

COMMERCIAL BANKING

# CB Markets General Terms of Business

Financial instruments and related services

Effective from 3rd January 2018



**BANK OF  
SCOTLAND**

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**This document consists of the following:**

- ▶ The **Important Information** section, which you should read before you enter into a relationship with us or are provided with our Products and Services.
- ▶ **Section 1** sets out the **general terms and conditions** that govern our relationship.
- ▶ **Section 2** contains **specific information** that applies to the Products and Services that we may provide and which you should read before entering into any Transactions.

# Important Information

## 1. Introduction

1.1 This document explains how your relationship with Bank of Scotland plc acting through the Commercial Banking Markets division of Lloyds Bank plc will work, and sets out the main terms and conditions that apply when we provide you with our Products and/or Services.

1.2 Bank of Scotland plc is part of the 'Lloyds Banking Group' (LBG), which comprises all subsidiaries and Associates of Lloyds Banking Group plc.

1.3 You will be contracting with Bank of Scotland plc whose registered office is at The Mound, Edinburgh EH1 1YZ and it is registered in Scotland under No. SC32700.

1.4 By 'we', 'us' or 'our', we mean Bank of Scotland plc acting through Commercial Banking Markets ('CB Markets'), a division of Lloyds Bank plc.

1.5 By 'you' or 'your', we mean you as a person (if you are a sole trader) and your business or legal entity (including companies and partnerships).

1.6 These Terms only apply to:

- i) Our Products including, but not limited to, certain debt instruments, financial and commodity derivatives including foreign exchange derivative contracts, and foreign exchange spot contracts ("FX Spot"); and
- ii) Our Services including, but not limited to, arranging deals, underwriting and placing and corporate finance activities, and the provision of certain research and market commentary.

1.7 **It is important that you understand the nature of the risks involved with any of the Products and Services that you enter into with us. We will provide you with information on the nature and risks associated with our Product and Services. Our General Risk Disclosure Statement is available via our website ("Website"): [business.bankofscotland.co.uk/25m-plus-turnover/banking-with-us/schemes-reviews-and-regulations/](https://business.bankofscotland.co.uk/25m-plus-turnover/banking-with-us/schemes-reviews-and-regulations/)**

1.8 Not all Products and Services are available to, or are appropriate for all clients. Please see paragraph 19 (Your status) for more information on how your categorisation is determined and communicated.

1.9 In these Terms:

- i) words and expressions shall have the particular meaning, if any, given to them in the body of these Terms and/or the glossary set out at the end of these Terms;
- ii) reference to any statute or statutory provision includes a reference to that statute or statutory provision as from time-to-time amended, extended, re-enacted or consolidated and also to all statutory instruments or orders made pursuant to it;
- iii) references to a person or entity include a company, corporation, firm, unincorporated or incorporated association, or statutory authority;
- iv) unless the context requires otherwise, references to any document include reference to such document as may be amended, supplemented, novated, substituted or replaced from time to time; and
- v) any phrase introduced by the words "including", "includes", "in particular", "for example" or "such as" or similar shall be construed as illustrative and shall not limit the generality of the related general words.

1.10 **All communications between you and us and all information and documents from us shall be in English unless otherwise required by Applicable Regulations.**

## 2. Understanding these Terms

2.1 **These CB Markets General Terms of Business for Financial Instruments and Related Services (the "Terms") form a binding contract between us and are only provided to you at the start of our relationship unless amended or varied as detailed in paragraph 11 (Amendment or variation by us).**

2.2 Retail, Professional and Eligible Counterparty Clients (see paragraph 19.2 (Your status)) will be taken to have accepted these Terms by receiving Products or Services from us.

2.3 In addition, Retail Clients (see paragraph 19.2 (Your status)) will be required to expressly consent to clauses 15.1 (How we will communicate with you and provide you with information) and 44.1 (Execution Venue) by signing a separate letter.

- 2.4 You may receive further terms and conditions that are specific to our Products and Services (“**Product Terms**”) that will supplement and/or vary these terms. In addition, where you wish to transact certain Products and Services, you will also be required to enter into standardised market facing agreements and/or other documentation and agreements (“**Product Agreements**”). Product Terms and Product Agreements are referred to together as “**Additional Terms**”. You will be informed when these Additional Terms are required. Where these Additional Terms are required, you must have them in place before any Transaction can be executed.
- 2.5 If there is any conflict between these Terms, the Product Terms or the Product Agreements then the Product Agreements shall prevail over the Product Terms and/or these Terms; and the Product Terms shall prevail over these Terms to the extent of the inconsistency.
- 2.6 If your relationship with us was initiated via an international branch of Bank of Scotland plc, then these Terms may be supplemented and varied by the terms and conditions for that jurisdiction.
- 2.7 If your relationship with us was initiated via one of our online platforms, then further terms specific to that platform may also apply.
- 2.8 These Terms, which may be amended from time to time, supersede any other general terms of business that may have been previously sent to you by us.
- 2.9 **We suggest you keep a copy of this document in case you want to check the terms and conditions that apply to our Products and Services.**

### 3. Your knowledge and understanding

- 3.1 Any Transaction, or proposed Transaction, which you enter into with us is on the basis that you are able to make your own independent evaluation, based on your knowledge and experience.

### 4. If you have questions

- 4.1 If you have any questions about these Terms or our Products and/or Services, need further information, or would like another copy of these Terms please contact your Bank of Scotland plc representative.

## 5. How we are regulated

- 5.1 Bank of Scotland plc is authorised by the Prudential Regulation Authority (“PRA”), and regulated by the Financial Conduct Authority (“FCA”) and the PRA. The address of the FCA is 25 The North Colonnade, Canary Wharf, London E14 5HS. The address of the PRA is 20 Moorgate, London EC2R 6DA. Our authorised firm reference number is 169628. To find out more about us, see the Financial Services Register: [www.fca.org.uk](http://www.fca.org.uk) or call the FCA on **0800 111 6768**.
- 5.2 Although we are required to comply with the rules of the FCA, the PRA and any other regulators, they shall not give rise to any obligations or rights in contract between you and us except as provided under Applicable Regulation.

## 6. Important information about compensation arrangements

- 6.1 You may be protected by the Financial Services Compensation Scheme (FSCS).
- 6.2 Compensation may be available for eligible investment business. Further information about the scheme (including the amounts covered and eligibility to claim) can be obtained from our Website and from the FSCS via its website [www.FSCS.org.uk](http://www.FSCS.org.uk) or by calling the FSCS on **020 7741 4100** or **0800 678 1100**

## 7. If you have a disability

- 7.1 Please feel free to contact us if you would like this information in an alternative format such as Braille, large print or audio.
- 7.2 If you have a hearing or speech impairment you can use Text Relay (previously TypeTalk) 6458. Your call may be monitored or recorded in case we need to check we have carried out your instructions correctly and to help improve our quality of Service.

