue to exchange information about you with CRAs on an ongoing basis, including about your settled accounts and any debts not fully repaid on time, information on funds going into the account, the balance on the account and, if you borrow, details of your repayments or whether you repay in full and on time. CRAs will share your information with other organisations, for example other organisations you ask to provide you with products and services. Your data will also be linked to the data of any joint applicants or other financial associates as explained above.

You can find out more about the identities of the CRAs, and the ways in which they use and share personal information, in our full privacy notice.

### How we use fraud prevention agencies

The personal information we have collected from you and anyone you have a financial link with may be shared with fraud prevention agencies who will use it to prevent fraud and money laundering and to verify your identity. If fraud is detected, you could be refused certain services, finance or employment. Further details of how your information will be used by us and these fraud prevention agencies, and your data protection rights, can be found in our full privacy notice.

### How we share personal information about insurance products

If you apply to us for insurance, we may pass your details to the relevant insurer and their agents. If a claim is made, any personal information given to us, or to the insurer, may be put onto a register of claims and shared with other insurers to prevent fraudulent claims.

### Our full privacy notice

It is important that you understand how the personal information you give us will be used. Therefore, we strongly advise that you read our full privacy notice, which you can find at [www.bankofscotland.co.uk/businessprivacy](http://www.bankofscotland.co.uk/businessprivacy) or you can ask us for a copy.

### How you can contact us

If you have any questions or require more information about how we use your personal information please speak to your usual bank contact or email the data privacy team at [CBDataPrivacy@LloydsBanking.com](mailto:CBDataPrivacy@LloydsBanking.com)

If you feel we have not answered your question Lloyds Banking Group has a Group Data Privacy Officer, who you can contact on 0345 721 3141 (+44 131 337 4218 from outside the UK) and tell us you want to speak to our Data Privacy Officer.

### Version Control

This notice was last updated in January 2018.

# Fixed-Sum Loan Agreement regulated by the Consumer Credit Act 1974 secured on



(address)

Between us

Bank of Scotland plc

and you (customers full name)

Of (full branch address)

(address)

In condition 8 we set out special meanings we have given to some words in this agreement.

## Key Financial Information

We will lend you the Cash Loan.

Amount of loan

£

Instalments

[ ] instalments of interest accrued since your last instalment date (or, in the case of your first instalment, since we provided the Loan); then\* [ ] instalments of £ [ ]; and one final instalment of all amounts then outstanding

annual percentage rate (variable)

%

- **Term** [ ] months
- You must repay the Loan by (a) a first instalment one month after we provide the Loan (or on any earlier date you notify to us) and subsequent monthly instalments on the same day of the month; and (b) paying all Fees when they become due under condition 4(f).
- If any payment from you or us under this agreement would be due on a non-Business Day, it will be treated as due on the next Business Day.
- The repayments do not take into account any variation to the amount of interest you pay as a result of us varying the interest rate or the way interest is calculated and charged or any variation to the amount of your instalments under condition 4(h).

## Other Financial Information

The annual percentage rate above, and Total Charge for Credit below, do not take account of any variations (i) to the amount of interest payable (see "Key Financial Information" above); (ii) under conditions 4(d), 4(e), or 4(h); (iii) as a result of instalments falling due on a non-Business Day; or (iv) between the actual and estimated Legal Fees and Valuation Fee (if they are estimated below).

	Cash Loan
Arrangement fee	£
Legal fees	£ estimated*
Valuation fee	£ estimated*
Interest	£ (on Cash Loan and amount to fund Fees over the Term)*
Total Charge for Credit	£ estimated*

- Yearly interest rate [ ]% over the Base Rate. At the time we prepared this document, this equalled [ ]% (variable), as the Base Rate was then [ ]% (variable).
- We charge interest on the daily balance of your Loan and add it when an instalment is due. We may vary the way interest is calculated and charged.

## Key Information

Security

You must pay reasonable costs we incur as a result of you breaking this agreement, such as the expenses of tracing you and enforcing this agreement.

You may have to pay revaluation fees in accordance with condition 7(c).

You can end this agreement at any time by making a single payment. The following examples illustrate how much you would pay to settle your Cash Loan early:

**Amount needed to settle early**

After 1/4 of term

£

After 1/2 of term

£

After 3/4 of term

£

The above early settlement amounts are only illustrative because we have not taken account of any variations that may occur under this agreement.

This agreement is not cancellable under the Consumer Credit Act 1974, Timeshare Act 1992 or Financial Services (Distance Marketing) Regulations 2004.

## MISSING PAYMENTS

Missing payments could have severe consequences and make obtaining credit more difficult.

## YOUR HOME MAY BE REPOSSESSED

Your home may be repossessed if you do not keep up repayments on a mortgage or other debt secured on it.

\* delete as appropriate

### IMPORTANT - READ THIS CAREFULLY TO FIND OUT ABOUT YOUR RIGHTS

The Consumer Credit Act 1974 lays down certain requirements for your protection which should have been complied with when this agreement was made. If they were not, we cannot enforce this agreement without getting a court order.

The Act also gives you a number of rights. You can settle this agreement at any time by giving notice in writing and paying off the amount you owe under the agreement. Examples indicating the amount you have to pay appear in the agreement.

If you would like to know more about your rights under the Act, contact either your local Trading Standards Department or your nearest Citizens' Advice Bureau.

### YOUR RIGHTS

Under the Consumer Credit Act 1974, you should have been given a copy of this agreement at least seven days ago so you could consider whether you wanted to go ahead. If we did not give you a copy of this agreement we can only enforce it with a court order.

### YOUR RIGHT TO APPEAL LENDING CONDITIONS

If you are unhappy with any of the conditions relating to your requested lending, please do not sign the document, but instead speak to your Relationship Manager. If you are still unhappy you can appeal to our Independent Appeals Team to review your case within 30 days of this letter. You can find further details about the process on our website at [www.bankofscotlandbusiness.co.uk/business-finance/lending-support/appeals-process](http://www.bankofscotlandbusiness.co.uk/business-finance/lending-support/appeals-process).

You can't use this process to appeal the proposed costs of agreed lending, such as interest rates, fees and costs, or our standard terms and conditions. If you do appeal our lending condition(s), then this could delay how long it takes for us to put your new lending facility in place, although we aim to deal with 90% of all appeals within 30 days of receipt.

This is a Credit Agreement regulated by the Consumer Credit Act 1974. Sign it only if you want to be legally bound by its terms.

Signature(s) of Customer(s)

Date(s) of signature(s)

This document creates legal obligations and therefore before signing we recommend that you consider getting independent advice. This may help you in understanding the potential consequences in the event that things go wrong.

**Please make sure you have signed in the signature box above.**

By signing in the signature box you understand that we can make the checks, and use and disclose your personal information, in accordance with conditions 6(g), 7(d) and the section headed "Personal and Business Information and Lloyds Banking Group".

### Summary of information

Purpose of Cash Loan

Existing sort code and account number (if to be repaid)

<input type="text"/>											
<input type="text"/>											
<input type="text"/>											
<input type="text"/>											

Indicate whether the amount of the following items is to be funded by us or settled separately:

	Funded by us	Settled separately
Arrangement fee	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Legal fees	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Valuation fee	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Signed for Bank of Scotland plc

<input type="text"/>
Date

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

## FIXED AND BASE RATE TERMS AND CONDITIONS

### 1 Joint Customers and Partners

- (a) If there is more than one customer, you are all jointly and severally responsible for keeping to all the terms of this agreement. If any of you does not keep to the terms we can take action against any of you, singly or together.
- (b) If you are a Partnership, or you sign this agreement on behalf of such a body, then all persons who are or become members of that body are jointly and severally responsible for keeping to the terms of this agreement. Those obligations remain binding if the body is dissolved or reconstituted, or changes its name or constitution. Notwithstanding the business purposes declaration set out in this agreement, the obligations in this agreement are binding on the Partnership whether or not the Loan is used in connection with its business.
- (c) If you are an Unincorporated Association, or you sign this agreement on behalf of such a body, then all persons who are members of that body and have signed or ratified the agreement are jointly and severally responsible for keeping to the terms of this agreement. Those obligations remain binding if the body is dissolved or reconstituted, or it changes its name or constitution. Notwithstanding the business purposes declaration set out in this agreement, the obligations in this agreement are binding on the Unincorporated Association whether or not the Loan is used in connection with its business.
- (d) If you are a Partnership or Unincorporated Association we may require all partners, or members or officers, to sign a resolution approving this agreement before we enter into it.

### 2 Availability of Loan

- (a) This agreement has no effect until we and you have signed it and we have received it back at the bank address specified in this agreement. You must sign and return the original copy of this agreement to us within 14 days of the date of our signature.
- (b) You should tell us when you want the Loan paid to you. This must be on a Business Day no more than 30 days after we sign this agreement (unless we permit a delay). We may withhold payment of the Loan to you if we reasonably believe that you have not complied or will not comply with the terms of this agreement (see condition 5(a)). We will credit the Cash Loan to the Servicing Account. We will then immediately pay out of that Servicing Account any part of the Cash Loan you have asked us to use to pay off any existing account for you. We will debit Fees, when they are due under condition 4(f).
- (c) If we fund payment of Fees over the Term, we will charge you interest (at the same rate as for the Cash Loan) on the amount we provide to fund Fees. If Fees are estimated, we will fund the amount of the estimated Fees. The Cash Loan instalments will also cover the amount we provide to fund Fees and interest on that amount.
- (d) You confirm that your intention is to use the Loan for the purposes specified within this agreement.

### 3 Interest

- (a) For variable rate loans, the interest rate will change when the Base Rate changes. We will make such changes immediately and without notice to you. Details of any change in the Base Rate will be available in our branches, updated on our website and advertised in a selection of national newspapers. When we tell you about a change and we are required to notify you personally, we will do so at least annually on your statement, by statement insert, letter, email, text or in any other way which is sent to you individually. We will not change the margin by which the interest rate on your Loan tracks the Base Rate. The margin is set out in the "Other Financial Information" section of the agreement.
- (b) For fixed rate loans, we will not change the interest rate on your Loan.
- (c) As we charge interest on the daily balance of your Loan, if an instalment or part of an instalment is unpaid at any time after the date it became due, the amount unpaid (including any interest included in that amount) will form part of the balance owing in respect of your Loan and we will charge interest on it accordingly.

