

ARBUTHNOT  
COMMERCIAL BANKING



For business.  
For family.  
For life.

**Commercial Banking Terms & Conditions**





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## Definitions

In these Terms unless the context otherwise requires the following words have the following meanings:

**Account** means a sterling or foreign currency account which we open and operate for your use and Accounts means any or all such accounts as the context may determine.

**Agreement** means the agreement between us and you made up of the documents listed in Term 1.4.

**Arbuthnot Group** means the group of undertakings comprising Arbuthnot Banking Group PLC and any direct or indirect subsidiary of Arbuthnot Banking Group PLC from time to time.

**Arranged Overdraft** means when we and you agree in advance that you may borrow money when there is no money left in the Account. The agreement determines a maximum amount that can be borrowed, and whether fees and interest will be charged to you.

**Associate** means a person or entity that is connected with us or any member of the Arbuthnot Group.

**Authorised Person** means a person named on your Mandate and who is therefore entitled to operate your Accounts and provide instructions to us in respect of the Agreement.

**Business Day** means the period between 9.00am and 5.00pm on a day on which banks are open for general business in London (other than Saturday, Sunday and Bank Holidays).

**Card** means any debit payment card in respect of your Current Account which we may, upon your request, choose to issue to a Cardholder from time to time, and any renewal or replacement supplied by us from time to time under this Agreement (including any Currency Card).

**Card Transaction** means use of a Card for any purpose including where you use your Card to make a payment in pounds or in foreign currency. This can be in a shop, online or over the phone or Cash Withdrawals.

**Cardholder** means any individual who is authorised by you from time to time to use a Card issued by us pursuant to Term 3.1.1 in his or her name.

**Cash Withdrawal** means where you take cash out of your Account in pounds at a Lloyds and certain other ATMs or at our Registered Office in the UK or where you take cash out of your Account in foreign currency at certain ATMs or, where available, at a bank outside the UK.

**Client Account** means a client money Account offered by us with the features described in Term 2.16.

**Commercial Account Opening Form** means our commercial banking account opening form.

**Commercial Account Charges Schedule** means our commercial charges schedule containing information on our fees and charges, as amended by us from time to time.

**Corporate Client** means a client of our commercial banking service who is not (a) a Small Charity, or (b) a Micro Enterprise.

**Currency Account** means an Account offered by us which is denominated in a currency other than sterling, as further described in Term 2.15.

**Currency Card** means any Card which we may choose to issue in order to allow withdrawals from a Currency Account.

**Current Account** means an instant access Account which offers the functionality and payment services as specified in these Terms.

**Day** means a period of 24 hours beginning at midnight.

**Data Protection Legislation** means from and including the 25th May 2018 the EU General Data Protection Regulation (Regulation (EU) 2016/679) or any equivalent legislation that is adopted in England and Wales (whether or not as a result of the withdrawal of the United Kingdom from the European Union), the Privacy and Electronic Communications Regulations 2003, and all other applicable laws, enactments, regulations, orders, standards and other similar instruments, each as may be amended or superseded from time to time.

**Direct Debit** means when you permit someone else (recipient) to instruct us to transfer money from your Account to that recipient. We then transfer money to the recipient on a date or dates agreed by you and the recipient. The amount may vary.

**EEA** means the EU plus Norway, Iceland and Liechtenstein.

**Effective Date** means the date notified by us to you that you have been accepted as a commercial client on the basis of these Terms.

**EU** means the European Union.

**Exclusions List** means a standardised list setting out which types of deposits are excluded from protection under the Financial Services Compensation Scheme ("FSCS").

**FCA** means the Financial Conduct Authority.

**Fixed Term Deposit Account** means a fixed term deposit Account offered by us which provides a fixed rate of interest for a fixed period, with the features described in Term 2.13.

**FSCS** means the Financial Services Compensation Scheme.

**HMRC** means HM Revenue & Customs.

**Information Sheet** means the standardised summary of information entitled 'Basic Information about the Protection of Your Eligible Deposits'.

**Instant Access Deposit Account** means a deposit Account offered by us, with the features described in Term 2.12.

**Interest Rates Schedule for Commercial Clients** means our Interest Rate Schedule for Commercial Clients containing information on our interest rates, as amended by us from time to time.

**Mandate** means the mandate form issued by us, completed by you and accepted by us which lists your Authorised Persons and includes specimen signatures (as amended from time to time in accordance with the procedure set out in the mandate form).

**Micro Enterprise** means an enterprise which (a) employs fewer than 10 persons, and (b) has a turnover or annual balance sheet that does not exceed euro 2 million.

**Non-Corporate Client** means a client of our commercial banking service who is (a) a Small Charity, or (b) a Micro Enterprise.

**Notice Account** means an Account offered by us in respect of which you are required to give us a period of notice (as specified by us) before withdrawing any money, with the features described in Term 2.14.

**Online Banking Service** means our online banking service hosted and made available to you for the purposes of administering your Account and sending instructions via the internet.

**Partnership** means a partnership at will or governed by the Partnership Act 1890.

**Payment Instruction** means an instruction from you to make a Payment Transaction from your Account.

**Payment Transaction** means when we transfer money, on your instruction, from your Account to another account in the UK or outside the UK or when you make a Card Transaction.

**PIN** means the Personal Identification Number that we issue for use with a Card and which the Cardholder may change on receipt.

**Privacy Notice** means the document that describes how we use your personal information. You can find the Arbuthnot Latham Privacy Notice at [www.arbuthnotlatham.co.uk/privacy-notice](http://www.arbuthnotlatham.co.uk/privacy-notice).

**Reference Exchange Rate** means the exchange rate used as the basis for calculating any currency exchange and which is available by contacting us, or from our Website, or comes from a publicly available source (such as a rate set by VISA).

**Registered Office** means the registered office of Arbuthnot Latham & Co., Limited which is currently at Arbuthnot House, 7 Wilson Street, London EC2M 2SN.

**SEPA** means the Single Euro Payments Area which currently consists of the countries of the EU and the three additional EEA countries, namely the following countries and territories: Åland Islands, Austria, Azores, Belgium, Bulgaria, Canary Islands, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, French Guiana, Germany, Gibraltar, Greece, Guadeloupe, Guernsey, Hungary, Iceland, Ireland, Isle of Man, Italy, Jersey, Latvia, Liechtenstein, Lithuania, Luxembourg, Madeira, Malta, Martinique, Mayotte, Monaco, Netherlands, Norway, Poland, Portugal, Réunion, Romania, Saint Barthélemy, Saint Martin (the French part), Saint Pierre and Miquelon, San Marino, Slovakia, Slovenia, Spain, Sweden, Switzerland and the United Kingdom.

**SEPA Credit Transfer** means a transfer in euro to a bank account within SEPA.

**Small Charity** means a charity which has an annual income of less than £1 million.

**Standing Order** means when we make regular transfers, on your instruction, of a fixed amount of money from your Account to another account.

**Terms** means these terms and conditions including appendices, and any relevant addenda, as amended by us from time to time.

**Third Party Provider** means a third party payment service provider which is authorised by the FCA or another EEA Regulator to access information and/or give instructions to make payments from online Current Accounts operated by other providers (such as us and other building societies, banks and credit card issuers).

**Unarranged Overdraft** means when you borrow money when there is no money left in the Account (or when you have gone past your Arranged Overdraft limit) and this has not been agreed with us in advance.

**we, us, our** means Arbuthnot Latham & Co., Limited.

**Website** means our website at [www.arbuthnotlatham.co.uk](http://www.arbuthnotlatham.co.uk).

**you** refers to you, our commercial client acting for the purposes of a trade, business or profession, and being either a Corporate Client or a Non-Corporate Client (and in the case of joint commercial clients, such as partners in a Partnership, includes each of you).

In these Terms, unless a contrary intention appears:

- a) use of the singular shall include the plural and vice versa;
- b) use of any gender includes the other genders;
- c) headings are used for reference only;
- d) references to any legislation, handbook or rule include any successor, amended or replacement legislation, handbook or rule, and are to UK legislation, handbooks or rules unless expressed otherwise;
  - a time of day shall be construed as a reference to London time;
  - the term "written" or "in writing" includes email;
  - the term "pounds" shall refer to sterling and may be used interchangeably; and
  - any phrase introduced by the terms including, include, in particular or any similar expression is to be construed as illustrative only and does not limit the sense of the words preceding those terms.

## Section 1. Agreement Overview

### 1.1. About us

- 1.1.1. We Arbuthnot Latham & Co., Limited are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.
- 1.1.2. The addresses of our regulators are as follows:
  - Prudential Regulation Authority, 20 Moorgate, London EC2R 6DA
  - Financial Conduct Authority, 12 Endeavour Square, London, E20 1JN
- 1.1.3. We are entered on the Financial Services Register with Registration Number 143336.
- 1.1.4. Our head office is at 7 Wilson Street, London EC2M 2SN which is also our Registered Office. Where your Account is not maintained from our Registered Office, the address and contact details of any other relevant office will be provided to you separately at the start of our relationship with you. The address and contact details of all our offices are also available on the Website.

### 1.2. Our commercial banking service

We are able to provide a range of commercial banking services to our commercial clients including:

- a) the provision of Accounts which are available in a range of currencies;
- b) the receipt of payments into and transfers out of Accounts;
- c) the provision of cheque books for use with Current Accounts; and
- d) the provision of Cards in connection with Current Accounts,

as more particularly described in these Terms. Where particular provisions in these Terms apply to particular types of Accounts this will be specified in the Terms.

### 1.3. Purpose and availability of these Terms

- 1.3.1. These Terms set out the basis on which we will provide you with Accounts and related banking services. We recommend that you read these Terms carefully and keep a copy for your records. Additional terms may apply to certain Accounts and services and we will advise you when they apply.
- 1.3.2. These Terms are available on the Website, at any of our branches, or directly from us upon request.
- 1.3.3. Our Commercial Account Charges Schedule and Interest Rates Schedule for Commercial Clients also contain important information about our banking services, Accounts and interest rates which you should read.