## 8. Complaints

- 8.1 If you experience a problem or wish to complain in relation to any aspect of our relationship under these Terms, please bring this to the attention of your Bank of Scotland plc representative as soon as possible.
- 8.2 Once we receive your complaint we will write to you to acknowledge your complaint and let you know when you can expect a full response or to tell you what we have done to resolve the problem. **The full complaints policy applicable to CB Markets is available upon request.**

- 8.3 Some customers will be “eligible complainants” and may be able to refer their complaint to the Financial Ombudsman Service. The Financial Ombudsman Service will only consider your complaint once you have tried to resolve it with us, so please take up your concerns with us first and we will do all we can to help.
- 8.4 The Financial Ombudsman Service can be reached at South Quay Plaza, 183 Marsh Wall, London E14 9SR.  
Tel: **800 023 4567**. Further details are available from **[www.financialombudsman.co.uk](http://www.financialombudsman.co.uk)**

# Section 1 — General Terms and Conditions

## 9. Our relationship

9.1 To access the Products and Services governed by these Terms you must:

- i) use our relevant Products and Services solely for the purpose of your trade, business or profession; and
- ii) satisfy our internal checks and due diligence.

You may be required, from time-to-time, to provide additional or up-to-date information in order to continue to access our Products and Services. If this information is not provided within the timeframes requested, you will not be able to continue to access our Products and Services.

9.2 The Products and Services we provide are not available to consumers (which means an individual natural person, personal representative or trustee when acting in a personal capacity). We shall be entitled to immediately terminate our relationship should you act in the capacity of a consumer in transacting under these Terms.

## 10. Agreement between us

10.1 These Terms form the basis of our relationship and continue in full force and effect unless terminated in accordance with paragraph 37 (**Termination**) and we will not accept any variation or amendments to these Terms other than as a result of Additional Terms or any applicable further terms, subject to paragraph 11 (**Amendment or variation by us**) below.

10.2 When effecting a Transaction, we shall not be obliged to disclose to you, or to take into consideration, information, fact, matter or thing (together, "**Information**") where:

- i) it is protected by information barriers requiring information held within one part of Bank of Scotland plc or any of our Associates to be withheld from, or not used by, another part of Bank of Scotland plc or any of our Associates;
- ii) the disclosure or use of the Information would breach a duty of confidentiality owed to any other person or may result in a breach of law or regulation; or

- iii) the Information is not known to the individual making the decision or taking the step in question (whether or not it has come to the notice of any officer, director, employee or agent of ours or any of our Associates).

## 11. Amendment or variation by us

11.1 We reserve the right at all times, subject to rules of our regulators, to amend or vary these Terms by providing you with notice. Any such amended or varied Terms will also be posted on our Website.

11.2 We will give you 30 days' prior notice of any material changes to these Terms before they take effect.

11.3 Any amendment will apply in respect of all Transactions entered into after the amendment becomes effective but will not affect any outstanding Transactions entered into before the date of amendment.

## 12. Assignment

12.1 You may not assign or charge any or all of your rights under these Terms or any Additional Terms (unless the Additional Terms allow this), without our prior written consent.

12.2 You agree that we shall be permitted to assign any or all of our rights under these Terms or any Additional Terms to any entity or entities within Lloyds Banking Group without your consent, unless we have separately agreed otherwise.

## 13. Partnerships

13.1 If you are a partnership, then these Terms or any Additional Terms will continue in full force and effect and continue to bind each of the partners notwithstanding any change in your name, style or constitution, including on the death or retirement of a partner or partners, the introduction of a new partner or otherwise.

## 14. Joint and several liability

14.1 If you are two or more persons or a partnership, then your liabilities under these Terms or any Additional Terms shall be joint and several (which means that you are all jointly liable but we can also enforce any liability against any one of you in full).

## 15. How we will communicate with you and provide you with information

- 15.1 We will communicate with you and provide notices via electronic mail or other electronic means (including by way of posting to a website) unless you ask us to communicate with you in writing by post or by fax and provide us with the address or fax number.
- 15.2 You will provide us with your electronic mail address and/or any other information required to enable the transmission of information by electronic means, and you will update us with any changes. You confirm that you have regular access to the internet.
- 15.3 You confirm that we may contact you from time-to-time by electronic means to provide you with information about our Products and Services.
- 15.4 Any communications by us to you may be directed to whomever we consider appropriate in your organisation in the circumstances for the purposes of the communication.
- 15.5 Unless otherwise agreed, you consent to our providing you with information via our Website. We will notify you in accordance with paragraph 11 (**Amendment or variation by us**) of material changes.

### General Communications

- 15.6 **The electronic transmission of information cannot be guaranteed to be secure or error-free; such information can be intercepted, corrupted, lost, destroyed, arrive late, be incomplete or be otherwise adversely affected or unsafe to use. You and we accept this risk and will not be liable for any damage or loss caused as a result, except save in the case of fraud.**
- 15.7 You are responsible for ensuring that any persons authorised to make orders or requests on your behalf comply with any agreed procedures. Where passwords, personal identification numbers (“PINs”) or other login details are used, you are required to comply with the steps necessary to keep these details confidential. If you think a password, PIN or other login details may be known to someone else, you must inform us immediately.
- 15.8 You and we respectively agree that you and we will be responsible for ensuring that any computers and/or networks are protected from being affected by any malevolent electronic presence.

- 15.9 You agree that we have no liability for accepting, relying or acting on any communications. You also agree that we are not liable in the event that any email communications are not received or are mutilated, corrupted, illegible, interrupted, duplicated, incomplete, unauthorised or delayed for any reason, unless such liability arises by reason of gross negligence or fraud or wilful default on our part.
- 15.10 You agree that we may accept, rely and act upon electronic communications without further enquiry as to the authority or identity of the person sending these communications.

## 16. How you will communicate with us

- 16.1 Unless we agree otherwise, all communications by you to us will be in writing or via agreed electronic means, and sent to the address set out below or such electronic mail address as such as we may notify you in writing. Our address for the purposes of this paragraph is: CB Markets Client Services, 10 Gresham Street, London EC2V 7AE.

## 17. Confirmations

- 17.1 Confirmations will be provided by electronic means unless you give us five (5) working days’ notice in writing that you wish to receive Confirmations via a different method. Confirmations will be sent to the last electronic mail address you provide, except where provided via other agreed electronic means (for example, SWIFT).
- 17.2 Confirmations are provided no later than one business day following execution. You should review the Confirmation and tell us if it is not correct before settlement. If you enter into a Transaction and do not receive a Confirmation, please contact us immediately.

## 18. No payments to third parties

- 18.1 Unless otherwise agreed, we will only settle Transactions directly through standard settlement instructions (“SSIs”) and we will not accept any instructions to pay third parties.

## 19. Your status

- 19.1 Most of the terms and conditions set out in these Terms will apply on the same basis to all clients regardless of size and categorisation. However, some provisions will vary depending upon how we categorise you and in some cases may limit the Products and Services that we are able to provide to you.