### 4 Your Payments

- (a) You must pay us all sums due in this agreement on time. If you fail to pay on time, we may take action in accordance with condition 5(a)(i).
- (b) You authorise us to collect instalments by automated transfer from the Servicing Account. We recommend that you keep sufficient available funds in that account.
- (c) We may agree to collect the interest and capital repayment elements making up your instalments from separate accounts or (if they are both collected from an account you hold with us) we may show them separately on any related statements.
- (d) We have a right to vary the timing, frequency, number and amount of your instalments for any reason, including for example:
- (i) to take account of a change in our systems (provided we will take all reasonable steps to avoid any disadvantage to you as a result); or
  - (ii) where we reasonably believe that you will not be able to make your repayments in accordance with this agreement (for example if you are experiencing temporary financial difficulties), provided that we will always exercise our rights under this condition 4(d) in a reasonable and proportionate way.
- (e) You may repay the Loan (or any part of it) early. You cannot redraw anything you have paid off. We will use any partial repayments to reduce the total amount outstanding in relation to the Loan. If your interest rate is fixed we will reduce the term of your Loan and if your interest rate is variable we will reduce the amount of your regular instalments.
- (f) You must pay us the Arrangement Fee specified in this agreement when we provide the Cash Loan or immediately after telling us you no longer want the Cash Loan. You must pay any Legal Fees and Valuation Fee specified in this agreement when they become due (which is normally when we provide the Cash Loan but may be later when they are due to a third party), even if you do not draw the Cash Loan or we do not provide it. Except where you exercise your right of withdrawal, Fees are not refundable if this agreement ends early.
- (g) If any Fees are indicated within this agreement as 'estimated', they are based on equivalent fees we typically charge other borrowers around the time we enter into this agreement, but the actual amounts we will debit may turn out to be different. We will let you know in advance the details of the actual amounts we will debit.
- (h) If you fail to pay an instalment in full and on time, and any part of that amount has not been paid by the time we calculate your next instalment amount, we may (at our discretion):
- increase the amount of that next instalment and each of your remaining regular instalments proportionally to ensure that the full balance of the Loan is repaid within the agreed term;
  - extend the term of your Loan; or
  - increase the amount of your final instalment.

This does not affect our right to take action in accordance with condition 5(a)(i).

- (i) We will apply any payments we receive from you against any interest before any other amounts on your account, including the outstanding capital of your Loan. This will not apply to payments made specifically for fees and/or charges or where we collect the interest and capital that make up your repayment from separate accounts.

### 5 Default, non compliance and other causes of termination

- (a) Without prejudice to condition 5(e), we may require immediate repayment of everything you owe us (or we need not pay the Loan, or any part of it, over to you) if any of the following occurs and we reasonably consider it may negatively affect your ability to repay the Loan:
- (i) you fail to make a payment on time;
  - (ii) any information you have given or give us in future is inaccurate or changes materially in a way that reasonably affects our decision to lend to you;
  - (iii) 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);
  - (iv) without our consent which we will not unreasonably withhold or delay, you create or permit any new charge, mortgage, standard security or security interest over your business or any part of it, or its property, assets or income;

- (v) without our consent which we will not unreasonably withhold or delay, 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) save that no such sale, lease or other disposal may be made or entered into (1) if it would breach the terms of any security document given to us; or (2) in respect of any undertaking, property, revenue or asset over which we then have a fixed charge or fixed security asset;
- (vi) you cease trading or significantly change the nature of your business as it is now conducted;
- (vii) you do not have the insurance over your business and its assets that we reasonably think is normal for a business of your type (you must promptly show us evidence of this insurance if we ask for it) and do not arrange such insurance within 30 days of us asking you to;
- (viii) you factor or assign any debts owed to your business without our consent;
- (ix) you become insolvent (or in Scotland, apparently insolvent), a bankruptcy or sequestration petition 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;
- (x) if you are a 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;
- (xi) you seriously or persistently break this or any other agreement with us;
- (xii) any of the security documents are not executed, or any security we hold in connection with this agreement is or becomes void or voidable or unenforceable in whole or part (unless due to fault or error on the part of the Bank);
- (xiii) we reasonably believe that the security is worth substantially less than when it was given to us, and you do not arrange any additional security that we may reasonably require to make up for the deficiency within 30 days of our request;
- (xiv) any person giving security we hold in connection with this agreement defaults on it, or on any other agreement with us or security given to us and you do not arrange any additional security that we may reasonably require to make up for the deficiency within 30 days of our request;
- (xv) if you use the Cash Loan to inject capital into a business of which you are or are to become a partner; into a limited liability partnership of which you are or are to become a member; or into a company of which you are or are to become a director, and:
  - (1) you cease for any reason to be a partner of that business, member of that limited liability partnership or director of that company;
  - (2) any of the events referred to in paragraphs (iii), (vi) or (x) applies in relation to that partnership, limited liability partnership or company; or
  - (3) that company (if it is a limited company) or limited liability partnership has 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 it has a receiver appointed over all or part of its assets or it ceases to trade, or it is deemed by law unable to pay its debts, or it makes 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 its indebtedness.

(xvi) where you do not have a Servicing Account.

- (b) If you use the Cash Loan to inject capital into a business of which you are or are to become a partner; into a limited liability partnership of which you are or are to become a member; or into a company of which you are or are to become a director, condition 5(a)(iv), (v), (vi) and (viii), and any references to Financial Statements in this agreement, do not apply to you.

(c) If you die, we need not pay the Loan, or any part of it, over to you.

(d) Where there is more than one customer, we will have the rights in condition 5(a) if any of the stated circumstances applies to any one of you. We will also have the rights in condition 5(c) if any one of you dies and we reasonably think the remaining customer(s) may be unable to repay the Loan in accordance with this agreement.

(e) We will send you formal notice under the Consumer Credit Act 1974 before we require repayment. This will tell you what you must do to avoid us enforcing this agreement, and give you a short time to do this.

(f) If you are unable to meet any payments due to us (or think you may have difficulties) you should contact your branch as soon as possible. This is very much in your own interests and it is likely to save you money.

(g) Where no default has occurred under condition 5(a) we will not terminate this agreement without giving at least 30 days' notice. Such notice will be in the prescribed form in accordance with the Consumer Credit Act 1974.

### 6 Other conditions

- (a) You must effect any life assurance policy mentioned within this agreement, if you have not already done so. You must make any payments on time, and give us evidence of this if we ask for it.
- (b) You must have a Servicing Account whilst this agreement lasts from which we will take the payments due under this agreement.
- (c) You must provide us with copies of any financial or any other information that we may from time to time reasonably request (including your Financial Statements) audited or certified by an independent accountant as required by law or by us from time to time as soon as reasonably possible and in any event within 180 days of the end of the period to which they relate.
- (d) This agreement (and any non-contractual obligations arising out of or in connection with this agreement) is governed by English law and the courts of England and Wales shall have jurisdiction over it, unless your business address on the front pages of the agreement is in Scotland, in which case it will be governed by Scots law and the courts of Scotland shall have jurisdiction over it.
- (e) We may sell, assign, transfer or securitise our rights and/or our obligations under this agreement, or enter into transactions which have the effect of transferring our economic or credit risks and/or rewards under this agreement and references to "we", "us" and "our" shall include our successors and assigns.
- (f) In the event of a proposed sale, securitisation or transfer of risks and/or rewards of the Loan (or part of it), or assignment or transfer of any of our rights under this agreement:
- (i) we may disclose information about you, your finances and this agreement to any potential purchaser, assignee, transferee, counterparty to an agreement transferring risks and/or rewards, rating agencies, listing authorities, their and our advisers, and any other person to whom it is reasonable for us to disclose such information in relation to the proposed sale, securitisation, transfer, assignment or transfer of risks and/or rewards;
  - (ii) we only make such disclosure to them if they agree to keep the information confidential and to use it only to consider the possible sale, securitisation, transfer, assignment or transfer of risks and/or rewards;
  - (iii) if the sale, securitisation, transfer or assignment goes ahead, any purchaser, assignee, transferee, counterparty to an agreement transferring risks and/or rewards and any other person to whom it is reasonable for us to disclose such information in relation to such transaction may then use the information in all the same ways as us.
- (g) You understand that we can disclose information about you, your finances and this agreement to any person providing any security, and that they can give us information about you.

- (h) (i) We can change any terms of this agreement at any time:
- (a) if the change is to your advantage;
  - (b) to reflect changes in law, codes of practice which apply to us or the way we are regulated; or
  - (c) to reflect any changes we make to our systems or processes.
- (ii) Subject to condition 6(h)(i) above, we will tell you personally at least 30 days before we make a change to your disadvantage (other than a change to the Base Rate), (if applicable) which we will make in accordance with condition 3). If you close or change your account within 60 days of us telling you about this change and repay the outstanding balance, we will not charge you extra to do so.
- (iii) When we tell you about a change we will do so by letter, email, statement or statement insert.
- (iv) If we agree to fix any condition for a certain time, we will not change it during that time.
- (i) The Loan is conditional on the security (if any) listed within this agreement being provided and maintained while you owe us anything under this agreement. This agreement is not secured by any other security that has been or in future is provided.
- (j) We will not be liable for any loss, damage, interruption, delay or non-performance in connection with this agreement to the extent that it is caused by events which are beyond our reasonable control which may include for example explosion, terrorism, war, riot or other civil disturbance or failure or interruption of any electronic communications system caused by someone else.
- (k) You acknowledge and agree with us that in deciding to enter into this agreement you have made your own assessment of the viability and profitability of any purchase, project or purpose for which the Loan has been sought and you have not received or relied upon any advice given by us or anyone on our behalf.
- (l) If you owe us money under this agreement, we may use money in any of your other accounts with us to reduce or repay (by way of set-off or otherwise) what you owe us without telling you before we do so. For example, we may exercise this right if you withdraw from this agreement and do not repay the credit that we have advanced to you within the required 30 day period.

## 7 Land Mortgages

- (a) This agreement is secured by a mortgage over land ("the Property"). The Property includes all your interest in or over the land which is the security.
- (b) We will require a valuation of the Property, a satisfactory report on title, confirmation that the Property is insured to our reasonable satisfaction, and any other information or other thing we reasonably require.
- (c) Where reasonable (for example, to meet regulatory requirements or check the Property continues to be adequate security for payment of the total amount outstanding in respect of the Loan), we may have the Property revalued at any time during the Term. You will pay the reasonable cost of each revaluation.
- Where we revalue under this condition you must give, or do what you reasonably can to get any tenant to give, us (or our agents) access to the Property at any reasonable hours we request to carry out an internal and external inspection, so long as we have given you reasonable notice (not less than 24 hours) beforehand.
- If the total amount outstanding in respect of the Loan exceeds 80% of the new valuation (after taking into account other loans secured on the Property in priority to the loan from us) ("the Security Cover"), we may require you within 30 days:
- (i) to charge additional property to us which will in our reasonable opinion restore the Security Cover; or
  - (ii) to reduce the amount you owe so that it is within the Security Cover.
- (d) You understand that we can ask anyone connected with the Property (such as any landlords, tenants and other mortgagees) to give us information we reasonably require in connection with the Property about you.

