

COMMERCIAL BANKING



Welcome to your new account

Need to know



**BANK OF
SCOTLAND**

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Welcome to Bank of Scotland

Your company's new account is now open for business, so we'd like to take this opportunity to welcome you to Bank of Scotland. It's good to have you with us.

To maximise the features and benefits, this brochure gives you useful account overview and need to know information. And it holds answers to often-asked questions, such as: how long payments take to clear, ways to access additional business banking services, and what to do if there's ever an issue.

A source of support

An expert guide

When you need answers, fast

Opportunities arise and you need decisions to be made quickly. Your relationship manager supported by the wider relationship team understand this and they'll respond as soon as they can.

Available as and when you need us

Your business may need to save money or require an overdraft or loan. If a face-to-face meeting isn't necessary you can speak directly to your relationship team over the phone to discuss the options.

Business Internet Banking

Business Internet Banking is very easy to use and secure. Use it to check balances, transfer money, pay bills and manage standing orders or Direct Debits. You can access Business Internet Banking 24 hours a day, seven days a

week.* To register, or for more information about this service, visit bankofscotland.co.uk/business

Mobile Banking

You can now access your business accounts on the move with our secure Business Mobile Banking app.** Log on using just three characters of your memorable information to manage all your eligible accounts.

Telephone Banking

For your day-to-day needs, Telephone Banking offers you a convenient, flexible service with our automated service which is available seven days a week, 365 days a year. Alternatively, if you want to speak to someone direct, our specialist team of UK-based business customer service advisers are available to help from 07:00-20:00 Monday to Friday and 09:00-14:00 on Saturday. For either option please call **0345 300 0268**.

*Occasionally we may need to carry out essential maintenance to our Business Internet Banking site, resulting in some interruption to the service.

** We don't charge you for Mobile Banking but your mobile operator may charge you for certain services such as downloading or using the app, so please check with them. You will need a smartphone running iOS or Android. The app is not compatible with some older versions of the operating systems – check the Apple App Store or Google Play for more details. Business Internet Banking registration required. Services may be affected by phone signal and functionality. Use of Mobile Banking is subject to our Business Internet Banking Terms and Conditions.

Financing your business

Loans and finance solutions

A working capital strategy

Actively managing and forecasting your cash will ensure you have funds available when required, providing you with the ability to control future growth and purchases.

We can work with you to create an approach to working capital to ensure you have sufficient cashflow to meet short and long-term operational and strategic needs.

Your relationship management team will help you select from a range of products to ensure your working capital needs are met, including flexible and longer term solutions described on the following pages.

Any property given as security, including your home, may be repossessed if you do not keep up repayments on your mortgage or other debts secured on it.

All lending is subject to a satisfactory credit assessment and we will need your permission to carry out a credit check on you and your business. You should not apply for an amount that you cannot comfortably afford to repay now and in the future to avoid the possibility of legal action.

Financing your business

Loans and finance solutions

Flexible Solutions

Business Overdrafts

With our Business Overdrafts, you can make sure that extra funds are available when you need them. Apply for an amount that suits you, and only pay interest on the funds you use.

For more information and eligibility criteria visit:

business.bankofscotland.co.uk/3m-25m-turnover/loans-and-finance/business-overdraft.html

Invoice Finance

If your cashflow is being restricted by late paying customers then Invoice Finance can help you to unlock the cash tied up in your unpaid invoices. It can release up to 90% of the value of an invoice, usually within 24 hours of it being raised.

Asset Finance

Asset finance helps you fund your new equipment in an efficient, affordable and timely way. It allows you to spread payments over an agreed term and so avoid making big one-off payments for the extra machinery or equipment your business might need to grow.

Business Payment Cards

As a Business Account customer of Bank of Scotland, Business Cards can be used to conveniently make payments and effectively manage your cash flow. You can issue them to multiple employees and they can be used globally, where you see the Visa and Mastercard sign*.