19.2 Under Applicable Regulations, you may be categorised as a Retail Client, a Professional Client or an Eligible Counterparty Client. We will send you a letter confirming how we have categorised you and explain the protections afforded to you as a result of that categorisation as well as a description of how you may request a different categorisation.

19.3 You agree to provide us with the information we reasonably request to enable us to categorise you or perform our internal checks or due diligence. We may, from time-to-time, require you to provide us with up-to-date, additional or further information. You agree to respond to any requests for such further or additional information promptly and accept that if you fail to respond within any timeframe specified then these Terms may terminate in accordance with the provisions of paragraph 37 (**Termination**).

## 20. Our capacity

20.1 We will only enter into these Terms and provide our Products and Services as principal. In some cases we may, with prior agreement, act in a different capacity including as agent on your behalf (for example, when we may provide you with any administrative services).

20.2 We may delegate any of our obligations under these Terms to an Associate or other person or persons as we think fit, but shall remain responsible for the acts and omissions of any such delegate as if they were our own.

## 21. Agency

21.1 Your relationship with CB Markets is based upon you acting as principal in respect of the Products and Services that we transact with you. Where you act as agent on behalf of someone else (i.e. on their behalf) you agree to disclose this to us before entering into these Terms. Where this disclosure is not made we will continue to treat you as our client, and not the underlying principal.

21.2 If you act as agent on behalf of one or more principals, whose identity you disclose:

- i) you accept these Terms for yourself and each principal;
- ii) you confirm that you have been authorised to disclose the identity of each principal and to accept these Terms on their behalf;
- iii) that you alone are our client and not the principal.

21.3 Where you act as agent, references to “you” in these Terms means you as agent, and not your principals, except in paragraphs 22 (**Distribution Arrangements**), 23 (**Fiduciary duties**), 24 (**Representations, warranties and undertakings**), 25 (**Limitation of liability**), 26 (**Indemnity**), 27.2 and 27.3 (**Costs and charges**) and 36 (**Data protection and confidentiality**) where references to “you” means both you as the agent and/or your principals.

## 22. Distribution arrangements

22.1 You agree and represent that you will only enter into transactions in Products and Services for your own account and not in the capacity of Distributor unless we agree otherwise.

22.2 In the event that we agree, you acknowledge that we and you may have certain obligations under the Markets in Financial Instruments Directive and related rules (“**MiFID**”) and you agree that you will provide us with, and we may provide you with, certain information which may be necessary for us to meet our obligations under MiFID.

22.3 Should you wish to distribute any of the Products and Services provided by us please contact your Bank of Scotland plc representative.

## 23. Fiduciary duties

23.1 The provision of the Products and Services under these Terms or any Additional Terms will not give rise to any fiduciary or equitable duties on our part or that of our Associates. You agree that nothing contained in these Terms shall create any fiduciary, trustee, agency, joint venture or partnership relationship between us or any Associate of ours, on the one hand, and you or any Associate of yours on the other.

## 24. Representations, warranties and undertakings

24.1 As at the date our relationship under these Terms commences, and on the date of each Transaction you represent, warrant and undertake now and on a continuing basis, on your own behalf and, where applicable, on behalf of any principal, as follows:

- i) (if you are trading as a company or other undertaking) you are duly organised and validly existing under the laws of your jurisdiction of incorporation or establishment and have the power and authority to execute and perform your obligations under these Terms

- or, any Additional Terms in respect of any Transaction;
- ii) (if you are not trading as a company or other undertaking) you have full capacity and authority to enter into these Terms or any Additional Terms in respect of any Transaction and any subsequent Transactions;
  - iii) your obligations under these Terms and, any Additional Terms in respect of any Transaction are legal, valid and binding obligations which are enforceable against you, subject only to applicable bankruptcy, insolvency or other similar laws affecting creditors' rights generally;
  - iv) any Products which we or our agent may hold on your behalf or which you instruct us to sell are or will be beneficially owned by you on the day the Transaction is entered into or, where you are acting as agent, by your principal or principals and free from any liens, charges and encumbrances except for any that are granted or may arise in our favour;
  - v) you have obtained or made all governmental, regulatory and other consents, licences, authorisations or filings that are required for you to enter into and to perform your obligations in respect of these Terms or any Additional Terms in respect of any Transactions and they are in full force and effect and you have complied with all conditions applicable to any of them;
  - vi) the execution, delivery and performance of these Terms or any Additional Terms in respect of each Transaction and the purchase, sale or subscription by you of Products in connection with a Transaction, does not violate or conflict with any Applicable Regulations that apply to you;
  - vii) where you are acting as a trustee under a deed of trust, you: (i) have all necessary powers, authority and capacity under that deed of trust to enter into and perform your obligations under these Terms or any Additional Terms in respect of any Transactions; and (ii) have the right (subject only to principles of equity) to be indemnified out of the assets of the trust in respect of all obligations incurred by you in connection with these Terms or any Additional Terms in respect of any Transaction;
- viii) where you are acting as agent on behalf of a principal or series of principals:
    - a) you have been duly appointed and have the capacity to act, as agent on behalf of each principal and are fully authorised to enter into these Terms or any Additional Terms and to enter into and confirm each Transaction on behalf of each principal and to procure the performance of its obligations under these Terms or any Additional Terms on behalf of each principal;
    - b) to the best of your knowledge and belief, each principal has full legal capacity and power to enter into and perform its obligations under the Terms and any Additional Terms, and the Terms and any Additional Terms constitute legal, valid, binding and (subject to applicable bankruptcy, reorganisation, insolvency or similar laws) enforceable obligations of each principal.
  - ix) you will promptly inform us if there is any material change in any information you have provided to us and provide all further and/or amended information required;
  - x) you will promptly inform us if there is any change in your authorised representatives, including any Third Party Decision Makers and where we do not hear from you we will assume that no changes have been made;
  - xi) you have sufficient knowledge, experience and expertise to be capable of independently evaluating the risks involved in entering into any Services and Transactions and in any purchase, sale or subscription of Products (as applicable); or
  - xii) if you are a Professional Client or Eligible Counterparty Client, where in connection with a Transaction you acquire Products in an offering, you do so as a qualified, professional, institutional or similar investor that is eligible to do so under Applicable Regulations and under the applicable offering documents;
  - xiii) any information given to us by you or on your behalf in relation to a Transaction is complete and accurate in all material respects and not misleading;
  - xiv) you are entering into the Transaction based on your own independent review and such professional advice as you consider appropriate, and that based on that review and advice you are satisfied that the Transaction: (i) is consistent with your

financial situation; and (ii) complies and is consistent with any investment policies, mandates, guidelines and restrictions that are applicable to you in relation to the Transaction;

xv) if at any time any of the representations or warranties contained in this paragraph 24.1 cease to be true, you will notify us in writing within five (5) Business Days (or earlier if you are able to do so).