## 8 Definitions

In this agreement the following terms shall have the following meanings:

- (a) **"Base Rate"** means the bank rate from time to time of the Bank of England (or any rate at any time replacing that rate), which will be available in the branch of ours where your account is held and on our website, currently [www.bankofscotlandbusiness.co.uk](http://www.bankofscotlandbusiness.co.uk), and may be varied (either up or down) by the Bank of England at any time.
- (b) **"Business Day"** means a day other than a Saturday or a Sunday on which banks in the jurisdiction of the applicable law under condition 6(d) are open for normal business.
- (c) **"Current Account"** means your main business current account with us.
- (d) **"Fees"** means the fees (but not interest) in the table in the Other Financial Information section within this agreement.
- (e) **"Financial Statement"** means at any particular time the latest balance sheet and profit and loss account of your business together with the notes to both. You must ensure they are audited or signed by an independent accountant if required by law or if reasonably required by us. You must also ensure that, unless we allow otherwise (we will not unreasonably withhold or delay our permission), they are prepared on the same basis and (except to the extent necessary to reflect any changes in generally accepted accounting principles) in accordance with the same accounting principles as the latest such balance sheet and profit and loss account received by us prior to the date on which this agreement is signed by us.
- (f) **"Loan"** means the Cash Loan and (if applicable) the amount we provide to fund Fees over the Term.
- (g) **"Servicing Account"** means an account through which we channel your and our payments under this agreement. Your Servicing account may be a Current Account held with us.
- (h) **"you"**, where there is more than one of you, means any and all of you and, in the case of a Scottish partnership, also includes the partnership itself.

## 9 Third party rights

This agreement is for the benefit of the contracting parties only and shall not confer any benefit on or be enforceable by a third party.

## 10 Post-judgment interest

If you do not pay us what you owe under this agreement and we obtain judgment against you in court, we may continue to charge interest on the judgment amount at the contractual rate after judgment has been given.

## 11 Waivers

If you break this agreement and we decide not to enforce any of our rights under this agreement (for example if we decide not to charge interest in certain circumstances), that will not prevent us from enforcing those rights in respect of any subsequent breach by you. A delay by us in enforcing a right does not constitute a waiver.

## 12 Severability

If any term or provision in this agreement shall in whole or in part be held to any extent to be invalid, void, illegal or unenforceable under any enactment or rule of law, that term or provision shall to that extent be deemed not to form part of this agreement and the enforceability of the remainder of this agreement shall not be affected.

## Personal and business information and Lloyds Banking Group

This information does not form part of your product conditions.

### Use of business information

When businesses apply for, or hold, products or services provided by us, we may acquire and process information relating to the business as well as personal data of individuals associated with the business. More information about how we use business information is available at [www.bankofscotland.co.uk/businessprivacy](http://www.bankofscotland.co.uk/businessprivacy)

## Privacy notice

### Who looks after your personal information

Your personal information will be held by Bank of Scotland plc which is part of the Lloyds Banking Group. More information on the Group can be found at [www.lloydsbankinggroup.com](http://www.lloydsbankinggroup.com)

### How we use your personal information

We will use your personal information:

- to provide products and services, manage your relationship with us and comply with any laws or regulations we are subject to (for example the laws that prevent financial crime or the regulatory requirements governing the products we offer).
- for other purposes including improving our services, exercising our rights in relation to agreements and contracts and identifying products and services that may be of interest.

To support us with the above we analyse information we know about you and how you use our products and services, including some automated decision making. You can find out more about how we do this, and in what circumstances you can ask us to stop, in our full privacy notice.

### Who we share your personal information with

Your personal information will be shared within Lloyds Banking Group and other companies that provide services to you or us, so that we and any other companies in our Group can look after your relationship with us. By sharing this information it enables us to better understand our customers' needs, run accounts and policies, and provide products and services efficiently. This processing may include activities which take place outside of the European Economic Area. If this is the case we will ensure appropriate safeguards are in place to protect your personal information. You can find out more about how we share your personal information with credit reference agencies below and can access more information about how else we share your information in our full privacy notice.

### Where we collect your personal information from

We will collect personal information about you from a number of sources including:

- information given to us on application forms, when you talk to us in branch, over the phone or through the device you use and when new services are requested.
- from analysis of how you operate our products and services, including the frequency, nature, location, origin and recipients of any payments.
- from or through other organisations (for example card associations, credit reference agencies, insurance companies, retailers, comparison websites, social media and fraud prevention agencies).
- in certain circumstances we may also use information about health or criminal convictions but we will only do this where allowed by law or if you give us your consent.

You can find out more about where we collect personal information about you from in our full privacy notice.

### Do you have to give us your personal information

We may be required by law, or as a consequence of any contractual relationship we have, to collect certain personal information. Failure to provide this information may prevent or delay us fulfilling these obligations or performing services.

### What rights you have over your personal information

The law gives you a number of rights in relation to your personal information including:

- the right to access the personal information we have about you. This includes information from application forms, statements, correspondence and call recordings.
- the right to get us to correct personal information that is wrong or incomplete.
- in certain circumstances, the right to ask us to stop using or delete your personal information.
- from 25 May 2018 you will have the right to receive any personal information we have collected from you in an easily re-usable format when it's processed on certain grounds, such as consent or for contractual reasons. You can also ask us to pass this information on to another organisation.

You can find out more about these rights and how you can exercise them in our full privacy notice.

### Other individuals you have financial links with

We may also collect personal information about other individuals who you have a financial link with. This may include people who you have joint accounts or policies with such as your partner/spouse, dependents, beneficiaries or people you have commercial links to, for example other directors or officers of your company.

We will collect this information to assess any applications, provide the services requested and to carry out credit reference and fraud prevention checks. You can find out more about how we process personal information about individuals with whom you have a financial link in our full privacy notice.

### How we use credit reference agencies

In order to process your application we may supply your personal information to credit reference agencies (CRAs) including how you use our products and services and they will give us information about you, such as about your financial history. We do this to assess creditworthiness and product suitability, check your identity, manage your account, trace and recover debts and prevent criminal activity.

We may also continue to exchange information about you with CRAs on an ongoing basis, including about your settled accounts and any debts not fully repaid on time, information on funds going into the account, the balance on the account and, if you borrow, details of your repayments or whether you repay in full and on time. CRAs will share your information with other organisations, for example other organisations you ask to provide you with products and services. Your data will also be linked to the data of any joint applicants or other financial associates as explained above.

You can find out more about the identities of the CRAs, and the ways in which they use and share personal information, in our full privacy notice.

### How we use fraud prevention agencies

The personal information we have collected from you and anyone you have a financial link with may be shared with fraud prevention agencies who will use it to prevent fraud and money laundering and to verify your identity. If fraud is detected, you could be refused certain services, finance or employment. Further details of how your information will be used by us and these fraud prevention agencies, and your data protection rights, can be found in our full privacy notice.

### How we share personal information about insurance products

If you apply to us for insurance, we may pass your details to the relevant insurer and their agents. If a claim is made, any personal information given to us, or to the insurer, may be put onto a register of claims and shared with other insurers to prevent fraudulent claims.

### Our full privacy notice

It is important that you understand how the personal information you give us will be used. Therefore, we strongly advise that you read our full privacy notice, which you can find at [www.bankofscotland.co.uk/businessprivacy](http://www.bankofscotland.co.uk/businessprivacy) or you can ask us for a copy.

### How you can contact us

If you have any questions or require more information about how we use your personal information please speak to your usual bank contact or email the data privacy team at [CBDataPrivacy@LloydsBanking.com](mailto:CBDataPrivacy@LloydsBanking.com)

If you feel we have not answered your question Lloyds Banking Group has a Group Data Privacy Officer, who you can contact on 0345 721 3141 (+44 131 337 4218 from outside the UK) and tell us you want to speak to our Data Privacy Officer.

### Version Control

This notice was last updated in January 2018.

# Fixed-Sum Loan Agreement regulated by the Consumer Credit Act 1974 secured on



(address)

Between us

Bank of Scotland plc

and you (customers full name)

In condition 8 we set out special meanings we have given to some words in this agreement.

Of (full branch address)

(address)

## Key Financial Information

We will lend you the Cash Loan.

Amount of loan

£

Instalments

[ ] instalments of interest accrued since your last instalment date (or, in the case of your first instalment, since we provided the Loan); then\* [ ] instalments of £ [ ]; and one final instalment of all amounts then outstanding

annual percentage rate (variable)

%

- **Term** [ ] months
- You must repay the Loan by (a) a first instalment one month after we provide the Loan (or on any earlier date you notify to us) and subsequent monthly instalments on the same day of the month; and (b) paying all Fees when they become due under condition 4(f).
- If any payment from you or us under this agreement would be due on a non-Business Day, it will be treated as due on the next Business Day.
- The repayments do not take into account any variation to the amount of interest you pay as a result of us varying the interest rate or the way interest is calculated and charged or any variation to the amount of your instalments under condition 4(h).

## Other Financial Information

The annual percentage rate above, and Total Charge for Credit below, do not take account of any variations (i) to the amount of interest payable (see "Key Financial Information" above); (ii) under conditions 4(d), 4(e), or 4(h); (iii) as a result of instalments falling due on a non-Business Day; or (iv) between the actual and estimated Legal Fees and Valuation Fee (if they are estimated below).

	Cash Loan
Arrangement fee	£
Legal fees	£ estimated*
Valuation fee	£ estimated*
Interest	£ (on Cash Loan and amount to fund Fees over the Term)*
Total Charge for Credit	£ estimated*

- Yearly interest rate [ ]% over the Base Rate. At the time we prepared this document, this equalled [ ]% (variable), as the Base Rate was then [ ]% (variable).
- We charge interest on the daily balance of your Loan and add it when an instalment is due. We may vary the way interest is calculated and charged.

## Key Information

Security

You must pay reasonable costs we incur as a result of you breaking this agreement, such as the expenses of tracing you and enforcing this agreement.