From the flexibility of a Credit Card to the convenience of Charge Cards and Debit Cards, our products provide added visibility and security compared to traditional payment methods.

*Merchant charges may apply.

Longer term solutions

Loans

We offer a variety of loans including fixed rate and base rate linked options. Visit the link below to compare the options available to you: business.bankofscotland.co.uk/3m-25m-turnover.html

Enterprise Finance Guarantee

If you have a workable business proposal but lack sufficient security, your business can use the Enterprise Finance Guarantee to borrow money. You could use the loan to buy or update equipment, move to bigger premises, expand into new markets (subject to eligibility criteria).

Interest Rate Risk Management

If you are a borrower, reviewing your exposure to interest rates can highlight your business's vulnerability to rising costs. We'll help you analyse where you are most at risk, and provide interest rate solutions to help you plan for the future.

Our regional team of Financial Risk Managers will work with you to provide risk management solutions to suit your business needs – whether you are looking for certainty or flexibility or a mixture of both.

Making your money work harder

Business Savings

Putting a little away every month can help with the long-term security of your business. So whether you're making short-term savings, such as putting money aside for the next VAT payment, or building long-term reserves, we have a range of accounts for you.

Instant Access Accounts

Business Instant Access Account

- ▶ Earn a rate of interest based on the cleared balance in the account.
- ▶ Instant access to your savings with no withdrawal penalties.
- ▶ Open an account with just £1, with a maximum deposit of £5 million*.

Notice Accounts

32-Day Notice Account

- ▶ Interest is calculated daily and in accordance with the Bank of England Bank rate, plus an agreed margin.
- ▶ Deposit between £10,000 and £5million*.
- ▶ There is no instant access to funds on this account. 32 Days' Notice is required to make a withdrawal and the minimum withdrawal amount is £10k.
- ▶ If you have Business Internet Banking, you can view your 32 Day Notice Account details online and add or withdraw funds.

Fixed Term Deposits

- ▶ Choose a savings term that suits you.
- ▶ You'll need a minimum of £10,000 to open an account with a maximum balance of £5 million*.
- ▶ You can decide on the length of the term, from overnight up to three years. No withdrawals can be made during the term of the deposit.
- ▶ Get a fixed interest rate for the whole period. It can be paid into your business account at the end of term.
- ▶ If you have Business Internet Banking, you can view your fixed term deposit online and update maturity instructions.

*If you would like to deposit more than £5 million contact us on **0345 604 5539**

Client Accounts

Suitable for any professional practice that holds money for its clients, segregating your Business and your Clients' funds.

For more information visit:

business.bankofscotland.co.uk/3m-25m-turnover.html



Speak to your relationship manager for more information on any of our products or services

Trading Internationally

Our International Services

International Markets

Whether you are an exporter or importer, entering new markets can bring significant rewards. We have the experience and expertise to support your international trade ambitions.

International Cash Management

We can provide banking solutions so that you can access currency accounts across the world.

Trade services

Whether your aim is to streamline payment, protect your operations or form smooth supplier relations, we can help you trade across borders. Having the right type of financing in place, with the right financial provider, plays a big part in international business success.

Commercial Foreign Currency Account

Our foreign currency account will help to simplify international trade by managing your exposure to exchange rate movements and

minimise foreign exchange costs as you need to be able to hold foreign currency balances, receive and make international payments in numerous currencies to meet your global trading requirements.

Risk management

We take time to help you understand the commercial risks, such as local business practice. We can also help you mitigate financial and credit risks, and ensure you are paid on time. You can also rely on our support to manage the impact of fluctuating foreign exchange rates on your profitability.

Trade finance

Responsive and flexible financing is essential when trading overseas. We have local trade specialists based all over the UK, who will work with you to undertake an in-depth review of your end-to-end trade cycle to help identify any funding gaps. This way you can be sure you have the most suitable trade solution for your business.

Your gateway to global trade

Our International Trade Portal

International trading is a big step forward for your business, but it can be difficult to know how to break into a new market. We've developed the International Trade Portal to give you the background knowledge to plan with confidence and practical resources for every step of the journey, from targeting the right market to making your first shipment.