xvi) you will comply with Applicable Regulations in connection with each Transaction and will provide us with any instruction and order, and complete any procedural formality as may be required by Applicable Regulations (including applicable tax law or practice) in connection with a Transaction, Product or Service;

xvii) you will not take or omit to take any action if that action or omission would amount to market abuse under Applicable Regulations or would be inconsistent with proper standards of conduct in relation to any applicable market, and you will not knowingly take or omit to take any action that would cause us to commit market abuse or to fail to meet such proper standards.

xviii) you will provide us with any information and documents which is/are in your possession or control in connection with a Transaction, Product or Service:

a) that we may request in connection with any request or investigation by a court, the FCA, the PRA or any other regulator;

b) that we may request in connection with any complaint received by the FCA, the PRA, any other regulator or you;

c) that we may reasonably require from time-to-time in order to allow us to comply with our legal, tax and/or regulatory obligations; and

d) in each case, as soon as is reasonably practicable and, in any event, in good time in relation to the prescribed timings of any regulator, court or regulatory process.

24.2 You may also be required to provide other representations, warranties and undertakings as part of any Transaction.

## 25. Limitation of liability

25.1 No Bank of Scotland Person will be liable to you or any third party for any Loss in connection with these Terms, any Additional Terms or any Transaction, except to the extent that the Loss arises as a direct result of the gross negligence, wilful default or fraud by any Bank of Scotland Person.

25.2 No Bank of Scotland Person will be liable to you or any third party in connection with any Transaction, the Terms or any Additional Terms for:

i) any loss of profits or opportunity due to an increase in the value, or any Loss due to a decline in the value, of any Products which are or were the subject of a Transaction or a potential Transaction;

ii) any other type of indirect, consequential or special Loss, even if a Bank of Scotland Person should reasonably have been aware of the possibility of that Loss being incurred;

iii) the solvency, acts or omissions of any broker, nominee, custodian, settlement agent, securities depository or other third party through or with whom a Transaction is carried out or in whose control any of your Products (or documents or certificates giving or evidencing title to them) may be held, or any bank with whom we maintain any bank account, or any other third party with whom we deal or transact business or whom we appoint on your behalf, other than any such entity which is an Associate of ours, but to the extent that you reasonably request us to do so, we will make available to you any rights that we may have against any such person;

iv) any liability however arising in relation to our giving, withholding or withdrawing consent in connection with these Terms, any Additional Terms, a Transaction, Product or Service;

v) any communication or document produced by you in relation to a Transaction; or

vi) any action taken by you or by any third party under or in connection with these Terms or any Additional Terms;

25.3 These Terms and any Additional Terms set out the full extent of our duties and no Bank of Scotland Person is subject to any fiduciary or equitable duties which: (i) are more extensive than the obligations set out in these Terms or, any Additional Terms; or (ii) would prevent us or any Associate from carrying out any services or activities with or for other persons.

25.4 Nothing in these Terms or, any Additional Terms will require any Bank of Scotland Person to take or not take any action which in our opinion would breach Applicable Regulations.

25.5 The provisions of this paragraph 25 (**Limitation of liability**) will only limit the liability of any Bank of Scotland Person to the extent permitted by Applicable Regulations.

25.6 Nothing in these Terms or any Additional Terms shall exclude or restrict any duty or liability that we owe to you under the regulatory system established under the Financial Services and Markets Act 2000 and the rules of our regulators. Notwithstanding any provision of these Terms or, any Additional Terms, we shall be entitled to take any action that we consider reasonably necessary to ensure compliance with Applicable Regulations.

## 26. Indemnity

26.1 You agree, on demand, to reimburse and indemnify any Bank of Scotland Person for any Loss that we have or may suffer or incur in connection with any Transaction, Product or Service, including in connection with:

- i) any breach or alleged breach by you and/or any person acting on your behalf of any provision of these Terms, any Additional Terms or any Applicable Regulations; and
- ii) any actual or alleged unauthorised action by you and/or by any person acting on your behalf,

except to the extent that the gross negligence, fraud or wilful default of a Bank of Scotland Person has directly caused that Loss.

## 27. Costs and charges

27.1 We will disclose our costs and charges (including any fees or commissions where applicable) and/or the basis upon which we charge you, prior to and/or following, execution of Transactions in our Products and Services as agreed between us. Information will be provided in "Our approach to costs and charges" which is available from our Website or on request, and you can request a breakdown of our aggregated costs at any time.

27.2 You will be responsible for any liabilities, costs, charges and expenses, including the payment of any tax, brokerage, transfer fee, registration fee, or stamp duty payable and properly incurred by us in connection with any Transactions.

27.3 Depending upon your individual circumstances, you may also be liable for any relevant taxes and costs that are incurred as a result of the tax treatment of any Products and/or Services.

## 28. Limited disclosure of details of costs and charges — Professional and Eligible Counterparty Clients Only

28.1 If you are a Professional Client or an Eligible Counterparty Client, you agree that we can provide you with limited costs and charges information in accordance with Applicable Regulations, except where:

- i) you are a Professional Client entering into Transactions in any Product that embeds a derivative (e.g. a credit linked note); or
- ii) you are an Eligible Counterparty Client which intends to offer Product(s) that embed(s) a derivative to your own clients,

then you will receive full cost and charges information in accordance with paragraph 27 (**Costs and charges**). Further information on our approach is available upon request from your Bank of Scotland plc representative.

28.2 If you are an Eligible Counterparty Client you must notify us if you intend to offer Products to your clients and, upon receiving such notification from you, we will disclose our costs and charges to you in accordance with paragraph 27 (**Costs and charges**). If you do not notify us that you intend to offer your clients our Products, then we will be entitled to assume that you will not be offering them to your clients and we will provide you with limited disclosure of our costs and charges accordingly.

## 29. Full disclosure of details of costs and charges – Retail clients, and Professional or Eligible Counterparty Clients who request additional disclosure

29.1 Where we provide you with full disclosure of costs and charges, this means that we will:

- i) provide you with a general description of how we price Transactions and the factors that impact our costs and charges in relation to the Products, Transactions and Services we provide;
- ii) provide you in writing with pre trade details of the actual or estimated costs and charges that will be applied to your Transaction or Transactions in accordance with Applicable Regulations; and

iii) provide you in writing with post trade information on the actual costs and charges of the Transaction that you have entered into with us in accordance with Applicable Regulations.

29.2 The provision of costs and charges information as outlined in paragraphs 27 (**Costs and charges**), 28 (**Limited disclosure of details of costs and charges – Professional and Eligible Counterparty Clients Only**) and 29 (**Full disclosure of details of costs and charges – Retail Clients, and Professional Clients or Eligible Counterparty Clients who request additional disclosure**) will commence in 2018.