### 1.4. The Agreement between you and us

The Agreement between you and us is made up of:

- these Terms;
- the completed Commercial Account Opening Form and any additional forms that may be completed as part of the onboarding process;
- the completed Mandate(s);
- the Commercial Account Charges Schedule;
- the Interest Rates Schedule for Commercial Clients; and
- any additional terms in respect of a particular product or service that we give you. (If there is a conflict between any additional terms in respect of a particular product or service we give you and these Terms, the additional terms will prevail.)

### 1.5. Effective Date

Our Agreement will come into force on the Effective Date and shall continue until terminated in accordance with the provisions of Term 4.14.

### 1.6. Corporate and Non-Corporate Clients

- 1.6.1. We will notify you in writing normally prior to the Effective Date as to whether we consider you to be a Corporate Client or a Non-Corporate Client. It is your responsibility to notify us if your status changes during the term of our Agreement.
- 1.6.2. All of these Terms apply fully to Non-Corporate Clients except for Term 4.5. For Corporate Clients these Terms are modified in their application as provided for in Term 4.5.

### 1.7. Fees and charges

- 1.7.1. Details of our fees and charges in relation to our commercial banking service and your Accounts are set out in our Commercial Account Charges Schedule and our Interest Rates Schedule for Commercial Clients (each of which are available on our Website, and updated versions will be posted on our Website within three Business Days of any change).
- 1.7.2. By entering into the Agreement you agree to pay our fees and charges for our commercial banking service. In particular, you authorise us to debit from your Account(s):
  - a) our fees and charges; and

- b) the amount of any tax, duty or other charge levied on your Account by any tax authority or other governmental or regulatory authority (including any amount which you owe to any tax authority which we are required to pay to such authority on your behalf).

- 1.7.3. There may be other costs or taxes imposed by third parties on your Account or Payment Transactions and you further authorise us (where applicable) to debit such costs or taxes from your Account(s).

### 1.8. Changes

- 1.8.1. We may, at our discretion, vary our Agreement for any reason. Reasons for changes may include the following:

- a) to reflect changes in the way we operate or do business, including systems, product or service developments;
- b) to reflect changes caused by market conditions;
- c) in order to take account of changes in the cost of providing services to you;
- d) to reflect changes in legal or regulatory requirements;
- e) to correct mistakes or make the Terms easier to understand and/or fairer to you; and
- f) to improve security and prevent fraud.

- 1.8.2. We will provide you with two months' written notice of any changes except in the following circumstances:

- a) where there are changes to the interest rates on your Account (please see Term 2.11. (variation of interest rates) and Term 2.8.4. (Unarranged Overdraft interest) for details);
- b) where there are changes to the exchange rate used for foreign currency transactions, such changes will be applied immediately where (i) the Reference Exchange Rate has changes, or (ii) the change is more favourable to you.
- c) where you have an Arranged Overdraft on your Account we will provide you with notice of any changes in accordance with the terms and conditions of your Arranged Overdraft.

- 1.8.3. You will be deemed to have accepted the changes unless you notify us to the contrary. If you do not accept the changes you have the right to transfer or close your Account without additional charges at any time before the proposed date that they come into force.

### 1.9. Cancellation rights

- 1.9.1. Subject to Term 1.9.3, you have a right to cancel this Agreement within 14 days of the Effective Date or the date you first receive a copy of the Terms (whichever is later). If you wish to exercise your right to cancel you should write to us at our Registered Office.
- 1.9.2. In accordance with the relevant provisions in Section 2, in the event of cancellation we will transfer your money as instructed by you. No charges or penalties will apply in respect of such cancellation, however, for the avoidance of doubt, you will remain liable for any costs or charges incurred prior to the date on which your Account is cancelled and you may suffer a loss of interest.
- 1.9.3. The right of cancellation does not apply to Accounts where the rate or rates of interest payable are fixed for a period of time following the Effective Date including Fixed Term Deposit Accounts and Notice Accounts.



## Section 2. Account Information

### 2.1. Opening an Account and Authorised Persons

- 2.1.1. Before opening an Account in your name, we are required to make certain enquiries in relation to you (and in some cases people connected to you) and obtain certain evidence and information including evidence of identity, and source of funds for the purposes of anti-money laundering, combating terrorism and preventing financial crime. We will normally require sight of original documents. We may collect information from third party agencies including credit reference agencies. (Please see Term 4.13 for further details.)
- 2.1.2. Acceptance or rejection of your application to open an Account is at our absolute discretion. In particular, if we are unable to obtain satisfactory evidence to satisfy our anti-money laundering procedures we will not be able to accept you as a commercial client.
- 2.1.3. In order to open an Account you must complete a Mandate which will be provided to you with the account opening pack. The Mandate names the people who are entitled to operate your Accounts and provide instructions. You irrevocably authorise us to act in accordance with instructions received in accordance with the Mandate. You are able to add and remove Authorised Persons in accordance with the procedures set out within the Mandate.
- 2.1.4. Authorised Persons will be able to operate your Accounts and issue instructions in accordance with the Mandate. You will be responsible for the acts and omissions of all Authorised Persons.
- 2.1.5. In relation to joint Accounts, unless the Mandate provides otherwise, each joint Account holder alone can operate the Account and give instructions to withdraw the entire balance of the Account.
- 2.1.6. You must notify us immediately if any Authorised Person changes their contact or personal details.
- 2.1.7. You undertake to ensure that all Authorised Persons comply with these Terms at all times.

### 2.2. Payments into your Account

- 2.2.1. We reserve the right to satisfy ourselves as to the origin of any funds paid into your Account. We reserve the right to refuse to accept any deposit or payment into your Account at any time.
- 2.2.2. We are required by law and regulation to collect certain information about the payer and payee including payer's name, account number and the source of funds when we accept payments. We reserve the right to refuse to process any transaction where insufficient or incorrect information has been provided to us.
- 2.2.3. If monies are paid into your Account in a currency other than the denomination currency of the Account, we will use a Reference Exchange Rate (together with a margin derived from that rate which will be notified to you) to convert those funds into the currency of the relevant Account when crediting them to that Account.
- 2.2.4. In respect of electronic payments:
  - a) we accept inward payments via BACS, CHAPS, SWIFT, Faster Payments and SEPA credit transfer in accordance with the rules of those systems; and
  - b) funds will be available to you and be eligible for the calculation of interest on credit balances on the Business Day that such funds are received by us.
- 2.2.5. In respect of cash:
  - a) you may pay cash in sterling, US dollar and euro into your Current Account by depositing funds at our Registered Office. Cash will be credited to your Account for interest purposes immediately and will be available to you immediately after it is deposited with us. You are required to give 24 hours' notice of your intention to deposit cash at our Registered Office;
  - b) you may pay cash in sterling into your Current Account by depositing funds over the counter at branches of Lloyds Bank. A charge will apply for paying in or otherwise using Lloyds Bank counter services (please see our Commercial Account Charges Schedule for further details). Cash deposited over the counter at Lloyds Bank on a Business Day will be received by us, and made available to you, two Business Days after it is deposited; and
  - c) we do not recommend that you send cash to us by post.
- 2.2.6. In respect of cheques:
  - a) you can make deposits by posting to us cheques accompanied by a deposit slip or depositing them over the counter at branches of Lloyds Bank using your paying in book. Any cheques or other items sent to us by post are sent at your own risk;
  - b) UK sterling cheques paid into your Account will clear via the image-based system. This system allows banks to clear a digital image of a cheque rather than the original paper Cheque;
  - c) if you pay a UK sterling cheque into your Account on a Business Day, you will be able to use the funds by 11.59pm on the Business Day following the Business Day on which the cheque is paid in, at the latest. You will also start earning interest from the point at which such funds become available to use.

For example, if you pay a UK sterling cheque into your Account on a Wednesday, the funds will appear in your Account during Thursday and you will start earning interest during Thursday. The paying bank will be able to recall the cheque until the cleared funds appear in your Account;

- d) the process for image-based clearing contained in Term 2.2.6(c) applies where you pay a UK sterling cheque at our Registered Office (either by hand or post) before 2pm on a Business Day or at a Lloyds Bank Branch before its closing time. If you pay a UK sterling cheque into your Account at any of our other offices, the cheque will be forwarded to our Registered Office and will enter the image-based clearing system once it is received at our Registered Office. This means that you will usually need to add an extra Business Day to the timing set out in Term 2.2.6(c);
  - e) if a cheque paid into your Account is returned unpaid, we will tell you about it and the amount originally credited to your Account will be reversed, even if this will put you into an Unarranged Overdraft. A cheque cleared through the image-based clearing system can be returned unpaid up to the end of the Business Day following the Business Day on which the cheque is paid in. After that date, we will not deduct the amount from your balance unless you give us permission to do so or you were knowingly involved in a fraud concerning the cheque or payment;
  - f) if you want a copy of a cheque paid into your Account via the image-based clearing system, for example if it is returned unpaid, we may only be able to give you an image of the cheque;
  - g) if you pay a foreign currency cheque, or a cheque or payment instrument which is not drawn on a UK bank, into your Account (including a Currency Account) different clearing procedures and timescales may apply. We may require you to provide us with an indemnity in respect of foreign cheques prior to paying out funds where the foreign cheque has not yet cleared (Note that we are unable to accept certain currencies, including US dollars, therefore please refer to us prior to sending in foreign cheques); and
  - h) circumstances beyond our control or legal requirements may mean that sometimes, it may take longer to pay in a cheque and for funds to become available to you than the timescales indicated above. The payment of cheques into your Account will always be subject to cheque clearing cycles and the rules of the cheque clearing system used by us.
- 2.2.7. We will normally accept, collect, and negotiate foreign bills provided that we shall not be liable for any loss, damage or delay however caused (except as a result of our negligence or wilful default or that of our agents). We will require you to provide us with an indemnity in respect of foreign bills prior to paying out funds where a foreign bill has not yet cleared. We are unable to accept certain currencies, including US Dollars, therefore please refer to us prior to sending in your request.
- 2.2.8. If, owing to exchange restrictions, prohibitions, or suspension of payment transmission systems, we pay a bill in a currency other than that in which it is drawn, neither we nor our agents shall be liable for any resultant loss in exchange. If we use a particular bank or agent nominated by you, any default or omission of such bank or agent shall be your liability.

