

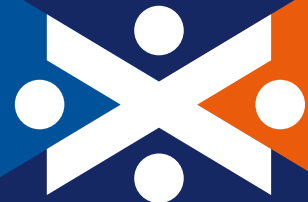
COMMERCIAL BANKING

## Core Banking Agreement



# Bulk Cheque Processing Service

Product & Services  
Terms & Conditions



**BANK OF  
SCOTLAND**

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Core Banking Agreement  
("The Agreement") contains  
terms, conditions and  
important information that  
apply to certain of our  
products and services.  
Those products and services  
can be identified as they  
state in the header  
Core Banking Agreement.

# Important Information

The following documents detail both your and our rights and obligations in relation to the **Products**.



## Relationship Terms & Conditions

These contain the general relationship terms and conditions for all **Products** under **The Agreement**;



## Product & Services Terms & Conditions

These contain additional terms and conditions for a specific **Product** provided under **The Agreement**; and



## General Information On Payments, Charges & Contacts

This contains the general information you will need to know in respect of payments and standard charges under **The Agreement**. Also included are general contact details and information on large print, Braille and call recording.

## You need to read

Product & Services Terms & Conditions, relating to a **Product** that we agree to provide to you alongside the Relationship Terms & Conditions and the General Information On Payments, Charges & Contacts.

You can find a copy of each of these at [bankofscotland.co.uk/corebankingagreement](http://bankofscotland.co.uk/corebankingagreement) or request a copy from your relationship team.

...the date on which these Product & Services Terms & Conditions are deemed to come into effect, as set out in the application form for these Product & Services Terms & Conditions and notwithstanding the date or dates of execution of the application form for these Product & Services Terms & Conditions.

**Commission**  
means the percentage-based commission and/or the margin-based commission, as calculated in accordance with the Pricing Schedule.

...disclosed to it lawfully by the Disclosing Party who did not obtain it (whether directly or indirectly) from the Disclosing Party;

...was in the public domain at the time of receipt by the Receiving Party or subsequently entered into the public domain other than by reason of breach of the Agreement or breach of any obligation of confidence owed by the Receiving Party or its agents or subcontractors to the Disclosing Party; or

...is trivial or obvious, and for the avoidance of doubt the ESITE Service and the ESITE Guide are **Confidential Information**

**Consent to Rely**  
means the optional consent to rely set out in the application form for these Product & Services Terms & Conditions.

**Control**  
has the meaning given to it by section 840 of the Income and Corporation Taxes Act 1988.

**Control Account**  
has the meaning given to it in clause 23.6.

**Designated Client Account**  
means any account held by us in your name and which is designated as holding funds beneficially owned by one or more Clients who are named or otherwise identified in the title of that account.

...the meaning given to it by section 1159 of the Companies Act 2006.

**Intellectual Property Rights**  
means all patents, trade or service marks, registered designs, copyrights, design rights, database rights, rights to extract information from a database, know how or any other industrial or commercial property right whether future or presently existing and any application for the foregoing.

**Internal Payment Instruction**  
means an instruction to transfer money electronically from an Account held in an Account Group to another Account held in the same Account Group or in another Account Group.

**ACCOUNT**  
means any Undesignated Account, Designated Client Account or Client Own Name Account or any other account type identified in writing from



# 1. Definitions

1.1 Words and expressions as defined in the Relationship Terms & Conditions and the General Information On Payments, Charges & Contacts have the same meaning in these Product & Services Terms & Conditions unless otherwise stated in these Product & Services Terms & Conditions. We also use the following defined terms throughout these Product & Services Terms & Conditions.

## **BGC**

means bank giro credit from a UK clearing bank or UK building society.

## **Bundle**

means a bundle of up to 250 **Cheques** accompanied by a **BGC** and associated add listing.

## **Charges**

means the applicable charges for the **Service** payable by you to us and referred to in clause 4.

## **Cheques**

means, for the purpose of the **Service**, the following provided that they are payable in sterling and drawn on a UK clearing bank or UK building society:

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

## **Clearing Centre**

means the premises, nominated by us, at which your **Cheques** and **BGCs** will be processed.