You may have to pay revaluation fees in accordance with condition 7(c).

You can end this agreement at any time by making a single payment. The following examples illustrate how much you would pay to settle your Cash Loan early:

**Amount needed to settle early**

After 1/4 of term

£

After 1/2 of term

£

After 3/4 of term

£

The above early settlement amounts are only illustrative because we have not taken account of any variations that may occur under this agreement.

This agreement is not cancellable under the Consumer Credit Act 1974, Timeshare Act 1992 or Financial Services (Distance Marketing) Regulations 2004.

## MISSING PAYMENTS

Missing payments could have severe consequences and make obtaining credit more difficult.

## YOUR HOME MAY BE REPOSSESSED

Your home may be repossessed if you do not keep up repayments on a mortgage or other debt secured on it.

\* delete as appropriate

### IMPORTANT - READ THIS CAREFULLY TO FIND OUT ABOUT YOUR RIGHTS

The Consumer Credit Act 1974 lays down certain requirements for your protection which should have been complied with when this agreement was made. If they were not, we cannot enforce this agreement without getting a court order.

The Act also gives you a number of rights. You can settle this agreement at any time by giving notice in writing and paying off the amount you owe under the agreement. Examples indicating the amount you have to pay appear in the agreement.

If you would like to know more about your rights under the Act, contact either your local Trading Standards Department or your nearest Citizens' Advice Bureau.

### YOUR RIGHTS

Under the Consumer Credit Act 1974, you should have been given a copy of this agreement at least seven days ago so you could consider whether you wanted to go ahead. If we did not give you a copy of this agreement we can only enforce it with a court order.

### YOUR RIGHT TO APPEAL LENDING CONDITIONS

If you are unhappy with any of the conditions relating to your requested lending, please do not sign the document, but instead speak to your Relationship Manager. If you are still unhappy you can appeal to our Independent Appeals Team to review your case within 30 days of this letter. You can find further details about the process on our website at [www.bankofscotlandbusiness.co.uk/business-finance/lending-support/appeals-process](http://www.bankofscotlandbusiness.co.uk/business-finance/lending-support/appeals-process).

You can't use this process to appeal the proposed costs of agreed lending, such as interest rates, fees and costs, or our standard terms and conditions. If you do appeal our lending condition(s), then this could delay how long it takes for us to put your new lending facility in place, although we aim to deal with 90% of all appeals within 30 days of receipt.

This document creates legal obligations and therefore before signing we recommend that you consider getting independent advice. This may help you in understanding the potential consequences in the event that things go wrong.

By signing in the signature box you understand that we can make the checks, and use and disclose your personal information, in accordance with conditions 6(g), 7(d) and the section headed "Personal and Business Information and Lloyds Banking Group".

### Summary of information

Purpose of Cash Loan

Existing sort code and account number (if to be repaid)

<input type="text"/>											
<input type="text"/>											
<input type="text"/>											
<input type="text"/>											

Indicate whether the amount of the following items is to be funded by us or settled separately:

	Funded by us	Settled separately
Arrangement fee	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Legal fees	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Valuation fee	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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

## FIXED AND BASE RATE TERMS AND CONDITIONS

### 1 Joint Customers and Partners

- (a) If there is more than one customer, you are all jointly and severally responsible for keeping to all the terms of this agreement. If any of you does not keep to the terms we can take action against any of you, singly or together.
- (b) If you are a Partnership, or you sign this agreement on behalf of such a body, then all persons who are or become members of that body are jointly and severally responsible for keeping to the terms of this agreement. Those obligations remain binding if the body is dissolved or reconstituted, or changes its name or constitution. Notwithstanding the business purposes declaration set out in this agreement, the obligations in this agreement are binding on the Partnership whether or not the Loan is used in connection with its business.
- (c) If you are an Unincorporated Association, or you sign this agreement on behalf of such a body, then all persons who are members of that body and have signed or ratified the agreement are jointly and severally responsible for keeping to the terms of this agreement. Those obligations remain binding if the body is dissolved or reconstituted, or it changes its name or constitution. Notwithstanding the business purposes declaration set out in this agreement, the obligations in this agreement are binding on the Unincorporated Association whether or not the Loan is used in connection with its business.
- (d) If you are a Partnership or Unincorporated Association we may require all partners, or members or officers, to sign a resolution approving this agreement before we enter into it.

### 2 Availability of Loan

- (a) This agreement has no effect until we and you have signed it and we have received it back at the bank address specified in this agreement. You must sign and return the original copy of this agreement to us within 14 days of the date of our signature.
- (b) You should tell us when you want the Loan paid to you. This must be on a Business Day no more than 30 days after we sign this agreement (unless we permit a delay). We may withhold payment of the Loan to you if we reasonably believe that you have not complied or will not comply with the terms of this agreement (see condition 5(a)). We will credit the Cash Loan to the Servicing Account. We will then immediately pay out of that Servicing Account any part of the Cash Loan you have asked us to use to pay off any existing account for you. We will debit Fees, when they are due under condition 4(f).
- (c) If we fund payment of Fees over the Term, we will charge you interest (at the same rate as for the Cash Loan) on the amount we provide to fund Fees. If Fees are estimated, we will fund the amount of the estimated Fees. The Cash Loan instalments will also cover the amount we provide to fund Fees and interest on that amount.
- (d) You confirm that your intention is to use the Loan for the purposes specified within this agreement.

### 3 Interest

- (a) For variable rate loans, the interest rate will change when the Base Rate changes. We will make such changes immediately and without notice to you. Details of any change in the Base Rate will be available in our branches, updated on our website and advertised in a selection of national newspapers. When we tell you about a change and we are required to notify you personally, we will do so at least annually on your statement, by statement insert, letter, email, text or in any other way which is sent to you individually. We will not change the margin by which the interest rate on your Loan tracks the Base Rate. The margin is set out in the "Other Financial Information" section of the agreement.
- (b) For fixed rate loans, we will not change the interest rate on your Loan.
- (c) As we charge interest on the daily balance of your Loan, if an instalment or part of an instalment is unpaid at any time after the date it became due, the amount unpaid (including any interest included in that amount) will form part of the balance owing in respect of your Loan and we will charge interest on it accordingly.

### 4 Your Payments

- (a) You must pay us all sums due in this agreement on time. If you fail to pay on time, we may take action in accordance with condition 5(a)(i).
- (b) You authorise us to collect instalments by automated transfer from the Servicing Account. We recommend that you keep sufficient available funds in that account.
- (c) We may agree to collect the interest and capital repayment elements making up your instalments from separate accounts or (if they are both collected from an account you hold with us) we may show them separately on any related statements.
- (d) We have a right to vary the timing, frequency, number and amount of your instalments for any reason, including for example:
- (i) to take account of a change in our systems (provided we will take all reasonable steps to avoid any disadvantage to you as a result); or
  - (ii) where we reasonably believe that you will not be able to make your repayments in accordance with this agreement (for example if you are experiencing temporary financial difficulties), provided that we will always exercise our rights under this condition 4(d) in a reasonable and proportionate way.
- (e) You may repay the Loan (or any part of it) early. You cannot redraw anything you have paid off. We will use any partial repayments to reduce the total amount outstanding in relation to the Loan. If your interest rate is fixed we will reduce the term of your Loan and if your interest rate is variable we will reduce the amount of your regular instalments.
- (f) You must pay us the Arrangement Fee specified in this agreement when we provide the Cash Loan or immediately after telling us you no longer want the Cash Loan. You must pay any Legal Fees and Valuation Fee specified in this agreement when they become due (which is normally when we provide the Cash Loan but may be later when they are due to a third party), even if you do not draw the Cash Loan or we do not provide it. Except where you exercise your right of withdrawal, Fees are not refundable if this agreement ends early.
- (g) If any Fees are indicated within this agreement as 'estimated', they are based on equivalent fees we typically charge other borrowers around the time we enter into this agreement, but the actual amounts we will debit may turn out to be different. We will let you know in advance the details of the actual amounts we will debit.
- (h) If you fail to pay an instalment in full and on time, and any part of that amount has not been paid by the time we calculate your next instalment amount, we may (at our discretion):
- increase the amount of that next instalment and each of your remaining regular instalments proportionally to ensure that the full balance of the Loan is repaid within the agreed term;
  - extend the term of your Loan; or
  - increase the amount of your final instalment.

This does not affect our right to take action in accordance with condition 5(a)(i).

- (i) We will apply any payments we receive from you against any interest before any other amounts on your account, including the outstanding capital of your Loan. This will not apply to payments made specifically for fees and/or charges or where we collect the interest and capital that make up your repayment from separate accounts.

### 5 Default, non compliance and other causes of termination

- (a) Without prejudice to condition 5(e), we may require immediate repayment of everything you owe us (or we need not pay the Loan, or any part of it, over to you) if any of the following occurs and we reasonably consider it may negatively affect your ability to repay the Loan:
- (i) you fail to make a payment on time;
  - (ii) any information you have given or give us in future is inaccurate or changes materially in a way that reasonably affects our decision to lend to you;
  - (iii) 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);
  - (iv) without our consent which we will not unreasonably withhold or delay, you create or permit any new charge, mortgage, standard security or security interest over your business or any part of it, or its property, assets or income;

- (v) without our consent which we will not unreasonably withhold or delay, 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) save that no such sale, lease or other disposal may be made or entered into (1) if it would breach the terms of any security document given to us; or (2) in respect of any undertaking, property, revenue or asset over which we then have a fixed charge or fixed security asset;
- (vi) you cease trading or significantly change the nature of your business as it is now conducted;
- (vii) you do not have the insurance over your business and its assets that we reasonably think is normal for a business of your type (you must promptly show us evidence of this insurance if we ask for it) and do not arrange such insurance within 30 days of us asking you to;
- (viii) you factor or assign any debts owed to your business without our consent;
- (ix) you become insolvent (or in Scotland, apparently insolvent), a bankruptcy or sequestration petition 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;
- (x) if you are a 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;
- (xi) you seriously or persistently break this or any other agreement with us;
- (xii) any of the security documents are not executed, or any security we hold in connection with this agreement is or becomes void or voidable or unenforceable in whole or part (unless due to fault or error on the part of the Bank);
- (xiii) we reasonably believe that the security is worth substantially less than when it was given to us, and you do not arrange any additional security that we may reasonably require to make up for the deficiency within 30 days of our request;
- (xiv) any person giving security we hold in connection with this agreement defaults on it, or on any other agreement with us or security given to us and you do not arrange any additional security that we may reasonably require to make up for the deficiency within 30 days of our request;
- (xv) if you use the Cash Loan to inject capital into a business of which you are or are to become a partner; into a limited liability partnership of which you are or are to become a member; or into a company of which you are or are to become a director, and:
  - (1) you cease for any reason to be a partner of that business, member of that limited liability partnership or director of that company;
  - (2) any of the events referred to in paragraphs (iii), (vi) or (x) applies in relation to that partnership, limited liability partnership or company; or
  - (3) that company (if it is a limited company) or limited liability partnership has 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 it has a receiver appointed over all or part of its assets or it ceases to trade, or it is deemed by law unable to pay its debts, or it makes 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 its indebtedness.