## 30. Benchmarks

30.1 We may participate in benchmarks as administrator, contributor, or user, or in any combination of these capacities. Benchmarks may be referenced by us for internal purposes or in Products, Services or Transactions which we provide or carry out with you. More information about our participation in benchmarks is set out in the Benchmark Transparency Statement which is available on our Website.

## 31. Packed Retail and Insurance-based Investment Products (PRIIPs)

31.1 If you are a Retail Client, we will provide you with a Key Information Document (“KID”) in good time before any relevant Transaction is concluded. A KID will be made available to you on our Website and you consent that we may provide you with any KID by means of a website or a durable medium other than paper.

31.2 Where we have provided you with a KID in respect of any relevant Transaction by means of a website or a durable medium, other than paper, you have the right to request a paper copy of the KID free of charge.

## 32. Conflicts of interest

32.1 We have a conflicts policy, updated from time-to-time, which sets out how we identify and manage all potential conflicts of interest. Our conflicts policy describes in detail the kinds of circumstances in which conflicts may arise in our different services, including those arising from our day-to-day business activities.

32.2 Depending on the exact nature of any such conflicts, we will take action to mitigate the potential impact of the conflict. This may include implementing controls to manage the conflict by controlling or preventing the

exchange of information, and/or involve the appropriate segregation of duties. Where appropriate, we will disclose the general nature and/or source of any conflicts prior to undertaking the relevant business or transaction with you. Where we consider the means of preventing or managing conflicts are insufficient, we will disclose that to you.

32.3 We have internal systems, controls and procedures that seek to ensure that conflicts of interest are identified and appropriately managed as outlined in paragraph 32 (**Conflicts of interest**).

32.4 A summary of our conflicts policy is available on our Website or from your Bank of Scotland plc representative. If you require further information about this policy, please contact your Bank of Scotland plc representative.

## 33. Inducements

33.1 Except as provided in paragraph 33.2 below, we are not permitted to receive or provide any inducements from or to third parties. Inducements include any fees, commissions, monetary or non-monetary benefits in relation to any Transactions under these Terms or any Additional Terms where to do so may impair our duty to act honestly, fairly and professionally, in accordance with the best interests of our clients.

33.2 Any inducements may only be accepted where they enhance the quality of our service provision, they do not impair compliance with our duty to act honestly, fairly and professionally in accordance with the best interests of our clients, and where we have made the necessary disclosures about the inducement to our clients ahead of any Transactions or the provision of any other Services.

33.3 When you are an Investment Firm, which is subject to MiFID, you will need to make your own assessment to determine whether any of the restrictions on inducements apply to you and whether you are able to receive and/or retain such benefits.

## 34. Research

34.1 We may receive research from third parties in connection with the provision of Products and Services and may pay for such research out of our own resources and, if we do, the costs will not be passed onto clients.

- 34.2 Where we send you research, we may apply a charge where you ask to be charged for such research or the research is not considered by us, to be an acceptable minor non-monetary benefit. Examples of minor non-monetary benefits include, but are not limited to, information that is made publicly available, is non-substantive market commentary or a re-statement of publicly available information.
- 34.3 Where we apply charges for research to be sent to you, these will be set out in a separate research agreement between us.

## 35. Client Money and assets

### Client money

- 35.1 All money held on your behalf or received from you will be held by us as banker and not as trustee. The Client Money Rules will not apply to such money. We will not therefore segregate your money while it is held in an account with us. If we go into administration or insolvency, the Client Money Distribution Rules will not apply to your money and you will not be entitled to share in any distribution under the Client Money Distribution Rules.
- 35.2 We will not pay interest on any cash balances held for you, unless otherwise agreed in writing.

### Client assets

- 35.3 Any assets we hold in custody for you will be subject to further terms.

## 36. Data protection and confidentiality

- 36.1 These Terms are subject to the Bank's obligations under applicable privacy legislation, including the Data Protection Act 1998, as amended, updated or replaced from time-to-time. Your information will be held by Bank of Scotland plc which is part of the Lloyds Banking Group. For more information about how Bank of Scotland processes personal data, please see [bankofscotland.co.uk/businessprivacy](http://bankofscotland.co.uk/businessprivacy)
- 36.2 We or our Associates, including other members of the Lloyds Banking Group may use or share your, your company's, your personnel's, and any joint applicant's information (in whatever form received) ("**your information**") for the purposes set out in this paragraph 36 (**Data Protection and Confidentiality**) or as is necessary to enable us to deliver requested services or to comply with our legal obligations.

- 36.3 Your information may include:
- i) all information provided to us or any other Bank of Scotland Person by you, or anyone acting on your behalf, in connection with these Terms;
  - ii) information provided in respect of any joint applicant or other person.
- 36.4 Subject to paragraph 36.5, we will keep your information or information relating to you of which we become aware confidential ("**confidential information**") unless:
- i) the information provided is or becomes public information;
  - ii) you or any person on your behalf identifies the information as "non-confidential" at the time the information is delivered to us or any other Bank of Scotland Person;
  - iii) the information is known to us or any other Bank of Scotland Person before the date the information is disclosed; or
  - iv) the information is lawfully obtained by us or any other Bank of Scotland Person after the date the information is disclosed to us or any other Bank of Scotland Person.
- 36.5 You agree that we or any other Bank of Scotland Person may disclose confidential information where it is necessary for the provision of services, or for any other lawful purpose, to:
- i) another Bank of Scotland Person;
  - ii) any service provider or professional adviser of a Bank of Scotland Person who is under a duty of confidentiality to such Bank of Scotland Person;
  - iii) any actual or potential participant, sub-participant, assignee or transferee of our rights or obligations under any Transaction between you and us (or any agent or adviser of any of the foregoing);
  - iv) any insurer or insurance broker, or direct or indirect provider of, credit protection to any Bank of Scotland Person;
  - v) any person pursuant to or in connection with any actual or proposed restructuring, reorganisation of, or business transaction of or involving any Bank of Scotland Person, including without limitation any actual or proposed restructuring or reorganisation pursuant to regulatory ring-fencing requirements, and any other persons involved in any such transaction and their respective lawyers, consultants, advisers and agents; and