## **Customer Identification Ticket**

means the ticket supplied by us and completed by you when preparing **Cheques** and **BGCs** for collection.

## **Customer Preparation Checklist**

means the checklist provided by us to you detailing the way that **Cheques** and **BGCs** should be presented into the **Clearing Centre**.

## **DX Mail Service**

means the DX business mail network, which can be used as an alternative to a BSIA approved **Security Company**, contracted by you (and acting solely on your behalf) to transport the **Cheques** from you and deliver to the **Clearing Centre**.

## **Service**

means the Bulk Cheque Processing Service provided pursuant to these Product & Services Terms & Conditions.

## **Security Company**

means the security company approved by the British Security Industry Association ("BSIA"), and/or **DX Mail Service** and contracted by you (and acting solely on your behalf) to transport the **Cheques** from you and deliver to the **Clearing Centre**.

## **Voucher Image**

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

## **Voucher Imaging**

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







## 2. The Service

- 2.1 We shall perform the **Service** with reasonable skill and care and take reasonable steps to ensure that no **Cheques** are lost or damaged or destroyed whilst in our actual physical possession and/or control.
- 2.2 You are required to enter into a separate contract with a **Security Company** for deliveries into the **Clearing Centre**. We understand that there are arrangements in place between you and the **Security Company**, contracted by you and acting solely on your behalf, for the collection and delivery of **Cheques** to us for credit to your account(s) with us.
- 2.3 Until receipt by us of written notice from you to the contrary, we will accept from the **Security Company** such separate sealed **Bundles of Cheques** (together with the relevant documentation) as the **Security Company** may deliver from time to time to the **Clearing Centre** premises nominated by us. We reserve the right to nominate another **Clearing Centre** at our absolute discretion from time to time and will not be responsible for any costs incurred as a result of this change.
- 2.4 You acknowledge that we are acting as your agent in the collection of **Cheques** and we shall (save to the extent that we are negligent) have a right of indemnity against you in respect of claims by third parties against us for conversion of **Cheques** or for money had and received.
- 2.5 We undertake to use reasonable endeavors to process all **Cheques** received by us within the proposed timescales set out in these Product & Services Terms & Conditions.
- 2.6 The **Service** is designed for UK sterling **Cheques**. The **Service** is not designed for cash, electronic vouchers, foreign cheques, drafts, non UK Payment Orders and other non-clearing items and these are not provided for under these Product & Services Terms & Conditions.
- 2.7 Nothing in these Product & Services Terms & Conditions limits or excludes our liability in any way under the sections titled "Refunds for incorrectly executed payment instructions", "Refunds for incorrect payment amounts/ sums" and "Refunds for unauthorised transactions" in the Relationship Terms & Conditions. Any limitation on your liability under the section titled "Your responsibility for unauthorised transactions" in the Relationship Terms & Conditions will not be affected or prejudiced by any term of these Product & Services Terms & Conditions.
- 2.8 You can add additional accounts to the **Service**, via your Relationship Manager or relationship team. **Charges** will be collected from the original nominated account. If you require the charge to be taken from a different account you will need to complete a separate application form for the **Service**.



The Service is designed for sterling cheques drawn in England, Scotland, Wales and Northern Ireland.