(xvi) where you do not have a Servicing Account.

- (b) If you use the Cash Loan to inject capital into a business of which you are or are to become a partner; into a limited liability partnership of which you are or are to become a member; or into a company of which you are or are to become a director, condition 5(a)(iv), (v), (vi) and (viii), and any references to Financial Statements in this agreement, do not apply to you.

- (c) If you die, we need not pay the Loan, or any part of it, over to you.
- (d) Where there is more than one customer, we will have the rights in condition 5(a) if any of the stated circumstances applies to any one of you. We will also have the rights in condition 5(c) if any one of you dies and we reasonably think the remaining customer(s) may be unable to repay the Loan in accordance with this agreement.
- (e) We will send you formal notice under the Consumer Credit Act 1974 before we require repayment. This will tell you what you must do to avoid us enforcing this agreement, and give you a short time to do this.
- (f) If you are unable to meet any payments due to us (or think you may have difficulties) you should contact your branch as soon as possible. This is very much in your own interests and it is likely to save you money.
- (g) Where no default has occurred under condition 5(a) we will not terminate this agreement without giving at least 30 days' notice. Such notice will be in the prescribed form in accordance with the Consumer Credit Act 1974.

### 6 Other conditions

- (a) You must effect any life assurance policy mentioned within this agreement, if you have not already done so. You must make any payments on time, and give us evidence of this if we ask for it.
- (b) You must have a Servicing Account whilst this agreement lasts from which we will take the payments due under this agreement.
- (c) You must provide us with copies of any financial or any other information that we may from time to time reasonably request (including your Financial Statements) audited or certified by an independent accountant as required by law or by us from time to time as soon as reasonably possible and in any event within 180 days of the end of the period to which they relate.
- (d) This agreement (and any non-contractual obligations arising out of or in connection with this agreement) is governed by English law and the courts of England and Wales shall have jurisdiction over it, unless your business address on the front pages of the agreement is in Scotland, in which case it will be governed by Scots law and the courts of Scotland shall have jurisdiction over it.
- (e) We may sell, assign, transfer or securitise our rights and/or our obligations under this agreement, or enter into transactions which have the effect of transferring our economic or credit risks and/or rewards under this agreement and references to "we", "us" and "our" shall include our successors and assigns.
- (f) In the event of a proposed sale, securitisation or transfer of risks and/or rewards of the Loan (or part of it), or assignment or transfer of any of our rights under this agreement:
- (i) we may disclose information about you, your finances and this agreement to any potential purchaser, assignee, transferee, counterparty to an agreement transferring risks and/or rewards, rating agencies, listing authorities, their and our advisers, and any other person to whom it is reasonable for us to disclose such information in relation to the proposed sale, securitisation, transfer, assignment or transfer of risks and/or rewards;
  - (ii) we only make such disclosure to them if they agree to keep the information confidential and to use it only to consider the possible sale, securitisation, transfer, assignment or transfer of risks and/or rewards;
  - (iii) if the sale, securitisation, transfer or assignment goes ahead, any purchaser, assignee, transferee, counterparty to an agreement transferring risks and/or rewards and any other person to whom it is reasonable for us to disclose such information in relation to such transaction may then use the information in all the same ways as us.
- (g) You understand that we can disclose information about you, your finances and this agreement to any person providing any security, and that they can give us information about you.

- (h) (i) We can change any terms of this agreement at any time:
- (a) if the change is to your advantage;
  - (b) to reflect changes in law, codes of practice which apply to us or the way we are regulated; or
  - (c) to reflect any changes we make to our systems or processes.
- (ii) Subject to condition 6(h)(i) above, we will tell you personally at least 30 days before we make a change to your disadvantage (other than a change to the Base Rate), (if applicable) which we will make in accordance with condition 3). If you close or change your account within 60 days of us telling you about this change and repay the outstanding balance, we will not charge you extra to do so.
- (iii) When we tell you about a change we will do so by letter, email, statement or statement insert.
- (iv) If we agree to fix any condition for a certain time, we will not change it during that time.
- (i) The Loan is conditional on the security (if any) listed within this agreement being provided and maintained while you owe us anything under this agreement. This agreement is not secured by any other security that has been or in future is provided.
- (j) We will not be liable for any loss, damage, interruption, delay or non-performance in connection with this agreement to the extent that it is caused by events which are beyond our reasonable control which may include for example explosion, terrorism, war, riot or other civil disturbance or failure or interruption of any electronic communications system caused by someone else.
- (k) You acknowledge and agree with us that in deciding to enter into this agreement you have made your own assessment of the viability and profitability of any purchase, project or purpose for which the Loan has been sought and you have not received or relied upon any advice given by us or anyone on our behalf.
- (l) If you owe us money under this agreement, we may use money in any of your other accounts with us to reduce or repay (by way of set-off or otherwise) what you owe us without telling you before we do so. For example, we may exercise this right if you withdraw from this agreement and do not repay the credit that we have advanced to you within the required 30 day period.

## 7 Land Mortgages

- (a) This agreement is secured by a mortgage over land ("the Property"). The Property includes all your interest in or over the land which is the security.
- (b) We will require a valuation of the Property, a satisfactory report on title, confirmation that the Property is insured to our reasonable satisfaction, and any other information or other thing we reasonably require.
- (c) Where reasonable (for example, to meet regulatory requirements or check the Property continues to be adequate security for payment of the total amount outstanding in respect of the Loan), we may have the Property revalued at any time during the Term. You will pay the reasonable cost of each revaluation.
- Where we revalue under this condition you must give, or do what you reasonably can to get any tenant to give, us (or our agents) access to the Property at any reasonable hours we request to carry out an internal and external inspection, so long as we have given you reasonable notice (not less than 24 hours) beforehand.
- If the total amount outstanding in respect of the Loan exceeds 80% of the new valuation (after taking into account other loans secured on the Property in priority to the loan from us) ("the Security Cover"), we may require you within 30 days:
- (i) to charge additional property to us which will in our reasonable opinion restore the Security Cover; or
  - (ii) to reduce the amount you owe so that it is within the Security Cover.
- (d) You understand that we can ask anyone connected with the Property (such as any landlords, tenants and other mortgagees) to give us information we reasonably require in connection with the Property about you.

## 8 Definitions

In this agreement the following terms shall have the following meanings:

- (a) **"Base Rate"** means the bank rate from time to time of the Bank of England (or any rate at any time replacing that rate), which will be available in the branch of ours where your account is held and on our website, currently [www.bankofscotlandbusiness.co.uk](http://www.bankofscotlandbusiness.co.uk), and may be varied (either up or down) by the Bank of England at any time.
- (b) **"Business Day"** means a day other than a Saturday or a Sunday on which banks in the jurisdiction of the applicable law under condition 6(d) are open for normal business.
- (c) **"Current Account"** means your main business current account with us.
- (d) **"Fees"** means the fees (but not interest) in the table in the Other Financial Information section within this agreement.
- (e) **"Financial Statement"** means at any particular time the latest balance sheet and profit and loss account of your business together with the notes to both. You must ensure they are audited or signed by an independent accountant if required by law or if reasonably required by us. You must also ensure that, unless we allow otherwise (we will not unreasonably withhold or delay our permission), they are prepared on the same basis and (except to the extent necessary to reflect any changes in generally accepted accounting principles) in accordance with the same accounting principles as the latest such balance sheet and profit and loss account received by us prior to the date on which this agreement is signed by us.
- (f) **"Loan"** means the Cash Loan and (if applicable) the amount we provide to fund Fees over the Term.
- (g) **"Servicing Account"** means an account through which we channel your and our payments under this agreement. Your Servicing account may be a Current Account held with us.
- (h) **"you"**, where there is more than one of you, means any and all of you and, in the case of a Scottish partnership, also includes the partnership itself.

## 9 Third party rights

This agreement is for the benefit of the contracting parties only and shall not confer any benefit on or be enforceable by a third party.

## 10 Post-judgment interest

If you do not pay us what you owe under this agreement and we obtain judgment against you in court, we may continue to charge interest on the judgment amount at the contractual rate after judgment has been given.

## 11 Waivers

If you break this agreement and we decide not to enforce any of our rights under this agreement (for example if we decide not to charge interest in certain circumstances), that will not prevent us from enforcing those rights in respect of any subsequent breach by you. A delay by us in enforcing a right does not constitute a waiver.

## 12 Severability

If any term or provision in this agreement shall in whole or in part be held to any extent to be invalid, void, illegal or unenforceable under any enactment or rule of law, that term or provision shall to that extent be deemed not to form part of this agreement and the enforceability of the remainder of this agreement shall not be affected.

## Personal and business information and Lloyds Banking Group

This information does not form part of your product conditions.

### Use of business information

When businesses apply for, or hold, products or services provided by us, we may acquire and process information relating to the business as well as personal data of individuals associated with the business. More information about how we use business information is available at [www.bankofscotland.co.uk/businessprivacy](http://www.bankofscotland.co.uk/businessprivacy)

## Privacy notice

### Who looks after your personal information

Your personal information will be held by Bank of Scotland plc which is part of the Lloyds Banking Group. More information on the Group can be found at [www.lloydsbankinggroup.com](http://www.lloydsbankinggroup.com)

### How we use your personal information

We will use your personal information:

- to provide products and services, manage your relationship with us and comply with any laws or regulations we are subject to (for example the laws that prevent financial crime or the regulatory requirements governing the products we offer).
- for other purposes including improving our services, exercising our rights in relation to agreements and contracts and identifying products and services that may be of interest.

To support us with the above we analyse information we know about you and how you use our products and services, including some automated decision making. You can find out more about how we do this, and in what circumstances you can ask us to stop, in our full privacy notice.