- vi) any person as required by law or regulation or any government, quasi-government, regulatory or supervisory body or authority, court or tribunal.
- 36.6 If you provide us with the personal data of any joint applicant or other person as required by or pursuant to these Terms or any Additional Terms, you represent and warrant to us that, to the extent required by law that you have:
- i) notified the relevant individual of the purposes for which data will be collected, processed, used or disclosed; and
  - ii) obtained such individual's consent, or you have another lawful basis under which to provide us with their personal data.
- 36.7 In those instances in which you have obtained an individual's consent to the processing of his/her personal data, you agree and undertake to notify us promptly upon becoming aware of the withdrawal by the relevant joint applicant or other person of his/her consent to the collection, processing, use and/or disclosure by us of any personal data provided by you to us.
- 36.8 Your 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 the Group can look after your relationship with us. By sharing this information it enables us to provide products and services efficiently. Your information may also be disclosed where necessary to allow us to meet any legal or regulatory requirements.
- 36.9 You agree that we may contact you or any joint applicant, or your personnel on an unsolicited basis (including by telephone) for the purposes of:
- i) marketing;
  - ii) providing our Products and Services in accordance with these Terms or any Additional Terms; and
  - iii) other appropriate reasons.
- 36.10 We will record and monitor all lines which can be used by public and customers and monitor all conversations of our trading, operations and marketing staff. Those recordings may be used as evidence for the purposes of resolving any disputes with you and will be retained in accordance with Lloyds Banking Group's records management obligations, as amended from time to time and any Applicable Regulations.
- 36.11 Your information, including sensitive personal data, may be transferred to persons and for purposes set out in these Terms and Additional Terms (including this paragraph 36) to countries and third parties outside of the European Economic Area ("EEA") to countries not providing adequate data and privacy protection to the standards required by law within the UK and the EEA. You agree that we may transfer information received from you and you consent to such transfer as required to countries and third parties outside of the EEA to persons and for the purposes set out in these Terms and the Additional Terms (including this paragraph 36). If we transfer your information outside of the EEA in this way, we will take reasonable steps to ensure that your information is secure and that data privacy rights continue to be protected. In some circumstances your information may be accessed by foreign law enforcement agencies or other authorities.
- 36.12 You have the right to check personal details held by us, to ask us to correct any inaccuracies in your information, and to exercise other rights provided by applicable privacy legislation including the Data Protection Act 1998. To exercise any of these rights please contact us by using the contact details set out in paragraph 16 (**How you will communicate with us**) or refer to [bankofscotland.co.uk/businessprivacy](http://bankofscotland.co.uk/businessprivacy)
- 36.13 If you ask we will tell you which credit reference agencies we have used, where applicable, so that you may obtain a copy of your details from them if required.
- ## 37. Termination
- 37.1 These Terms may be terminated in the circumstances set out in paragraphs 9.2, 19.3 and this paragraph 37 (**Termination**).
- 37.2 These Terms shall be terminated immediately and without notice if:
- a) you admit to your inability to pay your debts as they fall due or enter into any scheme or arrangement with your creditors or, in the case of a company, file or have filed against you a petition for winding up, pass a resolution for winding up or have a receiver, liquidator, administrator or similar officer appointed over all or any part of your assets or undertaking or, in the case of an individual, a bankruptcy petition is presented or a trustee in bankruptcy is appointed or a protection order is made under the provisions of the Mental Health Act 1983 (or successor legislation); or

b) we consider it necessary or desirable, for our own protection, or to prevent what we consider is or might be a violation of any Applicable Regulations or good standard of market practice.

- 37.3 Either you or we may terminate these Terms at any time, by giving not less than five (5) Business Days notice in writing to the other party.
- 37.4 Any notice of termination to be provided under these Terms may be provided by agreed electronic means and will not prejudice any rights already accrued or affect any outstanding Transactions entered into before the date on which the notice of termination is received.
- 37.5 Following termination, subject to final discharge of all obligations that you owe to us and to any Associates in connection with any Transaction, our relationship with you will cease.
- 37.6 Any termination under this paragraph 37 (**Termination**) will not affect accrued rights or any provision of these Terms and/or any Additional Terms that is intended to survive termination, including, without limitation, paragraphs 23 (**Fiduciary duties**), 25 (**Limitation of liability**), 26 (**Indemnity**), 27 (**Costs and charges**) and 38 (**General provisions**) of these Terms.

## 38. General provisions

### Entire agreement

- 38.1 These Terms supersede any previous written or verbal agreement between us (except any Additional Terms) in relation to the matters dealt with in these Terms and, except as expressly stated, comprise the whole agreement between us relating to the subject matter of these Terms.

### Severability

- 38.2 If any provision of these Terms is found by any court or regulatory or administrative body of competent jurisdiction to be invalid or unenforceable, then:
- i) the invalidity or unenforceability of that provision will not affect the other provisions of these Terms, which will remain in full force and effect;
  - ii) if that provision would be valid or enforceable if part of it were deleted, then the provision in question will apply with such modification(s) as may be necessary to make it valid and enforceable; and

- iii) if paragraph 38.2(ii) does not apply, then you and we agree to negotiate in good faith to substitute for any invalid or unenforceable provision a valid and enforceable provision which achieves to the greatest extent possible the same effect as would have been achieved by the invalid or unenforceable provision.

### Waiver and Remedies

- 38.3 The failure by us to enforce at any time, or for any period, any one or more of the provisions of these Terms shall not waive any right to subsequently enforce those provisions.

### Rights of Third Parties

- 38.4 With the exception of paragraphs 25 (**Limitation of liability**) and 26 (**Indemnity**) for the benefit of Bank of Scotland Persons and paragraphs 23 (**Fiduciary duties**) and 36 (**Data protection and confidentiality**) for the benefit of our Associates, the Contracts (**Rights of Third Parties**) Act 1999 shall not apply to these Terms.

### Force majeure

- 38.5 We will not be liable to you for any delay in performance, or for the non-performance, of any of our obligations hereunder by reason of any cause beyond our reasonable control. This includes without limitation any breakdown or failure of transmission, communication or computer facilities, strikes or similar industrial action and the failure of any relevant exchange, clearing house, data service provider and/or broker for any reason to perform its obligations.

### Governing Law

- 38.6 These Terms and any non-contractual obligations arising out of, or in connection with it, shall be governed and construed in accordance with the laws of England and Wales.

### Jurisdiction

- 38.7 The courts of England and Wales shall have exclusive jurisdiction to settle any dispute arising out of or in connection with these Terms (including any dispute relating to any non-contractual obligation arising out of or in connection with these Terms).



## Section 2 — Specific Terms and Conditions

### 39. No advice

- 39.1 Unless otherwise agreed, neither we nor any Associate will provide you with any tax, legal advice or Investment Advice with respect to our Products and Services or any Transaction. We will only enter into Transactions with you on either a non-advised or execution-only basis. We will not owe you a duty to advise on the merits or suitability for you of any Transaction. We will not provide any portfolio management services.
- 39.2 Should you require professional advice in relation to the financial, legal, regulatory, tax or accounting aspects of any proposed Transaction, you should seek independent advice.

### Non-advised services

- 39.3 We will provide you with appropriate information about our Products and Services, guidance on and warnings of the risks associated with our Products and Services and any associated costs and charges so that you are reasonably able to understand the nature and risks of the specific type of Product and Service and, consequently, to take decisions on an informed basis.
- 39.4 You agree to provide us, on an on-going basis, with the information necessary to enable us to make an assessment of your knowledge and experience. However, we are entitled to assume that Professional Clients have the necessary experience and knowledge to understand the risks involved in relation to the particular Product or Service.
- 39.5 We will not consider whether any Product or Service is appropriate for Eligible Counterparty Clients.