Identify the right markets

The Portal offers comprehensive data on the biggest markets in your industry – and the fastest growing. Import and export flows give you a full picture of where your product is in demand.

Stay compliant

Check accurate regulatory information, including import/export controls, shipping requirements and essential documentation.

Understand the market position

Over 25,000 sector-specific reports and analyses help you gauge the latest international trends. Get to know the business environment with full trade profiles and economic outlines of each country.

Build relationships

Databases of 100,000 buyers and 27,000 suppliers provide

everything you need to approach new trading partners. Company entries also give you breakdowns of the value and volume of trade, and the goods involved.

Assess the costs

Our calculators let you forecast export prices and import costs, factor in local duties and shipping rates, and convert between currencies.

Find new opportunities

The Portal gives you direct access to public and private tenders and to directories of professional associations, online marketplaces and trade shows where you can market and sell your products. If you would like to get unlimited access to explore market opportunities, simply sign up to our International Trade Portal at bankofscotlandtrade.co.uk to obtain free access.

Money management

Payment services

Flexible and convenient banking options.

On the 30 October 2017 a new 'Next Business Day cheque clearing cycle' was introduced for all banks in the UK, running alongside the existing '6 Business Days cheque clearing cycle'. The clearing cycle used depends on which bank a cheque is deposited with, and by the method of deposit.

From 30 October 2017, until the 6 Business Days clearing cycle is removed, both clearing cycles will be in operation. You should anticipate money from cheques you write leaving your account on

the next business day; and money being cleared from cheques you deposit within 6 Business Days. You should always ensure you have sufficient funds in your account prior to issuing a cheque.

Our business day lasts from 09:00 to 17:00, Monday to Friday, excluding Bank Holidays. Cheques paid in at a branch after 17:00 on a **Business Day** or any day which is not a **Business Day** may not begin to be processed until the next **Business Day**. Some branches have an earlier cut off than 17:00. A notice will be displayed in such branches which will specify the earlier cut off time. Cheques paid in via alternate methods than a branch will have different cut off times. Please refer to the specific T&Cs for that method of deposit for more details.

6 Business Days cheque clearing cycle (as per current image)

This is how it works for a cheque paid under the 6 business day cycle.

Day 0

Your cheque payment goes in

Day 2

Your money will earn interest

Day 4

Your money will be available

Day 6

The funds from a returned cheque will not be debited

Next Business Day cheque clearing cycle

Under the new 'Next Business Day clearing cycle', cheques deposited on the first business day will be available to draw funds (and accrue interest), by 23:59 on the next business day, provided we have received your cheque in accordance with our cut off times.*

Day 1

Your cheque payment goes in (before 22:00)

Day 2

By 23:59 – Funds available for withdrawal.[†] Until this time the cheques may be returned unpaid and funds may be debited from your accounts. Interest is calculated from Day 2.

* Subject to post payment fraud measures.

Money management

Payments going out



Standing orders

Ideal for paying out the same amount on a regular basis, such as rent or wages. Cheaper and more efficient than paying by cheque.



UK Sterling Direct Debits

A cheaper, more efficient way of making regular payments, and many companies offer discounts for paying this way. You can cancel most Direct Debits and standing orders immediately online, up to the end of the Business Day before your next payment date.



Recurring transactions*

Regular payments set up directly with the retailer and made with your Business Debit, Credit or Charge Card for expected outgoings. To cancel a recurring transaction, let the recipient know with enough notice to be able to cancel payments or arrange an alternative payment method.

* Recurring transactions are not covered by the UK sterling Direct Debit scheme.



Faster payments

Faster Payments is a payment service which lets you make and receive sterling payments within the UK in a matter of hours, and often minutes. Payments made through Telephone Banking and any Internet Banking payments which are over the limit for same-day, will be processed overnight and will reach the recipient's bank the business day after the payment instruction was received by us.