### Who we share your personal information with

Your personal information will be shared within Lloyds Banking Group and other companies that provide services to you or us, so that we and any other companies in our Group can look after your relationship with us. By sharing this information it enables us to better understand our customers' needs, run accounts and policies, and provide products and services efficiently. This processing may include activities which take place outside of the European Economic Area. If this is the case we will ensure appropriate safeguards are in place to protect your personal information. You can find out more about how we share your personal information with credit reference agencies below and can access more information about how else we share your information in our full privacy notice.

### Where we collect your personal information from

We will collect personal information about you from a number of sources including:

- information given to us on application forms, when you talk to us in branch, over the phone or through the device you use and when new services are requested.
- from analysis of how you operate our products and services, including the frequency, nature, location, origin and recipients of any payments.
- from or through other organisations (for example card associations, credit reference agencies, insurance companies, retailers, comparison websites, social media and fraud prevention agencies).
- in certain circumstances we may also use information about health or criminal convictions but we will only do this where allowed by law or if you give us your consent.

You can find out more about where we collect personal information about you from in our full privacy notice.

### Do you have to give us your personal information

We may be required by law, or as a consequence of any contractual relationship we have, to collect certain personal information. Failure to provide this information may prevent or delay us fulfilling these obligations or performing services.

### What rights you have over your personal information

The law gives you a number of rights in relation to your personal information including:

- the right to access the personal information we have about you. This includes information from application forms, statements, correspondence and call recordings.
- the right to get us to correct personal information that is wrong or incomplete.
- in certain circumstances, the right to ask us to stop using or delete your personal information.
- from 25 May 2018 you will have the right to receive any personal information we have collected from you in an easily re-usable format when it's processed on certain grounds, such as consent or for contractual reasons. You can also ask us to pass this information on to another organisation.

You can find out more about these rights and how you can exercise them in our full privacy notice.

### Other individuals you have financial links with

We may also collect personal information about other individuals who you have a financial link with. This may include people who you have joint accounts or policies with such as your partner/spouse, dependents, beneficiaries or people you have commercial links to, for example other directors or officers of your company.

We will collect this information to assess any applications, provide the services requested and to carry out credit reference and fraud prevention checks. You can find out more about how we process personal information about individuals with whom you have a financial link in our full privacy notice.

### How we use credit reference agencies

In order to process your application we may supply your personal information to credit reference agencies (CRAs) including how you use our products and services and they will give us information about you, such as about your financial history. We do this to assess creditworthiness and product suitability, check your identity, manage your account, trace and recover debts and prevent criminal activity.

We may also continue to exchange information about you with CRAs on an ongoing basis, including about your settled accounts and any debts not fully repaid on time, information on funds going into the account, the balance on the account and, if you borrow, details of your repayments or whether you repay in full and on time. CRAs will share your information with other organisations, for example other organisations you ask to provide you with products and services. Your data will also be linked to the data of any joint applicants or other financial associates as explained above.

You can find out more about the identities of the CRAs, and the ways in which they use and share personal information, in our full privacy notice.

### How we use fraud prevention agencies

The personal information we have collected from you and anyone you have a financial link with may be shared with fraud prevention agencies who will use it to prevent fraud and money laundering and to verify your identity. If fraud is detected, you could be refused certain services, finance or employment. Further details of how your information will be used by us and these fraud prevention agencies, and your data protection rights, can be found in our full privacy notice.

### How we share personal information about insurance products

If you apply to us for insurance, we may pass your details to the relevant insurer and their agents. If a claim is made, any personal information given to us, or to the insurer, may be put onto a register of claims and shared with other insurers to prevent fraudulent claims.

### Our full privacy notice

It is important that you understand how the personal information you give us will be used. Therefore, we strongly advise that you read our full privacy notice, which you can find at [www.bankofscotland.co.uk/businessprivacy](http://www.bankofscotland.co.uk/businessprivacy) or you can ask us for a copy.

### How you can contact us

If you have any questions or require more information about how we use your personal information please speak to your usual bank contact or email the data privacy team at [CBDataPrivacy@LloydsBanking.com](mailto:CBDataPrivacy@LloydsBanking.com)

If you feel we have not answered your question Lloyds Banking Group has a Group Data Privacy Officer, who you can contact on 0345 721 3141 (+44 131 337 4218 from outside the UK) and tell us you want to speak to our Data Privacy Officer.

### Version Control

This notice was last updated in January 2018.

# Fixed-Sum Loan Agreement regulated by the Consumer Credit Act 1974 secured on



(address)

Between us

Bank of Scotland plc

and you (customers full name)

In condition 8 we set out special meanings we have given to some words in this agreement.

Of (full branch address)

(address)

## Key Financial Information

We will lend you the Cash Loan.

Amount of loan

£

Instalments

[ ] instalments of interest accrued since your last instalment date (or, in the case of your first instalment, since we provided the Loan); then\* [ ] instalments of £ [ ]; and one final instalment of all amounts then outstanding

annual percentage rate (variable)

%

- **Term** [ ] months
- You must repay the Loan by (a) a first instalment one month after we provide the Loan (or on any earlier date you notify to us) and subsequent monthly instalments on the same day of the month; and (b) paying all Fees when they become due under condition 4(f).
- If any payment from you or us under this agreement would be due on a non-Business Day, it will be treated as due on the next Business Day.
- The repayments do not take into account any variation to the amount of interest you pay as a result of us varying the interest rate or the way interest is calculated and charged or any variation to the amount of your instalments under condition 4(h).

## Other Financial Information

The annual percentage rate above, and Total Charge for Credit below, do not take account of any variations (i) to the amount of interest payable (see "Key Financial Information" above); (ii) under conditions 4(d), 4(e), or 4(h); (iii) as a result of instalments falling due on a non-Business Day; or (iv) between the actual and estimated Legal Fees and Valuation Fee (if they are estimated below).

	Cash Loan
Arrangement fee	£
Legal fees	£ estimated*
Valuation fee	£ estimated*
Interest	£ (on Cash Loan and amount to fund Fees over the Term)*
Total Charge for Credit	£ estimated*

- Yearly interest rate [ ]% over the Base Rate. At the time we prepared this document, this equalled [ ]% (variable), as the Base Rate was then [ ]% (variable).
- We charge interest on the daily balance of your Loan and add it when an instalment is due. We may vary the way interest is calculated and charged.

## Key Information

Security

You must pay reasonable costs we incur as a result of you breaking this agreement, such as the expenses of tracing you and enforcing this agreement.

You may have to pay revaluation fees in accordance with condition 7(c).

You can end this agreement at any time by making a single payment. The following examples illustrate how much you would pay to settle your Cash Loan early:

**Amount needed to settle early**

After 1/4 of term

£

After 1/2 of term

£

After 3/4 of term

£

The above early settlement amounts are only illustrative because we have not taken account of any variations that may occur under this agreement.

This agreement is not cancellable under the Consumer Credit Act 1974, Timeshare Act 1992 or Financial Services (Distance Marketing) Regulations 2004.

## MISSING PAYMENTS

Missing payments could have severe consequences and make obtaining credit more difficult.

## YOUR HOME MAY BE REPOSSESSED

Your home may be repossessed if you do not keep up repayments on a mortgage or other debt secured on it.

\* delete as appropriate

**IMPORTANT - READ THIS CAREFULLY TO FIND OUT ABOUT YOUR RIGHTS**

The Consumer Credit Act 1974 lays down certain requirements for your protection which should have been complied with when this agreement was made. If they were not, we cannot enforce this agreement without getting a court order.

The Act also gives you a number of rights. You can settle this agreement at any time by giving notice in writing and paying off the amount you owe under the agreement. Examples indicating the amount you have to pay appear in the agreement.

If you would like to know more about your rights under the Act, contact either your local Trading Standards Department or your nearest Citizens' Advice Bureau.

**YOUR RIGHTS**

Under the Consumer Credit Act 1974, you should have been given a copy of this agreement at least seven days ago so you could consider whether you wanted to go ahead. If we did not give you a copy of this agreement we can only enforce it with a court order.

**YOUR RIGHT TO APPEAL LENDING CONDITIONS**

If you are unhappy with any of the conditions relating to your requested lending, please do not sign the document, but instead speak to your Relationship Manager. If you are still unhappy you can appeal to our Independent Appeals Team to review your case within 30 days of this letter. You can find further details about the process on our website at [www.bankofscotlandbusiness.co.uk/business-finance/lending-support/appeals-process](http://www.bankofscotlandbusiness.co.uk/business-finance/lending-support/appeals-process).

You can't use this process to appeal the proposed costs of agreed lending, such as interest rates, fees and costs, or our standard terms and conditions. If you do appeal our lending condition(s), then this could delay how long it takes for us to put your new lending facility in place, although we aim to deal with 90% of all appeals within 30 days of receipt.

This document creates legal obligations and therefore before signing we recommend that you consider getting independent advice. This may help you in understanding the potential consequences in the event that things go wrong.

By signing in the signature box you understand that we can make the checks, and use and disclose your personal information, in accordance with conditions 6(g), 7(d) and the section headed "Personal and Business Information and Lloyds Banking Group".

**Summary of information**

Purpose of Cash Loan

Existing sort code and account number (if to be repaid)

<input type="text"/>																			
<input type="text"/>																			
<input type="text"/>																			
<input type="text"/>																			

Indicate whether the amount of the following items is to be funded by us or settled separately:

	Funded by us	Settled separately
Arrangement fee	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Legal fees	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Valuation fee	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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

## FIXED AND BASE RATE TERMS AND CONDITIONS

### 1 Joint Customers and Partners

- (a) If there is more than one customer, you are all jointly and severally responsible for keeping to all the terms of this agreement. If any of you does not keep to the terms we can take action against any of you, singly or together.
- (b) If you are a Partnership, or you sign this agreement on behalf of such a body, then all persons who are or become members of that body are jointly and severally responsible for keeping to the terms of this agreement. Those obligations remain binding if the body is dissolved or reconstituted, or changes its name or constitution. Notwithstanding the business purposes declaration set out in this agreement, the obligations in this agreement are binding on the Partnership whether or not the Loan is used in connection with its business.
- (c) If you are an Unincorporated Association, or you sign this agreement on behalf of such a body, then all persons who are members of that body and have signed or ratified the agreement are jointly and severally responsible for keeping to the terms of this agreement. Those obligations remain binding if the body is dissolved or reconstituted, or it changes its name or constitution. Notwithstanding the business purposes declaration set out in this agreement, the obligations in this agreement are binding on the Unincorporated Association whether or not the Loan is used in connection with its business.
- (d) If you are a Partnership or Unincorporated Association we may require all partners, or members or officers, to sign a resolution approving this agreement before we enter into it.