### 2.3. Payments out of your Account

- 2.3.1. In respect of electronic payments:
  - a) we can make electronic payments from your Current Account by BACS, CHAPS, SWIFT, Faster Payments and SEPA credit transfer in accordance with the rules of those systems (except where your Current Account is a Currency Account see Term 2.3.4 for details);
  - b) generally, electronic payments from Accounts other than Current Accounts can be made only to an account owned by you. We may, in our absolute discretion, allow occasional payments from such Accounts to third parties. Please contact us should you wish to request such a payment.
  - c) We are required by law and regulation to provide certain information about the payer and payee, including the payer's name, address and account number and the payee's name and account number when we issue payments. For some currencies and/or countries, additional information may be required to be collected and provided to process your payment, such as the beneficiary address. We reserve the right to refuse to process any transaction where insufficient or incorrect information has been provided to us.
- 2.3.2. Direct Debits may be set up on a sterling Current Account only, subject to the following:
  - a) payments must be in sterling;
  - b) mandates for Direct Debits must be provided by the company to which those payments are to be made;
  - c) amounts will be paid automatically by us in accordance with the agreed Direct Debit instruction, provided that the cleared balance of your Current Account is sufficient to meet each payment as it falls due; and

- d) if a payment date falls on a non-Business Day, then your Current Account will be debited on the next Business Day.
- 2.3.3. Standing Orders to a third party may be set up on a sterling Current Account only, subject to the following:
- written instructions to set up or amend a Standing Order instruction on your Current Account must be signed in accordance with the Mandate or completed in accordance with the Online Banking Service authorisation process; and
  - if a payment date falls on a non-Business Day then it will be processed on the next Business Day.
- 2.3.4. In respect of currency conversions, if we receive your instructions to convert funds in one currency and pay funds in another currency, we will effect the currency conversion using the Reference Exchange Rate (together with a margin derived from that rate which will be notified to you).
- 2.3.5. In respect of cheques:
- sterling and euro cheque books are available on request with a sterling or euro Current Account;
  - if a cheque that you have written is returned unpaid, we will let you know by post, or by another confidential method of communication. We may charge you for any of your cheques being returned unpaid in accordance with our Commercial Account Charges Schedule, and any charge will be debited to the Account on which the cheque is drawn;
  - if you want to cancel a cheque, you must telephone us immediately. Please note that it will only be possible to cancel the cheque up to the point that it is presented for payment. For example, if you tell us you want to cancel a UK sterling cheque, that has been paid in to their bank by the recipient on Tuesday, the latest that you will be able to cancel the cheque is up to the end of same Business Day. Additionally, the image-based clearing system means that we will not be able to return the original cheque to you. Instead, you will receive an image of the cancelled cheque. We will make a charge for cancelling a cheque in accordance with our Commercial Account Charges Schedule; and
  - circumstances beyond our control or legal requirements may mean that sometimes, it may take longer to pay out a cheque and for funds to leave your Account than the timescales indicated above. The payment of cheques out of your Account will always be subject to cheque clearing cycles and the rules of the cheque clearing system used by us.
- 2.3.6. Any drawings by you on an Account should only be made against available funds, and our obligation to pay out funds from an Account shall be limited to available funds on that Account. We may refuse a payment from your Account because there is not enough money in it or it would take you past your Arranged Overdraft limit. Further conditions apply should a withdrawal result in an unauthorised debit balance (please see Term 2.8 for details).
- 2.3.7. In some cases, such as a Direct Debit, you may authorise another person to instruct us to debit money from your Account. When this happens, we will treat each instruction from the other person as having been authorised by you.
- 2.3.8. In respect of Cash Withdrawals:
- You may withdraw cash in sterling, euro or US dollars from your Account at our Registered Office. We require at least 24 hours' notice to arrange such a withdrawal.
  - We can arrange for you to withdraw cash from a branch of Lloyds Bank. We require at least 24 hours' notice to set up this arrangement. A charge will apply for this service (please see our Commercial Account Charges Schedule for further details).

- Where you wish to withdraw an amount in sterling larger than the daily cash limit available to you on your Card, we can arrange this for you with a branch of Lloyds Bank. We require at least 24 hours' notice to set up this arrangement. We will usually be able to set this up with a branch of your choice, however, there may be instances when this is not possible and in these cases we will suggest an alternative branch and/or the facility may not be available at 24 hours' notice. You will not be charged for this service.
- A Cardholder may use a Card with the PIN to withdraw cash, up to a pre-determined limit, from Lloyds Bank and certain other ATMs. Please see Term 3.1 for more information on Cards and withdrawing cash using your Card.

## 2.4. Limits

For risk management purposes we apply internal controls regarding our commercial banking service, including limits to certain types of payment, which may be amended by us from time to time. For security reasons we do not disclose these controls.

## 2.5. Payment Instructions

- 2.5.1. In order for us to be able to execute a Payment Instruction properly you must notify us of the Account name and number you wish the payment to be debited from, the amount and value date you wish the payment to be made, together with the following information:
- for a payment to another account held by us, or to another UK bank, the recipient's account number, name, bank sort code and reference where relevant (for example an invoice);
  - for a payment to a non-UK bank, the recipient's name and account number, the recipient bank's name and address, SWIFT code/Bank Identifier Code (BIC), as well as International Bank Account Number (IBAN) for non-US recipients; or
  - for a SEPA credit transfer, the recipient's full name and the International Bank Account Number (IBAN).
- 2.5.2. You must ensure that you provide us with the correct payment details referred to in Term 2.5.1. If you do not provide correct payment details this may result in delay or loss to you and we will not be liable for failing to make a payment or making an incorrect payment. We are not responsible for checking the beneficiary name or other account details.
- 2.5.3. We will consider that you have consented to a Payment Instruction or series of Payment Instructions where an Authorised Person has provided us with instructions by one of the following methods:
- by providing us with their written instructions including signatures as specified in the Mandate; or
  - by providing us with instructions via the Online Banking Service.
- 2.5.4. Cut-off times apply to different types of Payment Transactions as set out in the payment table in Term 2.5.5. On Christmas Eve and New Year's Eve, or the nearest preceding Business Day if either falls on a weekend, the office will close at 2:00pm, the cut-off times below will therefore be as listed below or 1:00pm, whichever is the earlier. If we receive Payment Instructions on a non-Business Day or after the relevant cut-off time on a Business Day, we will treat it as received on the next Business Day. A Payment Instruction that is future-dated will be treated as received on the date you specify or if this is not a Business Day, the next Business Day.
- 2.5.5. Payment Table
- The time periods listed in this table assume that we will receive the Payment Instruction before the corresponding cut-off times on a Business Day. Please see Term 2.5 for further details on payment instructions and cut-off times.

Payment Type	What is the cut-off time for giving instructions to us?	When will the beneficiary receive the funds? (1)	What is the payment limit?
Internal Transfers	4.30pm	Same day	n/a
Same Day (CHAPS) Sterling Payments	3.30pm (Online) 2.00pm (Written authority)	Same day	n/a
SWIFT Payments	2.00pm	Within the EEA Close of business the following Business Day Outside the EEA Up to four Business Days but this may take longer depending on the country to which the money is being sent	n/a
SEPA Credit Transfer	2.00pm	Close of business the following Business Day	n/a
Future Dated (BACS) Sterling Payments	4.30pm	Three Business Days Note for statement purposes your Account will be debited on Day 1 but for interest purposes your Account will be value dated on Day 2	n/a
Faster Payments	3.30pm (Online) 2.00pm (Written authority)	Same day	£99,999.00
Standing Order	4.30pm on the Business Day before first payment is due	The day the standing order payment is due	n/a

- 2.5.6. From time to time we may telephone an Authorised Person to confirm the authenticity of a particular Payment Instruction prior to us acting on such Payment Instruction.
- 2.5.7. We reserve the right to refuse to follow Payment Instructions where we have reasonable grounds to do so, for example:
- where you have provided us with incorrect or insufficient information in order for us to be able to correctly execute the transaction;
  - where there are insufficient funds in the Account;
  - where we have concerns about a possible breach of the law or damage to our reputation (including where you request a payment to be made to a high risk or sanctioned jurisdiction); or
  - where we have concerns about security, unauthorised use of the Account, fraud, or other legitimate concerns.

If we refuse to follow a Payment Instruction we will normally telephone you with reasons for the refusal and what you need to do to enable us to carry out the Payment Transaction before the next Business Day and no later than three Business Days following receipt of the payment order. We will not however notify you if to do so would or may be unlawful. We will not be liable to you where we refuse to follow a Payment Instruction in the circumstances described in this Term 2.5.7.

- 2.5.8. We will, where practical, endeavour to cancel a payment if you request us to do so and such request is received prior to the relevant cut-off time (please see Terms 2.5.4 and 2.5.5). However, you recognise that there is no commitment given by us that the payment will be cancelled. If you want to cancel or amend a Payment Instruction an Authorised Person should telephone us as soon as possible during normal business hours. You agree that any request for cancellation of a Payment Instruction must include all details of the Payment Instruction provided with the instruction (as set out in Term 2.5.1).
- 2.5.9. Where you have asked us to make a payment on a future date you can revoke such a Payment Instruction up until the end of the Business Day preceding the agreed future date.
- 2.5.10. A Card Transaction cannot be stopped or cancelled. Please see Section 3 for provisions concerning Card Transactions.

## 2.6. Payment timescales

- 2.6.1. The execution time for payments made from your Account depends upon the method of transmission and the currency involved. Set out below are details of the maximum execution times which will apply to Payment Transactions from your Account following receipt of Payment Instructions from an Authorised Person prior to the relevant cut-off times (subject to Terms 2.5.4 and 2.5.5 – BACS payments in sterling are not included, please see Term 2.5.5):
- for payments to another Account held by us, the payment should arrive in the recipient's Account on the same Business Day;
  - for payments to an account at a UK bank made via CHAPS the payment should arrive in the recipient's UK bank on the same Business Day;
  - for payments to an account at a UK bank made via Faster Payments the payment should arrive in the recipient's UK bank on the same Business Day;
  - for payments in sterling to an account at a UK bank not made via CHAPS or via Faster Payments, or for payments in euro to another person's account held with a non-UK bank within the EEA:
    - the maximum execution time for funds to arrive in the recipient's bank will be no later than the end of the Business Day after we receive your instructions;
    - where a Payment Transaction follows a paper payment order from you, the maximum execution time set out in (i) above is extended by one Business Day;
  - for payments in an EEA currency which is not sterling or euro, to another person's account held with a non-UK bank within the EEA, the payment may take an additional Business Day and as a result the maximum execution time for funds to arrive in the recipient's bank is no later than four Business Days following the day we received your instructions; or
  - for payments in non-EEA currencies, the execution time in respect of such payments will depend upon the foreign currency and the countries involved. We will let you know the likely execution time for such payments at the time we receive your Payment Instructions. We will not be able to control exactly when the payment will be received by the foreign bank.