Details of same-day payment limits within Internet Banking will be available to you at the time you make the transaction.

You can go online to check that the sort code you are sending a payment to can receive Faster Payments, Bacs Credits and CHAPs Payments. To find out more or to check a sort code go to the payments services section of our website at bankofscotland.co.uk/business



CHAPS

CHAPS is an electronic, bank-to-bank payment system that guarantees same business day payment of cleared funds in the UK.

Money management

Cheques

Payments out by cheque will typically clear according to the clearing cycle shown on pages 12 and 13 of this brochure.

Returned Cheques

If there's not enough money in your account to cover a cheque you've written, it may be returned unpaid. If this happens, we'll notify you within two business days and let you know how much you'll be charged.

Returned Cheques – Paid in

If a cheque credited to your account is returned to us unpaid by another bank or branch for any reason, we will debit your account and advise you and/or present it again for payment.

Out of date cheques

We only accept cheques up to six months old and reject anything older. So if you have one that's more than six months old, it's worth asking the person who wrote it to issue a new one and destroy or return the original.

Stopping a cheque

If you ever need to stop payment on a cheque, call the Commercial Banking Service Centre on **0345 300 0268** and confirm your request in writing. You'll need to add details of any replacement cheque you've written. This must be done before the cheque is presented for payment.

To stop a cheque, we need to know:

- ▶ The cheque number
- ▶ The amount
- ▶ The date it was issued
- ▶ Who it was made payable to.

To find out the cost of stopping a cheque, please see the Commercial Banking 'Your account charges explained' brochure in this pack.

Remember, stopping a cheque doesn't cancel your legal obligation to pay for goods or services.

34%

INCREASE IN SME NET LENDING SINCE
THE START OF 2011 WHILE THE MARKET
CONTRACTED BY 11%

Figure obtained from Lloyds Banking Group.

Business Fraud

Protect Yourself

You work hard to protect your Business. The information below can help you to identify any potential fraud threats.

When Online

- ▶ Install antivirus software on all computers – and ensure that updates for this, the Operating System used and all Software Applications are regularly applied
- ▶ Think before you click – only download programmes or click on hyperlinks you can trust
- ▶ Our emails will never lead you to a screen which asks for your passwords or card and reader codes
- ▶ Dual authority – if possible set up your online banking so that two separate people are required to make a payment
- ▶ Email is not a secure method of communication for new payments or changes to existing payment details. Ensure that you have a robust process to validate such requests or changes, preferably verbally with a known contact.

When on the phone

If you're not absolutely certain it's the Bank telephoning you:

- ▶ Call back using a different phone and a number you know is correct for the Bank
- ▶ Caller display – don't rely on your phone's caller display to identify a caller. Fraudsters can make your phone's incoming display show a genuine Bank number
- ▶ Passwords – NEVER divulge online banking passwords or card and reader codes to anyone on the telephone – the Bank will never ask you for this information
- ▶ The Bank will NEVER tell you to transfer money out of your account to a 'safe' account.

Offering support

Finding solutions

Can't access your Internet Banking account

Internet Banking is a great tool but if you can't access your account, go to the Internet Banking log on screen and click on the 'Unable to log on?' button. Complete the online form, click 'Continue', then follow the on screen instructions to get back online – please make a note of any reference number we give you. You may be required to complete a form and return it to us. We will confirm your identity prior to your internet account being reset.

Business changes

When you need to amend your business details (change of address, change in business type, change of name, etc.) call **0345 300 0268** and we'll arrange for you to speak to your relationship team.

Cards

If you've lost your Business Debit, Business Charge or Business Credit Card you should call UK-based business customer card services advisers immediately on **0800 028 8335** or if you're calling from abroad, call **+44 131 454 1605**.

And when you do get your PIN, remember not to write it down for security reasons. Also, we will never send you an email asking you to reveal it.