### 2 Availability of Loan

- (a) This agreement has no effect until we and you have signed it and we have received it back at the bank address specified in this agreement. You must sign and return the original copy of this agreement to us within 14 days of the date of our signature.
- (b) You should tell us when you want the Loan paid to you. This must be on a Business Day no more than 30 days after we sign this agreement (unless we permit a delay). We may withhold payment of the Loan to you if we reasonably believe that you have not complied or will not comply with the terms of this agreement (see condition 5(a)). We will credit the Cash Loan to the Servicing Account. We will then immediately pay out of that Servicing Account any part of the Cash Loan you have asked us to use to pay off any existing account for you. We will debit Fees, when they are due under condition 4(f).
- (c) If we fund payment of Fees over the Term, we will charge you interest (at the same rate as for the Cash Loan) on the amount we provide to fund Fees. If Fees are estimated, we will fund the amount of the estimated Fees. The Cash Loan instalments will also cover the amount we provide to fund Fees and interest on that amount.
- (d) You confirm that your intention is to use the Loan for the purposes specified within this agreement.

### 3 Interest

- (a) For variable rate loans, the interest rate will change when the Base Rate changes. We will make such changes immediately and without notice to you. Details of any change in the Base Rate will be available in our branches, updated on our website and advertised in a selection of national newspapers. When we tell you about a change and we are required to notify you personally, we will do so at least annually on your statement, by statement insert, letter, email, text or in any other way which is sent to you individually. We will not change the margin by which the interest rate on your Loan tracks the Base Rate. The margin is set out in the "Other Financial Information" section of the agreement.
- (b) For fixed rate loans, we will not change the interest rate on your Loan.
- (c) As we charge interest on the daily balance of your Loan, if an instalment or part of an instalment is unpaid at any time after the date it became due, the amount unpaid (including any interest included in that amount) will form part of the balance owing in respect of your Loan and we will charge interest on it accordingly.

### 4 Your Payments

- (a) You must pay us all sums due in this agreement on time. If you fail to pay on time, we may take action in accordance with condition 5(a)(i).
- (b) You authorise us to collect instalments by automated transfer from the Servicing Account. We recommend that you keep sufficient available funds in that account.
- (c) We may agree to collect the interest and capital repayment elements making up your instalments from separate accounts or (if they are both collected from an account you hold with us) we may show them separately on any related statements.
- (d) We have a right to vary the timing, frequency, number and amount of your instalments for any reason, including for example:
- (i) to take account of a change in our systems (provided we will take all reasonable steps to avoid any disadvantage to you as a result); or
  - (ii) where we reasonably believe that you will not be able to make your repayments in accordance with this agreement (for example if you are experiencing temporary financial difficulties), provided that we will always exercise our rights under this condition 4(d) in a reasonable and proportionate way.
- (e) You may repay the Loan (or any part of it) early. You cannot redraw anything you have paid off. We will use any partial repayments to reduce the total amount outstanding in relation to the Loan. If your interest rate is fixed we will reduce the term of your Loan and if your interest rate is variable we will reduce the amount of your regular instalments.
- (f) You must pay us the Arrangement Fee specified in this agreement when we provide the Cash Loan or immediately after telling us you no longer want the Cash Loan. You must pay any Legal Fees and Valuation Fee specified in this agreement when they become due (which is normally when we provide the Cash Loan but may be later when they are due to a third party), even if you do not draw the Cash Loan or we do not provide it. Except where you exercise your right of withdrawal, Fees are not refundable if this agreement ends early.
- (g) If any Fees are indicated within this agreement as 'estimated', they are based on equivalent fees we typically charge other borrowers around the time we enter into this agreement, but the actual amounts we will debit may turn out to be different. We will let you know in advance the details of the actual amounts we will debit.
- (h) If you fail to pay an instalment in full and on time, and any part of that amount has not been paid by the time we calculate your next instalment amount, we may (at our discretion):
- increase the amount of that next instalment and each of your remaining regular instalments proportionally to ensure that the full balance of the Loan is repaid within the agreed term;
  - extend the term of your Loan; or
  - increase the amount of your final instalment.

This does not affect our right to take action in accordance with condition 5(a)(i).

- (i) We will apply any payments we receive from you against any interest before any other amounts on your account, including the outstanding capital of your Loan. This will not apply to payments made specifically for fees and/or charges or where we collect the interest and capital that make up your repayment from separate accounts.

### 5 Default, non compliance and other causes of termination

- (a) Without prejudice to condition 5(e), we may require immediate repayment of everything you owe us (or we need not pay the Loan, or any part of it, over to you) if any of the following occurs and we reasonably consider it may negatively affect your ability to repay the Loan:
- (i) you fail to make a payment on time;
  - (ii) any information you have given or give us in future is inaccurate or changes materially in a way that reasonably affects our decision to lend to you;
  - (iii) 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);
  - (iv) without our consent which we will not unreasonably withhold or delay, you create or permit any new charge, mortgage, standard security or security interest over your business or any part of it, or its property, assets or income;

- (v) without our consent which we will not unreasonably withhold or delay, 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) save that no such sale, lease or other disposal may be made or entered into (1) if it would breach the terms of any security document given to us; or (2) in respect of any undertaking, property, revenue or asset over which we then have a fixed charge or fixed security asset;
- (vi) you cease trading or significantly change the nature of your business as it is now conducted;
- (vii) you do not have the insurance over your business and its assets that we reasonably think is normal for a business of your type (you must promptly show us evidence of this insurance if we ask for it) and do not arrange such insurance within 30 days of us asking you to;
- (viii) you factor or assign any debts owed to your business without our consent;
- (ix) you become insolvent (or in Scotland, apparently insolvent), a bankruptcy or sequestration petition 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;
- (x) if you are a 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;
- (xi) you seriously or persistently break this or any other agreement with us;
- (xii) any of the security documents are not executed, or any security we hold in connection with this agreement is or becomes void or voidable or unenforceable in whole or part (unless due to fault or error on the part of the Bank);
- (xiii) we reasonably believe that the security is worth substantially less than when it was given to us, and you do not arrange any additional security that we may reasonably require to make up for the deficiency within 30 days of our request;
- (xiv) any person giving security we hold in connection with this agreement defaults on it, or on any other agreement with us or security given to us and you do not arrange any additional security that we may reasonably require to make up for the deficiency within 30 days of our request;
- (xv) if you use the Cash Loan to inject capital into a business of which you are or are to become a partner; into a limited liability partnership of which you are or are to become a member; or into a company of which you are or are to become a director, and:
  - (1) you cease for any reason to be a partner of that business, member of that limited liability partnership or director of that company;
  - (2) any of the events referred to in paragraphs (iii), (vi) or (x) applies in relation to that partnership, limited liability partnership or company; or
  - (3) that company (if it is a limited company) or limited liability partnership has 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 it has a receiver appointed over all or part of its assets or it ceases to trade, or it is deemed by law unable to pay its debts, or it makes 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 its indebtedness.

(xvi) where you do not have a Servicing Account.

- (b) If you use the Cash Loan to inject capital into a business of which you are or are to become a partner; into a limited liability partnership of which you are or are to become a member; or into a company of which you are or are to become a director, condition 5(a)(iv), (v), (vi) and (viii), and any references to Financial Statements in this agreement, do not apply to you.

- (c) If you die, we need not pay the Loan, or any part of it, over to you.
- (d) Where there is more than one customer, we will have the rights in condition 5(a) if any of the stated circumstances applies to any one of you. We will also have the rights in condition 5(c) if any one of you dies and we reasonably think the remaining customer(s) may be unable to repay the Loan in accordance with this agreement.
- (e) We will send you formal notice under the Consumer Credit Act 1974 before we require repayment. This will tell you what you must do to avoid us enforcing this agreement, and give you a short time to do this.
- (f) If you are unable to meet any payments due to us (or think you may have difficulties) you should contact your branch as soon as possible. This is very much in your own interests and it is likely to save you money.
- (g) Where no default has occurred under condition 5(a) we will not terminate this agreement without giving at least 30 days' notice. Such notice will be in the prescribed form in accordance with the Consumer Credit Act 1974.

### 6 Other conditions

- (a) You must effect any life assurance policy mentioned within this agreement, if you have not already done so. You must make any payments on time, and give us evidence of this if we ask for it.
- (b) You must have a Servicing Account whilst this agreement lasts from which we will take the payments due under this agreement.
- (c) You must provide us with copies of any financial or any other information that we may from time to time reasonably request (including your Financial Statements) audited or certified by an independent accountant as required by law or by us from time to time as soon as reasonably possible and in any event within 180 days of the end of the period to which they relate.
- (d) This agreement (and any non-contractual obligations arising out of or in connection with this agreement) is governed by English law and the courts of England and Wales shall have jurisdiction over it, unless your business address on the front pages of the agreement is in Scotland, in which case it will be governed by Scots law and the courts of Scotland shall have jurisdiction over it.
- (e) We may sell, assign, transfer or securitise our rights and/or our obligations under this agreement, or enter into transactions which have the effect of transferring our economic or credit risks and/or rewards under this agreement and references to "we", "us" and "our" shall include our successors and assigns.
- (f) In the event of a proposed sale, securitisation or transfer of risks and/or rewards of the Loan (or part of it), or assignment or transfer of any of our rights under this agreement:
- (i) we may disclose information about you, your finances and this agreement to any potential purchaser, assignee, transferee, counterparty to an agreement transferring risks and/or rewards, rating agencies, listing authorities, their and our advisers, and any other person to whom it is reasonable for us to disclose such information in relation to the proposed sale, securitisation, transfer, assignment or transfer of risks and/or rewards;
  - (ii) we only make such disclosure to them if they agree to keep the information confidential and to use it only to consider the possible sale, securitisation, transfer, assignment or transfer of risks and/or rewards;
  - (iii) if the sale, securitisation, transfer or assignment goes ahead, any purchaser, assignee, transferee, counterparty to an agreement transferring risks and/or rewards and any other person to whom it is reasonable for us to disclose such information in relation to such transaction may then use the information in all the same ways as us.
- (g) You understand that we can disclose information about you, your finances and this agreement to any person providing any security, and that they can give us information about you.