## 2.7. Statements and other communications

- 2.7.1. We will make available to you via the Online Banking Service monthly statements in respect of your Account. Account transactions are also available to view via the Online Banking Service and are updated throughout each Business Day. If you require a different frequency or paper statements, please contact us.

- 2.7.2. You must check your statements carefully and inform us as soon as possible if the statement shows any transactions which are incorrect or unauthorised. Failure to tell us about incorrect or unauthorised transactions may mean that you will not be entitled to any redress.
- 2.7.3. When we contact you in relation to your Account and our commercial banking services such as telling you about changes to terms and conditions, sending you information, letters or notices, we may use any contact details we have for you. This includes your postal address, your telephone numbers and your e-mail address. We may also send you messages via the Online Banking Services.
- 2.7.4. If we need to contact you because of a suspected fraud or because of security concerns relating to your Account, we will usually do this by telephoning you but we may use other secure methods of communication if we cannot reach you by telephone. As part of this we may have to ask you to verify your identity so we can be sure we are talking to you but we will never ask you to disclose a password or other information in full.
- 2.7.5. If we need to investigate a transaction on your Account, you agree to co-operate with us and with the police and with any other regulatory or supervisory body (if we need to involve them).

## 2.8. Overdrafts

- 2.8.1. We are able to provide credit facilities, including Arranged Overdrafts, subject to prior agreement by us and completion of additional documentation. Please contact us if you would like to request an Arranged Overdraft or other credit facility.
- 2.8.2. We may refuse to make any payment or effect any transaction which would result in an Unarranged Overdraft or cause you to breach an Arranged Overdraft limit.
- 2.8.3. When we, in our absolute discretion, agree to allow a payment to be made from your Account although there is not enough money in it or the payment would take you past your Arranged Overdraft, then we will charge you interest on the full unauthorised debit balance at our unauthorised borrowing rate in accordance with our Commercial Account Charges Schedule.
- 2.8.4. Debit interest shall accrue on a daily basis. We will give you at least 10 Business Days' notice of the amount before it is deducted from your Account. When calculating interest payments on any Unarranged Overdraft, any change to the applicable reference rate will take effect without notice from the next Business Day thereafter.
- 2.8.5. All sums owing on your Account, including any applicable interest and debit balance, are repayable on demand at any time in accordance with standard banking practice.
- 2.8.6. If your Account is held in joint names (for example, where you are partners in a Partnership) and where we have provided you with an Arranged Overdraft facility, you agree that we will provide statements addressed to you as the Account holder but we are not required to provide separate statements or notices to each of you individually.

## 2.9. Interest on credit balances

- 2.9.1. In respect of interest on Fixed Term Deposit Accounts or Notice Accounts please see Terms 2.13 and 2.14 which apply in addition to and take precedence over this Term 2.9.
- 2.9.2. Interest (if any) on cleared credit balances on your Accounts will be payable in accordance with our Interest Rates Schedule for Commercial Clients, or as otherwise agreed in writing, provided such credit balances are above the minimum balance required to earn interest.
- 2.9.3. Interest rates may be applied in bands, and in such cases the rate offered will be dependent on the size of cleared funds in your Accounts. Details of the standard interest rates and bands, including how and when such interest is applied, are included in the Interest Rates Schedule for Commercial Clients which is available on the Website, at any of our branches, or directly from us upon request.
- 2.9.4. Interest is normally calculated daily and credited to your Account on the last day of each calendar month. Interest is normally paid gross, unless there are circumstances in which we are required to pay net interest. We are obliged to notify HMRC annually of all interest paid, unless specifically exempted from doing so.
- 2.9.5. Any additional terms and conditions which may apply to a particular Account, including as to interest, will be notified to you by us before you open the Account.

## 2.10. Minimum balances

We may require you to maintain a minimum balance in certain Accounts and will specify the minimum amount in relation to any other service provided by or through us. If a required minimum amount is not being maintained, we may contact you to arrange for the transfer of funds from any of your other Accounts, and/or the conversion of currency from any of your Accounts to restore the minimum balance, or we may close the Account.



## 2.11. Variation to interest rates

- 2.11.1. We may change the interest rate paid on your Account balance or applicable to your Account debit balance with immediate effect and without prior notice provided:
  - a) in the case of any Account it is to your advantage; or
  - b) it reflects a change in the applicable reference rate.
- 2.11.2. Any change as referred to in Term 2.11.1 will normally be set on the next Business Day and you agree that it will be notified to you in your next Account statement. Such changes will also be reflected in our Interest Rates Schedule for Commercial Clients and shown on our Website within three Business Days of the change.
- 2.11.3. Subject to Terms 2.11.1, 2.11.2 and 2.11.5, we may also change the basis of how interest rates are paid and calculated on or applicable to your Accounts (including our unauthorised borrowing rate), including any applicable tiered bands. We may make such changes without notice if the change is to your advantage and in all other cases we will give you at least two months' prior written notice of any change we make.
- 2.11.4. Where we make any change as referred to in Term 2.11.3 which is not to your advantage you have the right to transfer or close your Account without additional charges prior to the change coming into effect.
- 2.11.5. We will not change a fixed interest rate on your Account for the period which we have agreed to fix the rate.

## 2.12. Instant Access Deposit Accounts

- 2.12.1. You may withdraw funds from your Instant Access Deposit Account at any time by requesting that funds be transferred to your Current Account (see "Internal Transfers" at Term 2.5.5).
- 2.12.2. Your Instant Access Deposit Account will receive interest at the rate applicable to the Account as specified in our Interest Rates Schedule for Commercial Clients or otherwise agreed with you in writing.
- 2.12.3. The interest rate may vary from time to time in accordance with Term 2.11.
- 2.12.4. Any credit interest earned in respect of your Instant Access Deposit Account will be credited to your Instant Access Deposit Account.

## 2.13. Fixed Term Deposit Accounts

- 2.13.1. The period of a Fixed Term Deposit Account is established at the start of each deposit and will be agreed between you and us in writing in accordance with these Terms. The maturity date of the deposit must be a Business Day and if it falls on a day which is not a Business Day, the maturity date shall be deemed to be the next Business Day.
- 2.13.2. A confirmation will be sent or made available to you at the beginning of each Fixed Term Deposit Account period detailing the amount of the deposit, the interest period, the interest rate or basis for calculation and the renewal instructions.
- 2.13.3. The interest rate on a Fixed Term Deposit Account will be detailed in the confirmation.
- 2.13.4. In providing and operating Fixed Term Deposit Accounts we need to impose the following instruction deadlines:
  - a) in respect of sterling and US dollar deposits, 10:00am on the maturity date of the deposit; and
  - b) currency deposits other than sterling and US dollar deposits, 10:00am two Business Days prior to the maturity date.
- 2.13.5. We will endeavour to contact you shortly before the maturity of a Fixed Term Deposit Account to remind you of the forthcoming maturity date and your existing instructions, if any, and to obtain your instructions. If you wish to amend the instructions for the renewal of a maturing Fixed Term Deposit Account we must be in possession of your amended instructions by not later than the instruction deadline (see Term 2.13.4).
- 2.13.6. Unless you instruct us to the contrary by the required instruction deadline at the maturity of a Fixed Term Deposit Account, we will return the funds plus interest (converting the sums to sterling where necessary) to your Current Account.
- 2.13.7. Fixed Term Deposit Accounts may not be broken before maturity. If, in exceptional circumstances and at our absolute discretion, we agree to break Fixed Term Deposit Account before its maturity we will charge you breakage costs in line with our breakage policy which is available from us upon request.

## 2.14. Notice Accounts

- 2.14.1. We may offer Notice Accounts from time to time.
- 2.14.2. Funds may only be withdrawn after the relevant notice period for the Account has elapsed.
- 2.14.3. The funds will receive interest at the rate applicable to the Notice Account as specified in our Interest Rates Schedule for Commercial Clients or otherwise agreed with you until the Business Day before withdrawal. Credit interest will be credited to your Notice Account (or other nominated Account).

- 2.14.4. Interest is calculated from the date cleared funds are deemed to have been received, until the Business Day before withdrawal.
- 2.14.5. Interest is normally paid gross, unless there are circumstances in which we are required to pay net interest. We are obliged to notify HMRC annually of all interest paid, unless specifically exempted from doing so.
- 2.14.6. If we make changes to interest rates, these will be done in accordance with Term 2.11 provided that if the interest rate change is not to your advantage, we will give you advance notice of at least the same term as the notice period applicable to your Account. We also reserve the right to add, amend or withdraw interest rate tiers to the Account upon giving you advance notice of at least the same term as the notice period applicable to your Account.
- 2.14.7. When notice of withdrawal is given, the notice period begins on the day of receipt by us (provided it is a Business Day) of the withdrawal notice and funds (including interest) will be paid out on the final day of the notice period. Where the final day is not a Business Day, funds will be paid out on the next Business Day.
- 2.14.8. Once notice of withdrawal has been given, it is not possible for that request to be cancelled. Funds will be placed into your Current Account following the expiry of the notice period.
- 2.14.9. Requests relating to withdrawals or closure that are received outside of any specified notice period will be at our absolute discretion, and will only be permitted in exceptional circumstances. Any breakage will be carried out in line with our breakage policy, which is available from us upon request.
- 2.14.10. We reserve the right to close the Notice Account to new funds before the nominated closure date.