### 40. Execution-only transactions

- 40.1 We will only transact a limited number of products on an execution-only basis. In doing so:
- i) you request to proceed on an execution-only basis at your own initiative;
  - ii) your request does not result in our being unable to manage our conflicts of interest; and
  - iii) any request is limited to the following Transactions:

- a) Bonds, or other forms of securitised debt (excluding those with an embedded derivative);
- b) Other non-complex Financial Instruments, which means transferable and highly liquid securities with publicly available prices that do not involve any actual or potential liability that exceeds the cost of acquiring the instrument.

This excludes derivatives, repurchase agreements, or other kinds of non-transferable securities.

- 40.2 Where we transact on an execution-only basis, we will not assess whether the Product is appropriate or suitable for you and you will not benefit from associated regulatory protections.

### 41. Trading requests

- 41.1 **Requests to enter into, cancel or amend trades (“Requests”) should be given to us by electronic message. However we, or you, may request or agree that such Requests are provided in writing (by fax or post) or verbally.**
- 41.2 We retain the right to decline to act on any Requests, except where it is to cancel a deal before we have started to effect the relevant Transaction. We will acknowledge Requests by acting on them and you authorise us to rely on, and treat as binding any Requests (by whatever means transmitted) and which are given by you or by any person acting (or purported to be acting) on your behalf, and which are accepted by us in good faith. You accept responsibility for and will be bound by all contracts entered into following such Request.
- 41.3 We reserve the right to decline to trade, accept or to delay accepting Requests, without giving you prior notice on such conditions as we deem appropriate.
- 41.4 Where you send us a Request or an order via electronic message, we shall only be treated as having received your electronic message once we acknowledge receipt. This acknowledgement does not, however, indicate any agreement on our part to act in accordance with any requests or orders contained in your electronic message.

## 42. Market orders

- 42.1 For certain Products we may be willing to accept an "order" from you at a specific price, value or market level. Whether we will agree to accept your order is completely at our discretion.
- 42.2 Where we are willing to accept an order from you, the price at which we will do so may include relevant charges which will be added to the price at which we transact, or may have been transacted, in the market. We will inform you of any relevant charges in advance.
- 42.3 Where an order is accepted, we will endeavour to execute it as soon as reasonably practicable, but we will not be liable for any Loss, where you suffer or incur that Loss in connection with any change in market conditions between receipt and execution of the order. We may postpone execution of an order if we believe on reasonable grounds that it is in your best interests to do so.
- 42.4 We may aggregate orders with orders for other clients or our own orders. Aggregation may work to your advantage on some occasions and to your disadvantage on other occasions. Market conditions may mean that the entire aggregated order is not executed in one transaction at a single price, in which case we may average the prices paid or received and we may report to you a volume weighted average price for the transactions instead of the actual price of each transaction.
- 42.5 Orders include: "limit orders", which are orders to buy or sell when the market reaches a specified level; "at best" or "market" orders to buy at the best rate available; "stop loss" orders to buy or sell at a specified price and "benchmark" orders to buy or sell at a reference price established by a third party at a particular point in time.
- 42.6 Unless we agree otherwise, each open order will remain in effect until we have fully executed it or you have cancelled it. An open order will not be cancelled automatically by a subsequent order relating to the same Products and it is your responsibility to cancel an open order where a substitute order has been entered. A Transaction resulting from the execution of any order which you have not cancelled will be entered in your account.
- 42.7 Where we accept an order, we will act in accordance with our "Best Execution Approach", a summary of which can be found on our Website or is available upon request from your Bank of Scotland plc representative.

## 43. Best execution

- 43.1 The best execution obligation, referred to in our "Best Execution Approach" (which sets out our policy on best execution), may be owed to you where you are a Retail Client or you are a Professional Client, and where we deem that you are reliant on us to protect your interest. As you are aware, we always deal with you as principal and operate primarily in request for quotes markets as outlined in our "Best Execution Approach". If you are an Eligible Counterparty Client, then best execution will not apply.
- 43.2 Subject to paragraphs 43.1, 43.5 and 43.7, we will take all sufficient steps to provide you with best execution in accordance with our "Best Execution Approach".
- 43.3 Best execution does not apply to foreign exchange spot Transactions but we will ensure any mark-ups applied to such Transactions are fair and reasonable.
- 43.4 A summary of our "Best Execution Approach" can be found on our Website and is available upon request from your Bank of Scotland plc representative. We shall notify you of any material changes to our "Best Execution Approach" from time to time.
- 43.5 Unless you notify us otherwise, we shall consider the continued placement of orders by you to constitute your acceptance of, and continued consent to, our "Best Execution Approach".
- 43.6 Where we receive your specific instructions in relation to how you want us to execute your order or Transaction, we will act in accordance with those specific instructions. By following your specific instructions, our regulatory duty of best execution in these circumstances will be affected by the specifics of your order and your instructions to us. Where we act in accordance with your specific instruction, we may not be able to comply with our "Best Execution Approach" and therefore we may not be able to provide you with the best possible result.
- 43.7 We will, from April 2018, provide a quarterly report on our execution quality and an annual report of our top execution venues.

## 44. Execution Venue

- 44.1 We operate on a principal to principal basis, therefore any order or Transaction you enter into with us, is with us as your execution venue. We do not direct orders as agent to other execution venues. However, we will have regard to the wider market in the relevant Product when complying with our obligations for providing best execution in accordance with our "Best Execution Approach". You expressly consent to our executing orders outside of a Regulated Market, Multilateral Trading Facility or Organised Trading Facility.
- 44.2 Certain Transactions may be subject to restrictions under Applicable Regulations which will require them to be concluded on a Market (including equivalent third country trading venues). In these circumstances, we will only execute these Transactions on such a Market.

## 45. Incorrect pricing

- 45.1 In the event that any prices quoted by us are incorrect due to being unrepresentative of the current market value for a Transaction of that size and nature, we will not be bound by that quote (whether or not confirmed by us), where it is recognised by us within two (2) Business Days of any Transaction.

## 46. Settlement

### Method of settlement

- 46.1 Standard settlement will be on a delivery versus payment basis. We may, at our discretion, agree alternative settlement arrangements with you.
- 46.2 Unless otherwise agreed, cash settlement must be in immediately available, freely convertible funds of the relevant currency.

### Payment and deliveries

- 46.3 Payments and, where not already held by us, certificates or other documents required to settle Transactions must be delivered by you in time to enable us to complete settlement within the timeframes specified.
- 46.4 Where you are required to deliver or re-deliver an asset, you must ensure that the necessary documents (including the appropriate and duly stamped instruments of transfer) are executed and that all instructions required are given to procure that all rights, title and interest will pass from you to the transferee and that these are free from any and all liens, charges and encumbrances.

- 46.5 Delivery and transfer of title will take place in accordance with the rules and procedures applicable to the relevant asset and market, as in force from time to time.
- 46.6 Where these documents, or immediately available funds, are not provided in the timeframe required for settlement we will not be obligated to settle any Transaction or account to you.