## 3. Operations Procedure

### Business Day 1

- 3.1 The Client stated in the application form for the **Service** (or a third party acting on your behalf) receives and processes **Cheques** in accordance with our procedures.
- 3.2 You are responsible for ensuring that the **Cheques** are valid and complete in all respects and are properly payable to you. You acknowledge that we will only seek to reconcile the **Cheques** amount in accordance with paragraph 3.10.
- 3.3 You shall maintain an audit trail and capture full codeline details of each **Cheque** to be processed, by whatever means available to you. The audit trail shall be retained by you for a period of not less than six months.
- 3.4 **Cheques** must be prepared by you in **Bundles** of no more than 250 items. Each **Bundle** must be accompanied by a fully completed **BGC** and an add listing as specified in the **Customer Preparation Checklist**.
- 3.5 The **Cheques**, add listings and **BGCs** must then be placed by you in the designated delivery packaging on which your name and the date of remittance are clearly visible. A **Customer Identification Ticket** must be completed for, and placed in each bag submitted. We will supply **Customer Identification Tickets** and **BGCs** when requested to do so by you and providing that such requests are reasonable in relation to anticipated usage.
- 3.6 **Cheques** which are received and accepted at the **Clearing Centre** by 19.30 on any Business Day will be processed on the same Business Day. Any **Cheque(s)** which we are unable to process, e.g. non-clearing or damaged items, will be advised to you by letter the next Business Day after processing. Failure to prepare **Bundles** correctly may result in a delay in processing or **Bundles** to be returned to you for repair and re-submission.
- 3.7 Any deliveries which are received after 19:30 will be processed on the next Business Day after receipt.
- 3.8 We will not be responsible and no risk will pass to us in respect of any **Cheques** and/or credit slips until they have been delivered to and accepted by the **Clearing Centre**.

- 3.9 We shall notify you by telephone of any delivery(ies) which has/have been damaged to an extent where we feel that the contents could have been interfered with and we identify any discrepancy(ies), as soon as is practical after such damaged delivery(ies) is/are received and accepted from the **Security Company**. We shall also forward full written details to you no later than 3 Business Days after the date the damaged delivery(ies) is/are received.
- 3.10 At the **Clearing Centre** the delivery(ies) is/ are opened and prepared for processing. Reasonable attempts will be made to resolve any discrepancies by checking the add listings and **BGCs**. We will notify you by letter of any alterations made to the **BGCs** where the discrepancy is £10 and over.

## Business Day 2

- 3.11 Funds will be available for withdrawal by 23.59 on this Business Day (subject to post payment fraud measures). Until this time **Cheques** may be returned unpaid.
- 3.12 Any returned **Cheques** will be automatically debited from the account stated in the crediting details section of the application form for the **Service**. You will be notified by letter which will include a **Voucher Image** of the **Cheque** and the reason for its return.
- 3.13 **Voucher Images** will be retained by us for a period of 10 years. Original paper items will be destroyed after 15 Business Days.



## 4. Charges

4.1 We will provide the **Service** as set out in these Product & Services Terms & Conditions at the **Charges** set out within the Bulk Cheque Processing Service - Charges Schedule, or as otherwise agreed in writing with your relationship team, (and as amended by us from time to time in accordance with the Relationship Terms & Conditions).

4.2 If any error in the **Charges** is notified by you to us, we will take all reasonable steps as necessary to promptly rectify any such error in a manner agreed between you and us.

## 5. Contact Details



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You can contact us through your relationship team by using the contact details given to you when you applied for the **Service**, or by such other contact methods as we may from time to time advise you

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Further contact details are set out within General Information On Payments, Charges & Contacts

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Contact for missing work or incorrect credit received:

iPSL Research & Adjustment Team on  
**0345 1650414, Option 2**

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Contact for stationery:

Bulk Stationery Team on

**01634 642456**

or via email at

**corp.bulkstationery@lloydsbanking.com**

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## 6. Other Terms

- 6.1 Each of our services and products have separate terms and conditions applying to them (including in the form of other Product & Services Terms & Conditions).
- 6.2 These Product & Services Terms & Conditions apply to the **Service** only. Subject to clause 6.3 and clause 6.4, if separate terms and conditions (including in the form of other Product & Services Terms & Conditions) are provided to you by us for the supply by us of any of our other services or products (either electronic, automated or other), the provisions of any such separate agreements will apply to those products and services.
- 6.3 To the extent of any conflict between these Product & Services Terms & Conditions and any other separate terms and conditions relating to the supply of the **Service** you receive from us, these Product & Services Terms & Conditions will take precedence.
- 6.4 To the extent of any conflict between these Product & Services Terms & Conditions and any other separate terms and conditions relating to the supply by us of any of our other products and services (either electronic, automated or other), the terms and conditions relating to such other products and services will take precedence in respect of the provision by us to you of those products and services.



Each of our services and products have separate terms and conditions applying to them (including in the form of other Product & Services Terms & Conditions).