## 2.15. Currency Accounts

- 2.15.1. Subject to agreement with us, Currency Accounts can be denominated in most of the main global currencies – for example US dollar and euro.
- 2.15.2. Currency Accounts are available only to commercial clients who hold a sterling denominated Account with us. If your sterling denominated Account is closed, suspended or under notice of closure, we may close your Currency Account and any balance and accumulated interest will be repaid to you.
- 2.15.3. Subject to agreement with us, Currency Accounts can be opened as a Current Account, a Notice Account or Fixed Term Deposit Account.
- 2.15.4. Rates of credit interest for a Currency Account may be tiered. These tiers, and the interest rate applicable to each tier, are set out in the Interest Rates Schedule for Commercial Clients, which is available on the Website, at any of our branches, or directly from us upon request. The funds will receive interest at the rate applicable to the Currency Account until funds are withdrawn.
- 2.15.5. Where you wish to pay into a Currency Account in sterling (or in any other currency other than the denomination currency of the Currency Account) your attention is drawn to Term 2.2.3.
- 2.15.6. Payments from, or payments into your Currency Account cannot be made by way of BACS or CHAPS or via Faster Payments. Where your Currency Account is able to make and receive electronic payments (for example, where your Currency Account is a Current Account) all such payments will be made and received via SWIFT or SEPA credit transfer.
- 2.15.7. All permitted withdrawals and payment instructions from Currency Accounts will be transacted in the currency in which your Currency Account is denominated.
- 2.15.8. SWIFT payments will be made in the currency of the Account that you are debiting (for example, where you issue a payment instruction to send euros to Spain, if you have a euro Current Account, this will be debited in euros from your euro Current Account).
- 2.15.9. Where a currency conversion is required for a SWIFT payment out of your Currency Account, you will receive a foreign exchange confirmation. This will inform you of the exchange rate used and, where required, any commission taken for completing the transaction.
- 2.15.10. In the case of ATM withdrawals from a Currency Account in sterling (or any other currency other than the denomination currency of the Currency Account), your attention is drawn to Term 3.1.9.
- 2.15.11. You may transfer money between Currency Accounts denominated in the same currency (for example, you are able to transfer funds from a Current Account denominated in euro to a Notice Account denominated in euro).
- 2.15.12. A monthly fee for maintaining your Account is payable for your Currency Account (as set out in the Commercial Account Charges Schedule). This fixed monthly charge is debited in sterling from your sterling Current Account. Other fees and charges in relation to your Currency Account are applied to your Currency Account in the currency equivalent at the time that the fee is applied.

## 2.16. Client Accounts

- 2.16.1. Subject to agreement with us, we may provide you with Client Account(s) for the purpose of holding money belonging to your clients but under your control.
- 2.16.2. A Client Account may (as requested by you in writing and agreed to by us) be either:
  - a) a designated Client Account – which is a Client Account used to hold client money of a single client in a single Client Account; or
  - b) a general Client Account – which is a Client Account used to hold client money of a number of clients in a single Client Account.
- 2.16.3. Interest (if any) will be payable in respect of Client Accounts in accordance with our Interest Rates Schedule for Commercial Clients or otherwise as agreed in writing between you and us.
- 2.16.4. You confirm and agree that:
  - a) you, and not us, are responsible for conducting all due diligence on your clients which may be necessary to comply with applicable laws and regulation;
  - b) you will only use a Client Account to hold money belonging to your clients;
  - c) in addition to your obligations under these Terms, you will operate each Client Account in accordance with the terms of your agreement with your client and any legal, regulatory or professional obligations which you owe to your client.
- 2.16.5. Our rights of set-off in Term 4.1.1 shall not apply in respect of any credit balance on a Client Account.

## Section 3. Card information

### 3.1. Cards

- 3.1.1. Where you have opened a Current Account, we may, where agreed by us, issue a Card to a person requested by you. It is your responsibility to distribute a Card to a Cardholder.
- 3.1.2. Where you have opened a Current Account which is also a Currency Account we may, where agreed by us, issue you with a Currency Card in the currency of the Currency Account. All transactions to the Card will then be debited from your Account in that currency pursuant to Term 2.15.7.
- 3.1.3. A request to issue a Card must be accompanied by the prospective Cardholder's signature and such evidence of authority from you that we specify.
- 3.1.4. The transactions undertaken by any Cardholder remain your responsibility. You undertake to ensure that all Cardholders adhere to these Terms in respect of the use and protection of each Card issued.
- 3.1.5. We may from time to time:
  - a) issue a PIN, if requested by you or a Cardholder;
  - b) renew a Card when it expires;
  - c) replace a damaged Card, if requested by you or a Cardholder;
  - d) replace a Card and change the PIN and Card number upon request if we reasonably believe that any of these is likely to be misused and that the replacements will not be misused;
  - e) replace a Card and change the PIN and Card number in the event that we are satisfied by VISA that the Card may have become compromised; and
  - f) replace a Card and change the PIN and Card number in order to enhance the security of the Card.
- 3.1.6. A Cardholder may only use his or her Card, PIN, and Card number before the expiry date shown on the Card. You undertake to ensure that each Cardholder will only use the Card and the PIN in accordance with these Terms.
- 3.1.7. All Cards will remain our property at all times.
- 3.1.8. A Cardholder may use a Card with the PIN to withdraw cash, up to reasonable pre-determined limits, from Lloyds Bank and certain other ATMs. If a Cardholder withdraws cash from a machine operated other than by Lloyds Bank, you may be charged a fee. The Cardholder should be notified of this fee at the time of withdrawal and the amount of the fee will be added to the withdrawal amount and debited to your Current Account. We are not liable for any failure to notify the Cardholder of any fee payable.
- 3.1.9. If an ATM withdrawal or Card Transaction is made in a currency other than the denomination currency of the Account, (including where a Card is used to make a withdrawal at an ATM outside the UK), we will convert the amount from the currency in which the transaction was made to the currency in which the Account is denominated on the day we receive notice of the transaction. We will use the wholesale rate of exchange applied by VISA, and charge commission in accordance with our Commercial Account Charges Schedule. For more information on how VISA calculates this rate, please see the Website. Exchange rates may rise or fall and the exchange rate when the transaction is made may differ from the exchange rate used for conversion. The rate shown on your statement will have been adjusted to take into account our commission.
- 3.1.10. Where a Cardholder uses a Currency Card to withdraw cash from an ATM outside the UK you should be aware that additional charges may apply, notwithstanding the fact that you may be withdrawing cash in the denomination currency of your Currency Card.
- 3.1.11. A Cardholder may use his or her Card or Card number to make Card Transactions, up to reasonable pre-determined limits, with suppliers of goods and services.
- 3.1.12. Accounts that will not be included in the available balance calculation include (but are not limited to) Fixed Term Deposit Accounts, Client Accounts, Notice Accounts and fixed term lending.
- 3.1.13. ATM withdrawals and Card Transactions will normally be debited to your Account within two Business Days. It may take longer than two Business Days however, and the debit may be delayed if the transaction is made abroad, or if the person who provides the ATM or the supplier delays in asking for payment, or for any other reason.
- 3.1.14. You undertake to ensure that a Cardholder will not use a Card or Card number to overdraw, except to the extent that we have agreed an Arranged Overdraft on your Account in advance.
- 3.1.15. We will debit from your Current Account the amount of each transaction made by use of a Card or Card number and all other amounts due to us under these Terms. We may debit these amounts:

- a) from money in your Current Account;
- b) from any Arranged Overdraft facility for your Current Account, if there is any available; or
- c) by causing an Unarranged Overdraft that we have not agreed in advance, or by increasing an Arranged Overdraft to a level that we have not agreed in advance.

- 3.1.16. You must, as soon as we ask, repay any Unarranged Overdraft which arises as a result of Term 3.1.15(c). We may choose to debit any amount in priority to other drawings.

### 3.2. Liability in respect of Cards

- 3.2.1. We will not be liable to you for:
  - a) any refusal or delay by any other person to accept the Card, PIN, or Card number;
  - b) the way in which any other person communicates that refusal or delay, or communicates any refusal to authorise a prospective transaction; or
  - c) any loss caused by a fault in any machine or system, except direct loss caused by a fault which was not obvious or not advised by a message or notice on display.
- 3.2.2. So far as we are liable to you for loss caused by a fault in any machine or system or for loss caused by transactions which you did not authorise, our liability will be limited to the amounts wrongly debited to your Account and any interest and charges on those amounts. For the avoidance of doubt, your liability under Term 4.2.4 remains unaffected.
- 3.2.3. Provided that neither you nor any Authorised Person or Cardholder has acted fraudulently, you will not be liable for any losses which arise:
  - a) where a Card has been lost, stolen or misappropriated and the loss, theft or misappropriation was not detectable by the Cardholder;
  - b) from someone else carrying out a Card Transaction using a Cardholder's Card details without that Cardholder's permission where the Cardholder does not need to be present (for example, purchases over the internet, the telephone, or by mail order);
  - c) if we fail to ensure that appropriate means are available at all times to enable a Cardholder to notify us of the loss, theft, misappropriation, or unauthorised use of the Card; and
  - d) once we have received notification from you of the loss or theft of a Card, possible misuse of a Card, or that you wish to cancel a Card.
- 3.2.4. We will credit the Account with any amount for which you are not responsible pursuant to Term 3.2.3, including any related charges and interest.
- 3.2.5. You will be liable for all unauthorised transactions where you, an Authorised Person or a Cardholder has acted fraudulently (unless the Account is overdrawn) or has failed, intentionally or with gross negligence, to notify us in accordance with Term 3.3.2.
- 3.2.6. Except where Terms 3.2.3 or 3.2.5 apply, you will only be liable for up to £35 for losses resulting from loss, theft, misappropriation or unauthorised use of a Card.

### 3.3. Protection of Cards

- 3.3.1. You undertake to ensure that all Cardholders will take all reasonable care to prevent fraudulent use of their Card, PIN, and Card number. In particular, Cardholders must:
  - a) sign their Card immediately upon receipt; and
  - b) not allow anyone else to use their Card, PIN, or Card number.
- 3.3.2. Should a Card be lost or taken from a Cardholder, even for a short period, or a Cardholder knows or suspects that someone else may know his or her PIN and/or Card number, an Authorised Person or the Cardholder must notify us immediately on +44 (0)20 7012 2500 which is a 24 hour service. We may require written confirmation.
- 3.3.3. You must, and you undertake to procure that the Cardholder will, take all reasonable steps to help us and the authorities to recover the Card. We may disclose to the authorities any information about you, the Cardholder or the Account which we reasonably decide may be relevant to recover the Card and avoid or recover loss.
- 3.3.4. If a Cardholder then keeps or recovers the Card, it must not be used again. The Cardholder should cut it in two, taking care to cut through the chip and digital strip on the reverse of the Card.
- 3.3.5. If we issue a PIN to a Cardholder, you undertake to ensure that all Cardholders will take all reasonable care to prevent its fraudulent use. For example, the Cardholder memorises the PIN and never discloses the PIN to anyone else.