Offering support

Finding solutions

Extra security

There are a few other precautions you need to take to protect your account:

- ▶ Regularly check your email inbox for scams, never click on them and call us if you are suspicious
- ▶ Be aware of calls from fraudsters, purporting to be from Bank of Scotland, or other official institutions
- ▶ Don't tell anyone your account details or your PIN
- ▶ Always keep your cheque book and card separate.

Lost and stolen business cards and cheques

If your cheque book or any cards are stolen or passwords and any other secure information becomes known to others, please notify us immediately or you may be liable to cover the costs. In some circumstances you may not have to pay anything. However, if you have acted fraudulently or without all reasonable care, you will be responsible to cover all the losses in your account.

Don't recognise a transaction on your account?

Call our UK-based Commercial Banking Service Centre immediately with the transaction details on **0345 300 0268** and we'll look into the item on your behalf. We may require you to sign a declaration form disclaiming your knowledge of the transaction(s) and we might block your account number for security purposes in cases where there is suspected unauthorised or fraudulent use of your account.

Business account rates and charges

We have a variety of business account tariffs and try to ensure our rates and charges remain competitive. We do our best to make the numbers easy to follow so you can compare them and choose the one which suits your business need. Speak with your relationship team, or look on our website for more information.



Resolving issues

Solving problems

If something goes wrong, we'll put it right as quickly as possible.

To help us do that, make sure you've got the following information to hand when you call us:

- ▶ All relevant bank details – account number, sort code, card, policy or investment number
- ▶ Photocopies of any supporting paperwork, keeping the originals for your own records.

How to make a complaint

If you are unhappy with something we've done and would like to make a complaint:

- ▶ Make sure your usual contact at the bank knows about your complaint and tell them how you think it could be resolved. We'll respond to you, usually within five business days

- ▶ Or you can call our Business Telephone Banking Centre on **0345 300 0268**, lines are open 7am-8pm Monday to Friday, or 9am-2pm Saturday. We're closed on all UK public holidays.
- ▶ Alternatively, you can raise your complaint with Customer Services. Write to **The Manager, Bank of Scotland, Customer Services, PO Box 761, Leeds LS1 9JF.**

Our complaints procedures for businesses with an annual turnover of up to £25m are published at business.bankofscotland.co.uk/business-home/contact-us/complaints-procedure/ and for businesses with an annual turnover of £25m or more they can be found at business.bankofscotland.co.uk/25m-plus-turnover/contact-us/



For further information visit the Financial Ombudsman Service website at www.financialombudsman.org.uk

Taking your complaint further

Business customers that are micro-enterprises with a group annual turnover or balance sheet up to €2 million (sterling equivalent) and who have fewer than 10 employees may be eligible to take their complaint to the Financial Ombudsman Service.

The Financial Ombudsman Service will only consider your complaint once you've tried to resolve it with us, so please take up your concerns with us first and we'll do all we can to help.

Raising a complaint with us will not affect any rights you may have to pursue the issue through formal (legal) proceedings.

Or you can call on:

- ▶ **0800 023 4567** calls to this number are normally free for people ringing from a 'fixed line' phone – but charges may apply if you call from a mobile phone
- ▶ **0300 123 9123** calls to this number are charged at the same rate as 01 or 02 numbers on mobile phone tariffs
- ▶ These numbers may not be available from outside the UK – so from abroad call on **+44 20 7964 0500**.

The Financial Services & Markets Act 2000 sets out timescales for dealing with such complaints. To reduce inconvenience to you, we aim to reduce those timescales wherever possible.

Resolving issues

Solving problems

Important information about compensation arrangements

The Financial Services Compensation Scheme (FSCS) can pay compensation to depositors if a bank is unable to meet its financial obligations. Most depositors are covered by the scheme.

In respect of deposits, an eligible depositor is entitled to claim up to £85,000. For joint accounts each account holder is treated as having a claim in respect of their share. So, for a joint account held by two eligible depositors, the maximum amount that could be claimed would be £85,000 each (making a total of £170,000). The £85,000 limit relates to the combined amount in all the eligible depositor's accounts with the bank, including their share of any joint account, and not to each separate account.