- (h) (i) We can change any terms of this agreement at any time:
- if the change is to your advantage;
  - to reflect changes in law, codes of practice which apply to us or the way we are regulated; or
  - to reflect any changes we make to our systems or processes.
- (ii) Subject to condition 6(h)(i) above, we will tell you personally at least 30 days before we make a change to your disadvantage (other than a change to the Base Rate), (if applicable) which we will make in accordance with condition 3). If you close or change your account within 60 days of us telling you about this change and repay the outstanding balance, we will not charge you extra to do so.
- (iii) When we tell you about a change we will do so by letter, email, statement or statement insert.
- (iv) If we agree to fix any condition for a certain time, we will not change it during that time.
- (i) The Loan is conditional on the security (if any) listed within this agreement being provided and maintained while you owe us anything under this agreement. This agreement is not secured by any other security that has been or in future is provided.
- (j) We will not be liable for any loss, damage, interruption, delay or non-performance in connection with this agreement to the extent that it is caused by events which are beyond our reasonable control which may include for example explosion, terrorism, war, riot or other civil disturbance or failure or interruption of any electronic communications system caused by someone else.
- (k) You acknowledge and agree with us that in deciding to enter into this agreement you have made your own assessment of the viability and profitability of any purchase, project or purpose for which the Loan has been sought and you have not received or relied upon any advice given by us or anyone on our behalf.
- (l) If you owe us money under this agreement, we may use money in any of your other accounts with us to reduce or repay (by way of set-off or otherwise) what you owe us without telling you before we do so. For example, we may exercise this right if you withdraw from this agreement and do not repay the credit that we have advanced to you within the required 30 day period.

## 7 Land Mortgages

- (a) This agreement is secured by a mortgage over land ("the Property"). The Property includes all your interest in or over the land which is the security.
- (b) We will require a valuation of the Property, a satisfactory report on title, confirmation that the Property is insured to our reasonable satisfaction, and any other information or other thing we reasonably require.
- (c) Where reasonable (for example, to meet regulatory requirements or check the Property continues to be adequate security for payment of the total amount outstanding in respect of the Loan), we may have the Property revalued at any time during the Term. You will pay the reasonable cost of each revaluation.
- Where we revalue under this condition you must give, or do what you reasonably can to get any tenant to give, us (or our agents) access to the Property at any reasonable hours we request to carry out an internal and external inspection, so long as we have given you reasonable notice (not less than 24 hours) beforehand.
- If the total amount outstanding in respect of the Loan exceeds 80% of the new valuation (after taking into account other loans secured on the Property in priority to the loan from us) ("the Security Cover"), we may require you within 30 days:
- to charge additional property to us which will in our reasonable opinion restore the Security Cover; or
  - to reduce the amount you owe so that it is within the Security Cover.
- (d) You understand that we can ask anyone connected with the Property (such as any landlords, tenants and other mortgagees) to give us information we reasonably require in connection with the Property about you.

## 8 Definitions

In this agreement the following terms shall have the following meanings:

- (a) **"Base Rate"** means the bank rate from time to time of the Bank of England (or any rate at any time replacing that rate), which will be available in the branch of ours where your account is held and on our website, currently [www.bankofscotlandbusiness.co.uk](http://www.bankofscotlandbusiness.co.uk), and may be varied (either up or down) by the Bank of England at any time.
- (b) **"Business Day"** means a day other than a Saturday or a Sunday on which banks in the jurisdiction of the applicable law under condition 6(d) are open for normal business.
- (c) **"Current Account"** means your main business current account with us.
- (d) **"Fees"** means the fees (but not interest) in the table in the Other Financial Information section within this agreement.
- (e) **"Financial Statement"** means at any particular time the latest balance sheet and profit and loss account of your business together with the notes to both. You must ensure they are audited or signed by an independent accountant if required by law or if reasonably required by us. You must also ensure that, unless we allow otherwise (we will not unreasonably withhold or delay our permission), they are prepared on the same basis and (except to the extent necessary to reflect any changes in generally accepted accounting principles) in accordance with the same accounting principles as the latest such balance sheet and profit and loss account received by us prior to the date on which this agreement is signed by us.
- (f) **"Loan"** means the Cash Loan and (if applicable) the amount we provide to fund Fees over the Term.
- (g) **"Servicing Account"** means an account through which we channel your and our payments under this agreement. Your Servicing account may be a Current Account held with us.
- (h) **"you"**, where there is more than one of you, means any and all of you and, in the case of a Scottish partnership, also includes the partnership itself.

## 9 Third party rights

This agreement is for the benefit of the contracting parties only and shall not confer any benefit on or be enforceable by a third party.

## 10 Post-judgment interest

If you do not pay us what you owe under this agreement and we obtain judgment against you in court, we may continue to charge interest on the judgment amount at the contractual rate after judgment has been given.

## 11 Waivers

If you break this agreement and we decide not to enforce any of our rights under this agreement (for example if we decide not to charge interest in certain circumstances), that will not prevent us from enforcing those rights in respect of any subsequent breach by you. A delay by us in enforcing a right does not constitute a waiver.

## 12 Severability

If any term or provision in this agreement shall in whole or in part be held to any extent to be invalid, void, illegal or unenforceable under any enactment or rule of law, that term or provision shall to that extent be deemed not to form part of this agreement and the enforceability of the remainder of this agreement shall not be affected.

## Personal and business information and Lloyds Banking Group

This information does not form part of your product conditions.

### Use of business information

When businesses apply for, or hold, products or services provided by us, we may acquire and process information relating to the business as well as personal data of individuals associated with the business. More information about how we use business information is available at [www.bankofscotland.co.uk/businessprivacy](http://www.bankofscotland.co.uk/businessprivacy)

## Privacy notice

### Who looks after your personal information

Your personal information will be held by Bank of Scotland plc which is part of the Lloyds Banking Group. More information on the Group can be found at [www.lloydsbankinggroup.com](http://www.lloydsbankinggroup.com)

### How we use your personal information

We will use your personal information:

- to provide products and services, manage your relationship with us and comply with any laws or regulations we are subject to (for example the laws that prevent financial crime or the regulatory requirements governing the products we offer).
- for other purposes including improving our services, exercising our rights in relation to agreements and contracts and identifying products and services that may be of interest.

To support us with the above we analyse information we know about you and how you use our products and services, including some automated decision making. You can find out more about how we do this, and in what circumstances you can ask us to stop, in our full privacy notice.

### Who we share your personal information with

Your personal information will be shared within Lloyds Banking Group and other companies that provide services to you or us, so that we and any other companies in our Group can look after your relationship with us. By sharing this information it enables us to better understand our customers' needs, run accounts and policies, and provide products and services efficiently. This processing may include activities which take place outside of the European Economic Area. If this is the case we will ensure appropriate safeguards are in place to protect your personal information. You can find out more about how we share your personal information with credit reference agencies below and can access more information about how else we share your information in our full privacy notice.

### Where we collect your personal information from

We will collect personal information about you from a number of sources including:

- information given to us on application forms, when you talk to us in branch, over the phone or through the device you use and when new services are requested.
- from analysis of how you operate our products and services, including the frequency, nature, location, origin and recipients of any payments.
- from or through other organisations (for example card associations, credit reference agencies, insurance companies, retailers, comparison websites, social media and fraud prevention agencies).
- in certain circumstances we may also use information about health or criminal convictions but we will only do this where allowed by law or if you give us your consent.

You can find out more about where we collect personal information about you from in our full privacy notice.

### Do you have to give us your personal information

We may be required by law, or as a consequence of any contractual relationship we have, to collect certain personal information. Failure to provide this information may prevent or delay us fulfilling these obligations or performing services.

### What rights you have over your personal information

The law gives you a number of rights in relation to your personal information including:

- the right to access the personal information we have about you. This includes information from application forms, statements, correspondence and call recordings.
- the right to get us to correct personal information that is wrong or incomplete.
- in certain circumstances, the right to ask us to stop using or delete your personal information.
- from 25 May 2018 you will have the right to receive any personal information we have collected from you in an easily re-usable format when it's processed on certain grounds, such as consent or for contractual reasons. You can also ask us to pass this information on to another organisation.

You can find out more about these rights and how you can exercise them in our full privacy notice.

### Other individuals you have financial links with

We may also collect personal information about other individuals who you have a financial link with. This may include people who you have joint accounts or policies with such as your partner/spouse, dependents, beneficiaries or people you have commercial links to, for example other directors or officers of your company.

We will collect this information to assess any applications, provide the services requested and to carry out credit reference and fraud prevention checks. You can find out more about how we process personal information about individuals with whom you have a financial link in our full privacy notice.

### How we use credit reference agencies

In order to process your application we may supply your personal information to credit reference agencies (CRAs) including how you use our products and services and they will give us information about you, such as about your financial history. We do this to assess creditworthiness and product suitability, check your identity, manage your account, trace and recover debts and prevent criminal activity.

We may also continue to exchange information about you with CRAs on an ongoing basis, including about your settled accounts and any debts not fully repaid on time, information on funds going into the account, the balance on the account and, if you borrow, details of your repayments or whether you repay in full and on time. CRAs will share your information with other organisations, for example other organisations you ask to provide you with products and services. Your data will also be linked to the data of any joint applicants or other financial associates as explained above.

You can find out more about the identities of the CRAs, and the ways in which they use and share personal information, in our full privacy notice.

### How we use fraud prevention agencies

The personal information we have collected from you and anyone you have a financial link with may be shared with fraud prevention agencies who will use it to prevent fraud and money laundering and to verify your identity. If fraud is detected, you could be refused certain services, finance or employment. Further details of how your information will be used by us and these fraud prevention agencies, and your data protection rights, can be found in our full privacy notice.

### How we share personal information about insurance products

If you apply to us for insurance, we may pass your details to the relevant insurer and their agents. If a claim is made, any personal information given to us, or to the insurer, may be put onto a register of claims and shared with other insurers to prevent fraudulent claims.

### Our full privacy notice

It is important that you understand how the personal information you give us will be used. Therefore, we strongly advise that you read our full privacy notice, which you can find at [www.bankofscotland.co.uk/businessprivacy](http://www.bankofscotland.co.uk/businessprivacy) or you can ask us for a copy.

### How you can contact us

If you have any questions or require more information about how we use your personal information please speak to your usual bank contact or email the data privacy team at [CBDataPrivacy@LloydsBanking.com](mailto:CBDataPrivacy@LloydsBanking.com)

If you feel we have not answered your question Lloyds Banking Group has a Group Data Privacy Officer, who you can contact on 0345 721 3141 (+44 131 337 4218 from outside the UK) and tell us you want to speak to our Data Privacy Officer.

### Version Control

This notice was last updated in January 2018.