- 3.3.6. You should ensure that Cardholders take care when authorising recurring Card Transactions. A recurring Card Transaction is one where a supplier authorised by a Cardholder will use the Card details to debit regular payments from your Account. Unlike Direct Debits, these payments are not covered by the Direct Debit Guarantee and we would recommend that you do not allow Cardholders to authorise recurring payments in this way.

#### 3.4. Blocking or stopping a Card

- 3.4.1. We, or our agents specifically appointed for the purpose, reserve the right to stop or prevent the use of any Card where we have reasonable grounds to do so relating to:
- a) the security of the Card;
  - b) suspected unauthorised or fraudulent use of the Card; or
  - c) where you have an Arranged Overdraft and in our opinion there is a significantly increased risk that you may be unable to meet your obligations in relation to repayment of the Arranged Overdraft.
- 3.4.2. If we, or our agents specifically appointed for the purpose, detect suspected unauthorised or fraudulent use of the Card we will immediately put a temporary block on the Card and we will endeavour to contact you on the number you have provided for this purpose.
- 3.4.3. Where a Cardholder's PIN has been entered incorrectly three times into an ATM or other payment authentication device we will automatically assume that the security of the Card has been compromised and put a temporary block on the Card.
- 3.4.4. Subject to Term 3.4.7, where we, or our agents specifically appointed for the purpose, intend to permanently stop the use of the Card we will advise you before doing so. If that is not possible, we will, where possible, notify you as soon as possible after we have put a stop on the Card.
- 3.4.5. In the circumstances set out in Terms, 3.4.2, 3.4.3 and 3.4.4, it is your responsibility to contact the relevant Cardholder.
- 3.4.6. If we put a temporary block on the Card, an Authorised Person or the affected Cardholder may request that the Card be re-activated by contacting us during normal business hours, or by contacting our out-of-office-hours service using the contact number on the back of the Card. Cards that have been permanently stopped cannot be re-activated.
- 3.4.7. We will not be obliged to notify you or any Cardholder, of decisions and actions to stop Cards in circumstances where to do so would compromise reasonable security measures or is or may be otherwise unlawful. We may be required under UK or EU legislation (for example anti-money laundering legislation) to put a stop on Cards.
- 3.4.8. If we stop or suspend a Card, we may keep it or (if we ask) you must ensure that the Cardholder cuts the Card in two, taking care to cut through the chip and the digital strip on the reverse of the Card.
- 3.4.9. You, an Authorised Person or any Cardholder may stop a Card at any time by telephoning us. The Authorised Person must ensure that the Card is cut in two taking care to cut through the chip and the digital strip on the reverse of the Card.
- 3.4.10. You must ensure that a Cardholder does not use any Card, PIN, Card number or any function of them during a period when the Card is stopped or suspended.

#### 3.5. Card Transactions

- 3.5.1. Below are the ways in which a Cardholder may authenticate a Card Transaction:
- a) where the Card Transaction is for a purchase costing £30 or less, via contactless payment (where permitted by the Card and accepted by the retailer);
  - b) via use of a payment authentication device operated with a Card and PIN;
  - c) by placing an order by telephone or by computer link, and quoting the Card number;
  - d) by using a mail order form for the Card Transaction which bears the Card number and is signed by the Cardholder; or
  - e) by signing a sales voucher for the Card Transaction.
- 3.5.2. A Card Transaction cannot be stopped or cancelled.
- 3.5.3. When requested to authorise a Card Transaction, we will consider the amount available for withdrawing from your Account. We may refuse to authorise a Card Transaction if:
- a) the amount would or might result in overdrawing that we have not agreed in advance;
  - b) the amount or number of transactions means that reasonable pre-determined limits set by us are breached and, as a result, we suspect fraud or unauthorised use of the card; or

- c) we reasonably believe that refusal is necessary or desirable to enable us to comply with any requirement of the VISA debit Card scheme (or any other relevant Card scheme), law or good practice in the UK or elsewhere.

- 3.5.4. If we authorise a Card Transaction, we may reduce the amount available for withdrawing from your Account by the amount of payment authorised, even if the amount is not yet debited.
- 3.5.5. If the recipient of a Card Transaction (such as a hotel or car hire company) wishes to "block" funds on your Account using your Card we will only do so if you have agreed the exact amount of funds to be blocked.
- 3.5.6. We will credit a refund to your Account only after we receive an appropriate authorisation from the supplier.
- 3.5.7. There may be a delay in restoring the amount available for withdrawing or in crediting a refund if the supplier delays in giving the authorisation or for any other reason.



## Section 4. General

### 4.1. Disputed transactions

Your rights and our liability will depend on the particular circumstances.

- 4.1.1. There are a variety of circumstances which may involve Payment Transactions being disputed or where you seek a refund, for example in cases of fraud, payment duplication, processing error, theft of a Card or if goods and services are damaged, not as described or have not been delivered. Your rights and our liability will depend on the particular circumstances involved.
- 4.1.2. Your obligations, rights of redress and limitations on our liability are set out below. In addition Section 3 contains additional specific provisions in relation to Card transactions.

### 4.2. Notification of unauthorised or incorrectly executed transactions

- 4.2.1. You must notify us as soon as possible in writing or by telephone on +44 (0)20 7012 2500 of any unauthorised or incorrectly executed transactions.
- 4.2.2. In respect of transactions in sterling, euro or another EEA currency, carried out within the EEA (other than transactions involving cheques or in relation to Fixed Term Deposit Accounts), you must notify us within 13 months after the debit date on becoming aware of any unauthorised or incorrectly executed transactions. If you do not notify us within this time period you will not be entitled to a refund from us.
- 4.2.3. Liability for unauthorised transactions  
Subject to the remainder of this Agreement, where you notify us that a payment has been made from your Account which was not authorised by you, as soon as we are reasonably satisfied that you did not authorise the payment we will restore your Account to the state it would have been in had the unauthorised payment not taken place (for example, by refunding any charges or interest you have paid as a result but will have no further liability to you) but this may be reversed upon further investigation. We will normally refund your Account by the end of the following Business Day. On occasion we may decide to carry out a more detailed investigation, which we will do as quickly as possible.
- 4.2.4. You will however be liable for all payments and any losses in respect of unauthorised payments where you, an Authorised Person or a Cardholder have:
  - a) acted fraudulently;
  - b) let someone else (apart from a Third Party Provider) access your Online Banking Service or anyone else use your Card;
  - c) been grossly negligent with (or intentionally shared) your Card, or the security details you use to access Online Banking Service (unless you are a Non-Corporate Client and your Account is overdrawn);
  - d) intentionally or with gross negligence failed to tell us as soon as possible of the loss or theft or theft of your Card, security information, or that you suspect someone has tried to use any of them (unless you are a Non-Corporate Client and your Account is overdrawn).
- 4.2.5. Please see Term 3.2 in respect of your liability regarding Cards.

### 4.2.6. Payments initiated through the recipient

Where a payment transaction is initiated by or through the recipient of a payment, (for example, a Direct Debit or a Card Transaction) the exact amount of the transaction may not be specified at the point of sale. In such circumstances, the following provisions apply:

- a) if the amount of the transaction exceeds the amount you could reasonably have expected in all the circumstances, subject to the remainder of this Term you can request a refund from us of the full amount of such transaction;
  - b) the right to a refund under (a) above does not apply if (i) you have given consent direct to us for the transaction to be executed; (ii) if applicable, details of the payment transaction have been provided or made available to you at least four weeks prior to the debit date; or (iii) the amount of money you are disputing is a result of changes in the relevant exchange rate.
  - c) in order to be entitled to a refund under (a) you must have requested a refund within eight weeks of the debit date, and you must have provided, if requested by us, information reasonably necessary for us to establish if you are entitled to a refund under (a); and
  - d) we will either effect a refund or notify you of a refusal to make a refund within 10 Business Days of the date of receiving a request for a refund or, if applicable, the date of receiving further information requested by us under (c) above.
- 4.2.7. In relation to Direct Debits the right to a refund under the UK Direct Debit Guarantee scheme shall continue to apply. For the avoidance of doubt, this right does not apply to recurring card transactions as specified in Term 3.3.6.

### 4.3. Failure to provide correct payment information

It is very important that you provide the correct information we need (as specified in Term 2.5.1) in order for us to execute payments correctly. If you do not provide the correct information or if the information you provide is insufficient we will not be responsible for the consequences (such as the payment being delayed, or sent to the wrong person). However, if requested by you, we may make reasonable efforts to recover the funds for you subject to you reimbursing us for our reasonable costs incurred in doing so.

### 4.4. Failure of payment to reach the intended recipient

- 4.4.1. In relation to payment transactions initiated by you, if you notify us that a payment has not been received or the transaction has otherwise been incorrectly executed we will investigate this to see if the funds have reached the recipient's bank and will notify you of the outcome. If the recipient's bank received the correct amount of funds in accordance with the timeframe specified in Term 2.6.1 then it will be the recipient's bank that will be responsible and will need to correct the error and pay the money to the recipient.
- 4.4.2. If however the funds do not reach the recipient's bank and we are responsible we will refund the amount of the transaction to your Account and put your Account back into the position it would have been in had the transaction not occurred (for example, by refunding any interest or charges that you have paid as a result). If a payment is made late due to our error you can ask us to make sure that the recipient's bank adds the payment to their account as if it had been made on time. We will have no further liability to you.
- 4.4.3. In relation to Payment Transactions initiated by or through the recipient (for example a Card Transaction or a Direct Debit), the recipient's bank is responsible for correctly transmitting the payment order to us. If you notify us that the correct payment has not been received we will investigate this. If the recipient's bank can show that they correctly gave us the payment order, but the transaction was still not executed properly, then we will be responsible and will refund to you the amount of the transaction and put your Account back into the position it would have been in had the transaction not taken place (for example, by refunding any interest or charges that you have paid as a result). We will have no further liability to you. We will then execute the transaction in accordance with the payment order from the recipient's bank and debit your Account accordingly.