For further information about the compensation provided by the FSCS (including the amounts covered and eligibility to claim) please ask at your local branch, visit www.fscs.org.uk or call

the FSCS on **020 7741 4100** or **0800 678 1100**. Please note only compensation-related queries should be directed to the FSCS.

Changing your mind?

When you open a new account we will inform you of any right to cancel. If you do want to cancel, please write to us at Bank of Scotland, Commercial Banking, 150 Fountainbridge, Edinburgh, EH3 9PE within 14 days of receiving our letter and we will be happy to cancel the account. Any requests for payment we receive after you exercise your right to cancel will be returned and products or services which require this account to operate will also be cancelled.

We will repay to you any credit balance in your account together with any interest due if credit interest is paid on your account. You will be required to pay any charges for day-to-day banking or other services that you may incur before we receive your request to cancel the account and we will deduct these charges from the monies we return to you.

If your account is overdrawn you must repay the outstanding balance together with any interest and charges that you owe us within 30 days of exercising your right to cancel.

Where possible we will help you find an account from our range which better suits your needs. The right to cancel does not affect your ongoing right to close the account as set out in the terms and conditions.

Financial difficulty

Clear-cut solutions

If you get into difficulty.

We want your business to be successful. However, there may be times throughout your economic cycle when you need extra support. Our approach is to work with you and your circumstances and take the longer term view.

Let us know as soon as possible if there's a problem and we'll deal with any financial difficulty sympathetically and positively.

We adhere to The Standards of Lending Practice which are monitored and enforced by the LSB: www.lendingstandardsboard.org.uk and apply to businesses which have an annual turnover of no more than £6.5 million.

The Standards of Lending Practice can be downloaded from the Lending Standards Board at www.lendingstandardsboard.org.uk



Protect your business

Please ask your relationship management team for a copy of our 'Fraud brochure'.

Our service promise

If you experience a problem, we will always try to resolve it as quickly as possible. Please bring it to the attention of any member of staff. Our complaints procedures are published at bankofscotland.co.uk/business/contactus

Important information

Mastercard is a registered trademark, and the circles design is a trademark of Mastercard International Incorporated.

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 169268.

We adhere to The Standards of Lending Practice which are monitored and enforced by the LSB: www.lendingstandardsboard.org.uk and apply to businesses which have an annual turnover of no more than £6.5 million.

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.

Factoring and Invoice Discounting facilities may be provided by one or more of Lloyds Bank Commercial Finance Limited, Lloyds Bank plc and Bank of Scotland plc. Lloyds Bank Commercial Finance Limited. Registered in England & Wales no. 733011. Registered office: No.1, Brookhill Way, Banbury OX16 3EL. Lloyds Bank plc. Registered in England and Wales no. 2065. Registered Office: 25 Gresham Street, London EC2V 7HN. Lloyds Bank plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under registration number 119278.

Bank of Scotland plc. Registered in Scotland No.SC327000. Registered Office: The Mound, Edinburgh EH1 1YZ. Bank of Scotland plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under registration no. 169628.


Asset Finance facilities are provided by Lloyds Bank plc. Lloyds Bank plc. Registered Office: 25 Gresham Street, London EC2V 7HN. Registered in England and Wales no. 2065.


Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under Registration Number 119278. The provision of credit or leasing services by Lloyds Bank plc is subject to your meeting their Credit approval. Please ensure that you only apply for credit or leasing services that you can comfortably afford.

Lloyds Banking Group is a financial services group that incorporates a number of brands including Bank of Scotland. More information on Lloyds Banking Group can be found at lloydsbankinggroup.com

Get in touch

 bankofscotland.co.uk/business

 0345 300 0268*

 Speak to your
relationship manager

Please contact us if you would 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've carried out your instructions correctly and to help improve our quality of service.

*Lines are open 7am to 8pm Monday to Friday and 9am to 2pm on Saturday, except on UK bank holidays.

Information is correct as at February 2019.