## 47. Position limits for commodity derivative contracts

- 47.1 We may be required to comply with position limits and position management controls imposed by Applicable Regulations in respect of commodity derivatives (including economically equivalent over-the-counter ("OTC") contracts). We may therefore limit, terminate or reduce the commodity derivative positions you hold with us and we may, at our sole discretion, close out any one or more of these Transactions.
- 47.2 You agree to promptly provide us with any information that we may request, from time to time, about your commodity derivative positions and, if applicable, those of your underlying clients to enable us to meet these requirements.
- 47.3 **We are required to report certain of your commodity derivative positions (including economically equivalent OTC contracts) to the relevant regulator and, when doing so, to differentiate between risk reducing and other positions. Unless otherwise notified to us, you confirm that all commodity derivative positions (including economically equivalent OTC contracts) are entered into by you:**
- i) **for the purposes of risk reduction; and**
  - ii) **can be objectively measured to reduce risks directly in relation to your commercial activities.**

## 48. Transaction and trade reporting

- 48.1 Where we are obliged, by Applicable Regulations, to make transaction information public and/or available to a relevant regulator, you agree and acknowledge that:
- i) any and all proprietary rights in such transaction information is owned by us; and
  - ii) you waive any duty of confidentiality with respect to that information which we are required to disclose.

- 48.2 You must provide us with a LEI Code before we will undertake any Transactions for you unless you qualify for an exemption. Please contact your Bank of Scotland plc representative for information on whether you will qualify for this.
- 48.3 If you are an Investment Firm and/or subject to post trade reporting then, subject to paragraph 48.4, where we execute a reportable Transaction with you on an OTC basis, we both agree that the party acting as seller shall post trade report the Transaction in accordance with Applicable Regulations.
- 48.4 Where only one of us is acting as a Systematic Internaliser (SI) and that party is also acting as the buyer in the Transaction, we both agree that the buyer will report the Transaction in accordance with Applicable Regulations.
- 48.5 You must inform us where any proposed Transaction would constitute a Short Sale, at or before you instruct us on, or enter into, the Transaction.
- 48.6 We will not make any trade or transaction reports on your behalf in respect of any Transactions unless otherwise agreed with you in writing.

# Glossary

**Associate** means any undertaking in a group of companies (whether a holding company, subsidiary, subsidiary of any holding company, or representative and branch office in any jurisdiction) or a person whose relationship with the group might reasonably be expected to give rise to a conflict of interest in dealings with third parties.

**Applicable Regulations** means any applicable laws, rules and regulations including without limitation, the Financial Services and Markets Act 2000, the rules of the FCA and the PRA, any rules, policies, guidelines and practices of a relevant regulator, the rules of a relevant Market and all other applicable laws, rules, procedures, codes, standards and regulations (including without limitation, accounting rules, anti-money laundering and economic sanctions legislation).

**Business Day** means a day (other than a Saturday or Sunday) in which we are open for normal business in London.

**Client Money Distribution Rules** means the provisions of the FCA's Client Assets Sourcebook (Chapter 7A) relating to the distribution of client money in case of the failure of a firm.

**Client Money Rules** means the provisions of the FCA's Client Assets Sourcebook relating to client money from time to time, including without limitation the provisions in Chapter 7.

**Confirmation** means a confirmation, contract note, statement or note issued or made available by us to you confirming the details of a Transaction. Unless otherwise notified to you Confirmations include Confirmations provided to you by SWIFT or similar

electronic messaging, subject to the Applicable Regulations.

**Distributor** means an Investment Firm which offers, recommends or sells Financial Instruments or provides Investment Services to clients.

**Eligible Counterparty Client** means a client that we have classified as an Eligible Counterparty Client in accordance with the rules of the FCA.

**FCA** means the Financial Conduct Authority or any successor regulator.

**Financial Instrument** means, without limitation, financial and commodity derivatives, structured investment products, and transferable debt securities and any other financial instruments which we may provide from time to time.

**Information** means any information, fact, matter or thing.

**Investment Advice** means the provision of personal recommendations to a client, either upon its request or at the initiative of the Investment Firm, in respect of one or more Transactions relating to Products.

**Investment Firm** means any legal person whose regular occupation or business is the provision of one or more investment services to third parties and/or the performance of one or more investment activities on a professional basis.

**LEI Code** means a legal entity identifier code as required by Applicable Regulations.

**Loss** means any loss, damage, cost, charge, expense, claim, counter-claim, action, suit, judgment or other liability which a person may incur or which may be made against such person.

**Bank of Scotland Person** means Bank of Scotland plc and any of its Associates and its or their directors, officers, employees, associates and agents.

**Market** means a Regulated Market, a Multilateral Trading Facility and an Organised Trading Facility each as defined in the rules of the FCA.

**Professional Client** means a client classified by us as a professional client in accordance with the rules of the FCA.

**PRA** means the Prudential Regulation Authority or any successor regulator.

**Products** means Financial Instruments, foreign exchange spot contracts, and all foreign exchange derivative contracts (whether or not they are Financial Instruments).

**Retail Client** means a client that is not an Eligible Counterparty Client or Professional Client.

**Services** means, without limitation, providing corporate finance advice, investment research, services relating to underwriting, underwriting and placing or execution of client orders and in each case in relation to Financial Instruments and any other services which we may provide from time to time.

**Short Sale** means a Transaction where clients borrow securities in anticipation of a price decline and are required to return an equal number of securities at some point in the future.

**Third Party Decision Maker** means any person (external to you) who has an authority to take investment decisions on your behalf under a power of representation.

**Transaction** means any transaction you enter into with us for the provision of Products and/or Services.

## Get in touch



[bankofscotland.co.uk/business](https://bankofscotland.co.uk/business)



0345 300 0268

7am-8pm Monday to Friday, and from  
9am-2pm on Saturday, excluding  
UK public holidays



Visit your local branch

Please contact us if you'd like this information in an alternative format such as Braille, large print or audio.

If you have a hearing or speech impairment you can use the Next Generation Text (NGT) Service (previously Text Relay/Typetalk) or if you would prefer to use a Textphone, please feel free to call us on **0345 300 2755** (lines open 7am-8pm, Monday-Friday and 9am-2pm Saturday).

Calls may be monitored or recorded in case we need to check we have carried out your instructions correctly and to help improve our quality of service. Please note that any data sent via email is not secure and could be read by others.

Bank of Scotland plc. Registered Office: The Mound, Edinburgh EH1 1YZ. Registered in Scotland No. SC327000.

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under Registration number 169628. Eligible deposits with us are protected by the Financial Services Compensation Scheme (FSCS). We are covered by the Financial Ombudsman Service (FOS). Please note that due to FSCS and FOS eligibility criteria not all business customers will be covered.

Information correct as at: November 2017.