### 4.5. Corporate Clients

- 4.5.1. This Term 4.5 only applies where you are a Corporate Client as notified by us to you in the Commercial Account Opening Form or otherwise in writing. As a Corporate Client you and we agree that the Terms are modified in their application to you as set out in Terms 4.5.2 to 4.5.4 below.
- 4.5.2. Terms 3.2.3 and 3.2.6 in relation to the limitation of your liability for unauthorised payments from your Account arising from the use of lost or stolen Cards, or lost, stolen or misappropriated security details relating to Cards do not apply to you as a Corporate Client.
- 4.5.3. The refund rights in Term 4.2.6 and Term 4.4 do not apply to you as a Corporate Client.
- 4.5.4. In relation to unauthorised payments from your Account and the rights to a refund under Term 4.2.3 where you notify us that a payment was not authorised, it will be your responsibility to prove to us that the payment was not authorised in order to be entitled to receive a refund.

### 4.6. Further limitations of our liability

- 4.6.1. We are not responsible in any circumstances for any losses you suffer if we are prevented from providing the Account or any of our commercial banking services, by reason of abnormal and unforeseeable circumstances beyond our control, including without limitation strikes and other industrial action, failure of power supplies, failure of banking payment transmission or clearing systems, failure of telecommunications or other equipment, acts of God, war or terrorism or other causes beyond our control.
- 4.6.2. We will not be liable to you in any circumstances for:
  - a) loss of business, loss of goodwill, loss of opportunity, loss of profit; and/or
  - b) any type of special, consequential or indirect loss whatsoever.

### 4.7. Collecting money paid into your Account by mistake

- 4.7.1. If another bank tells us that money has been paid into your Account by mistake we can take an amount up to the amount of the mistaken payment from your Account. We do not have to tell you before we do so but if we do try to check with you, we can stop you from withdrawing those funds while we try to contact you. We will deduct the funds when we are reasonably satisfied that there was a mistake. If we are not able to return money which the payers bank believes has been paid into your Account by mistake, we are required to provide information to the payer's banks about you, your Account and the payment in order that the payer can seek to recover the money.

#### 4.8. Third Party Providers

- 4.8.1. If you are registered for our Online Banking Service you can choose to use a Third Party Provider:
- to make payments from your account on your behalf (Third Party Providers who provide these services are known as Payment Initiation Service Providers);
  - to provide account information services to you (Third Party Providers who provide these services are known as Account Information Service Providers);
- 4.8.2. We can only accept instructions or provide information to a Third Party Provider if they are authorised by the FCA or another EEA regulator to act as a Payment Initiation Service Provider or Account Information Service Provider. Before you instruct a Third Party Provider you should check, from the information that they provide you with, that they are appropriately authorised by the FCA or another EEA regulator.
- 4.8.3. Our Online Banking Terms and Conditions require you to keep your password and security details confidential and you must not share them with anybody else however, we will not treat you as breaking the terms and conditions if you choose to disclose such details to a Third Party Provider who asks you for them so that they can access our Online Banking service on your behalf.
- 4.8.4. We are required to treat any payment instruction from a Third Party Provider which is a Payment Initiation Service Providers as if it was made directly by you, and these Terms will apply to the subsequent transaction. You must tell us about any unauthorised or incorrectly authorised transactions even where you use a Third Party Provider.
- 4.8.5. If you consent to a Third Party Provider having access to information concerning your Account, we will assume that you consent to access being granted as frequently as the Third Party Provider requests it.
- 4.8.6. We are not responsible to you if a Third Party Provider breaches their obligations to you. For example, if you ask a Third Party Provider to request a payment and they do not do this, we will not be responsible for your payment not being made. If you consent to a Third Party Provider having access to your Account information we will not be liable if the Third Party Provider fails to keep this information safe.
- 4.8.7. We may stop a Third Party Provider from accessing your Account or refuse to accept a payment instruction from a Third Party Provider if we suspect they are attempting unauthorised or fraudulent access to your accounts. We will tell you about this by telephoning you or using any of the contact details we hold for you unless this would compromise our reasonable security measures or would be unlawful.

#### 4.9. Representations

- 4.9.1. You agree to accept and to be bound by the Agreement and represent that you have full power and authority to enter into the Agreement with us and to give us instructions as provided for in the Agreement.
- 4.9.2. Where applicable, you represent that you are duly organised and validly existing under the laws of your jurisdiction of incorporation.
- 4.9.3. In relation to information, you undertake that:
- all information which you (including any of your directors, officers or employees) have provided to us is complete and correct;
  - you will notify us promptly if there is any material change in any information you have provided to us;
  - you will provide us, in a timely fashion, with any other relevant information or documentation which we may reasonably request in order to provide you with our services; and
  - you will provide such other additional information or documentation which we may reasonably request from time to time in order to fulfil our or your legal, regulatory and contractual obligations.
- 4.9.4. You acknowledge that a failure to provide such information referred to in Term 4.9.3 may mean we suspend or terminate the services under this Agreement.
- 4.9.5. You confirm that, save as otherwise disclosed to us in writing, you will be acting as principal and for your own account at all times in relation to the services provided by us.

#### 4.10. IMPORTANT: Your potential financial obligations

- 4.10.1. Where we have properly and reasonably incurred any loss, cost, liability, action and/or expense as a result of:
- your intentional misuse of your Account and the Account services;
  - your intentional breach of these Terms and the exercise and enforcement of our rights and remedies under these Terms;
  - the intentional supply of information by you that you know to be false or misleading; and
  - tracing and recovering any outstanding monies from and/or tracing and communicating with you;

you agree that you shall compensate us for such loss, cost, liability, action and/or expense. However, you will not have to compensate us in the case of our gross negligence, fraud or wilful default.

- 4.10.2. You irrevocably authorise us to debit from your Account any amounts and charges that are payable by you under these Terms.
- 4.10.3. If your Account is held in joint names, the liability under these Terms is joint and several. This means that you and any joint Account holders are liable together, but also individually for all monies due.

#### 4.11. Set-off

- 4.11.1. Set-off is the process whereby an obligation owing to one person by a second person is cancelled out or reduced by an amount which the second person owes to the first.
- 4.11.2. We may set-off any obligation owing from you to us (whether payable at such time or in the future conditional on a future event or set of circumstances) in connection with the Agreement or any transaction carried out pursuant to the Agreement against any credit balance on your Account or any other obligation owing by us to you (whether payable at such time or in the future). This will apply regardless of the place of payment or currency of any obligation and will apply to both sole and joint debts and to Accounts which are in your sole name as well as joint Accounts.
- 4.11.3. If the obligations are in different currencies, we may convert either obligation at a market rate of exchange which we reasonably select. We may also deduct any costs incurred by us or any Associate in carrying out such set-off.
- 4.11.4. We shall be entitled to exercise these rights of set-off in respect of any obligation owing by you to us on your own or jointly with any other person(s) against any amount standing to the credit of any Account which you have with us on your own or any Account which you have with us jointly with any other person(s) (excluding any Client Account).
- 4.11.5. Our rights of set-off include the right to combine, consolidate or merge any Account or other obligations owing between us or between you or any other payment which may be received by us on your behalf but which has not yet been credited to your Account.
- 4.11.6. These provisions shall not restrict or limit any right which we may have by law.

#### 4.12. Use of personal information

We are committed to protecting and respecting your privacy and we will only use your information in accordance with Data Protection Legislation. The Arbuthnot Latham Privacy Notice explains the basis on which any personal data we collect from you, or that you provide to us, will be processed by us. Please read it carefully to understand our view and practices regarding your personal data and how we will treat it. You can find the Arbuthnot Latham Privacy Notice at [www.arbuthnotlatham.co.uk/privacy-notice](http://www.arbuthnotlatham.co.uk/privacy-notice), or you can request a copy from us.

#### 4.13. Confidentiality and use of credit reference agencies

- 4.13.1. Confidentiality of your banking affairs will be maintained except:
- where we are compelled by law or regulation to disclose information;
  - where we are subject to a duty to the public to disclose;
  - where our interests require disclosure and it is reasonable for us to do so;
  - where disclosure is made at your request, or with your consent; and/or
  - within the Arbuthnot Group.
- 4.13.2. In all such cases we shall reveal only such information as is considered necessary by us in the circumstances.
- 4.13.3. We may provide information about you and how you manage your Accounts to the following:
- people who provide a service to you or are acting as your agents, on the understanding that they will keep the information confidential such as Third Party Providers;
  - anyone to whom we transfer or may transfer our rights and duties under this Agreement;
  - members of the Arbuthnot Group;
  - any relevant regulatory or supervisory authority;
  - To another payment services provider when they attempt to recover money which has been transferred to your Account by them in error.
- 4.13.4. You agree that we may provide any information in relation to you and your Account to HMRC or any other relevant tax authority in the UK or overseas and that they may be obliged to share this information with an overseas government or tax authority in accordance with the provisions of law, legislation or regulation of the UK or other applicable jurisdiction. Should we need further information from you in order to comply with such information requests, you agree to provide us with any information as we may request within 30 days of our requesting it. We will not be liable to you for any loss you

may suffer if we disclose information in accordance with our legal or regulatory obligations. You agree to inform us within 30 days of any changes that would affect any tax residency certifications that have been given previously.

- 4.13.5. Where you borrow from us, we may inform credit reference agencies of the details of your facilities and how you manage them. If you borrow money and do not repay in full and on time, we may also inform credit reference agencies, who will record the outstanding debt on your credit history file (whether relating to personal credit history or corporate credit history, as applicable). Your credit history information may be viewed by third parties from whom you wish to borrow. This also applies to fraud prevention agencies if you provide false or inaccurate information or we either know or suspect fraud.
- 4.13.6. Credit searches and other information which is provided to us may be used for identification purposes, debt tracing, and the prevention of money laundering, as well as the management of your relationship. For example, if we wish to consider changing your Arranged Overdraft limit, or offer you other products, now or in the future. We may also use your information for risk management, analytical and statistical purposes. The information may be used to make assessments for credit and to help make decisions about you. Information held about you by the credit reference agencies may already be linked to records relating to one or more of your partners where a financial "association" has been created. Any enquiry we make at a credit reference agency may be assessed with reference to any "associated" records.
- 4.13.7. Failure to make any payments to us, when due, could have severe consequences and may make obtaining credit more difficult. The registration of a default notice against you may affect your ability to obtain further credit.
- 4.13.8. All individuals have the right to access their personal records which are held by a credit reference agency, where that credit reference agency is also a "data controller" for the purposes of Data Protection Legislation. Such records may be viewed by the individual in question in accordance with Data Protection Legislation.
- 4.13.9. If you wish to receive details of the credit reference agencies from whom and with whom we obtain and share information about you, then please write to us at the following address: Data Protection Officer, Arbuthnot Latham & Co., Limited, Arbuthnot House, 7 Wilson Street, London EC2M 2SN.
- 4.14. Termination of your Account and suspension of our services**
- 4.14.1. You may terminate your Account and the provision of our commercial banking service at any time by writing to us in accordance with the Mandate.
- 4.14.2. Subject to Term 4.14.3, we may terminate your Account and the provision of our commercial banking service by giving you not less than two months' written notice.
- 4.14.3. We can immediately terminate your Account, block your Account and/or suspend the provision of our commercial banking service, at any time without notice, if:
- you breach these Terms and do not remedy such breach within a reasonable time after receipt of written notice from us;
  - you do not provide, when requested by us, information which we may reasonably require in order to continue the provision of services to you;
  - we are required to do so by law (including where we receive a notice from any governmental or tax authority requiring us to freeze your Account(s)), or where we suspect fraud, money laundering or other crime; or
  - we reasonably believe that maintaining your Account might expose us (or another company in the Arbuthnot Group) to action or censure from any government, regulator or law enforcement agency.
- 4.14.4. In addition, where we have notice that there is a dispute between you (for example, between the owners of a joint account, between two directors of a company or between two Authorised Persons) we may decide (but will not be obliged) to:
- suspend the provision of all or part of our commercial banking service to you (and this may include the suspension of ongoing payments such as Direct Debits and Standing Orders); and/or
  - consider your Mandate void, whereupon we will not be required to act unless we are satisfied (in our absolute discretion) that any instructions given to us are uncontested.
- 4.14.5. Upon termination of your Account, all unused cheques, together with any Cards that may have been issued by us in connection with your Account, must be destroyed. An Authorised Person or the Cardholder must cut all Cards in two, taking care to cut through the chip and the digital strip on the reverse of the Card.
- 4.14.6. Upon termination of your Account, any unused credit on your Arranged Overdraft facility will be withdrawn. Our banking services will be withdrawn and you and any Authorised Person and Cardholder must not make or enter into any further transactions or

use or attempt to use any Card, PIN, or cheque.

- 4.14.7. Termination of your Account will not affect your liability to us existing immediately prior to termination and we may demand the immediate repayment of all amounts owed on your Accounts. Charges and interest on the balance outstanding will continue to accrue until irrevocable repayment is made in full and you will be liable to pay any expenses in relation to any demand and enforcement on default.
- 4.14.8. You will also be liable in respect of any transactions effected before and after the date of termination on any Account with us. If you do not pay us in response to our demand, we may charge interest on Unarranged Overdrafts at our unauthorised borrowing rate in accordance with our Commercial Account Charges Schedule.
- 4.14.9. If full payment or satisfactory proposals are not received within 28 days of making a demand for full repayment, we may disclose this information about you to credit reference agencies. Please see Term 4.13.5 for details of how this may affect your credit rating.

#### **4.15. Notices**

- 4.15.1. Any notice, demand or communication given under these Terms or any transaction to which they apply shall, in the absence of any express agreement and except where we shall give general notice in the press, be in writing and shall be deemed to be duly served if left at, or sent to, your correspondence address or the email address last communicated to us by you.
- 4.15.2. Any such notice, demand or communication shall be deemed to be received, if sent by first class mail, two Business Days after posting, if sent by second class mail, three Business Days after posting, or five Business Days in the case of airmail, if sent by email, at the moment of dispatch, if left at your correspondence address, at the time of delivery. In the case of a joint Account, we may give notice to either or any of the joint Account holders.

#### **4.16. Language**

We will only write to and communicate with you in English.

#### **4.17. No waiver**

If we fail to exercise a right or remedy under these Terms, such failure will not prevent us from exercising other rights and remedies or the same type of right or remedy on a later occasion.

#### **4.18. No minimum duration**

There is no minimum duration of our Agreement.

#### **4.19. Agents**

You agree that we may at any time appoint agents or subcontract or outsource some or all of the services that we provide to you.

#### **4.20. Our records**

Save in the case of manifest error, our records will be conclusive evidence of your dealings with us in connection with your Account and related services. You agree that you will not object to the admission in evidence of our records in any legal proceedings on the basis that our records are not originals, are produced by computer, or are not in writing.

#### **4.21. Assignment**

- 4.21.1. Unless we agree otherwise, you may not assign, novate or transfer your rights and obligations under the Agreement.
- 4.21.2. We may assign, novate or otherwise transfer our rights and obligations under the Agreement.

#### **4.22. Severability**

If any provision of these Terms is held to be unlawful, invalid, or unenforceable, that provision shall be deemed severed and the lawfulness, validity and enforceability of the remaining provisions of these Terms shall not be affected.

#### **4.23. Recording of communications**

We may monitor and record your telephone calls, and monitor electronic communications between you and us, for your protection and/or quality control and monitoring purposes.

#### **4.24. FSCS**

- 4.24.1. We are covered by the Financial Services Compensation Scheme. In the event of our default or insolvency where you are an eligible depositor you may be entitled to make a claim to the FSCS. Our Information Sheet and Exclusions List are available on our Website. In respect of deposits, an eligible depositor is generally entitled to claim up to £85,000. Certain depositors are excluded.
- 4.24.2. For further information about the compensation provided by the FSCS (including the amounts covered and eligibility to claim) please refer to the FSCS website [www.fscs.org.uk](http://www.fscs.org.uk) or call the FSCS on +44 (0)20 7741 4100 or +44 (0)800 678 1100.

#### **4.25. Complaints**

- 4.25.1. If you have a complaint about our commercial banking service please contact our Head of Compliance at our registered office. Details of our complaints handling procedures are available on our Website and from us upon request.

4.25.2. If we are unable to resolve your complaint you may be able to refer the complaint to the Financial Ombudsman Service. Please refer to the FOS website [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk) or contact the FOS on +44 (0)800 023 4567 or +44 (0)300 123 9123 for further information.

**4.26. Entire Agreement**

4.26.1. This Agreement constitutes the entire agreement between you and us regarding the provision of commercial banking services by us to you, and supersedes all previous agreements, and understandings, whether written or oral, relating to its subject matter.

4.26.2. Each party acknowledges that in entering into this Agreement it does not rely on, and shall have no remedies in respect of, any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this Agreement.

**4.27. Governing law**

Our Agreement, including these Terms, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it shall be governed by and construed in accordance with English law. You and we agree to submit to the non-exclusive jurisdiction of the English Courts.



## Appendix 1 – Foreign Exchange Transactions

This Appendix applies in respect of FX Transactions entered into between you and us. It forms part of the Commercial Banking Terms & Conditions.

### 1. Definitions and Interpretation

#### 1.1. The following words shall have the following meanings when used in this Appendix:

Closing-Out Date means a date specified by notice to you in accordance with Paragraph 13.3.

Default Event means an event specified as such in Paragraph 2.8, 9.7, or 13.1.

FCA Rules means the Financial Conduct Authority Handbook.

Forward Transaction means a Transaction in which the parties agree to effect the delivery of the currency or currencies concerned on a determined future Settlement Date which is more than two FX Business Days after the date on which the Transaction is agreed.

FX means foreign exchange, that is to say the exchange of one currency for another currency.

FX Business Day means any Business Day on which the banks in the main trading location of the currencies involved in an FX Transaction (including effective deliveries of these currencies and the taking of deposits denominated in foreign currencies) are open for business for the whole day.

FX Transaction means a Forward Transaction, Same-day Transaction or Spot Transaction or any other contractual arrangement entered into between you and us involving a Transaction.

Liquidation Amount has the meaning set out in Paragraph 13.3.

Margin means cash deposits made and maintained by you with us from time to time as security for current and future obligations under FX Transactions.

Paragraph means the Paragraphs in this Foreign Exchange Transactions appendix.

Same-day Transaction means a Transaction where the Transaction and the Settlement Date are on the same FX Business Day.

Settlement Date means the date agreed between the parties to deliver the respective currencies to each other provided in each case that where the agreed date is not an FX Business Day the settlement date shall be the next following FX Business Day.

Spot Transaction means a Transaction with a Settlement Date being up to two FX Business Days after the Transaction is entered into between the parties.

Terms means the Commercial Banking Terms and Conditions including appendices, and any relevant addendum, as amended by us from time to time.

Trading Venue means a Regulated Market, a Multilateral Trading Facility or an Organised Trading Facility.

Transaction means an agreement between you and us for the purchase or sale of foreign exchange.

#### 1.2. For the avoidance of doubt, the defined words and expressions set out in this Section 1 shall apply to this Appendix.

### 2. Services

2.1. Subject to the remainder of these Terms and the terms applicable to the Online Banking Service we may offer you the opportunity to enter into FX Transactions with us, in such currencies as may be agreed from time to time between you and us.

2.2. Our services in respect of FX Transactions can be accessed solely via our Online Banking Service or by telephoning us.

2.3. We will normally enter into FX Transactions with you as principal unless we inform you that we are acting as your agent generally or in respect of a particular FX Transaction.

2.4. FX Transactions entered into between you and us pursuant to this Appendix will be undertaken on a non-advised basis. We will not provide advice or assess the suitability of any FX Transaction.

2.5. You accept that the decision to enter into an FX Transaction is your responsibility and we will not advise on such transactions.

2.6. You acknowledge and agree that in relation to FX Transactions entered into between you and us pursuant to these Terms:

2.6.1. the FX Transactions will not be traded on an a Trading Venue;

2.6.2. the FX Transactions are used as a means of payment for specific goods or services or to make a direct investment;

2.6.3. the FX Transaction will involve delivery by the seller and receipt by the purchaser of the subject of the FX Transaction;

2.6.4. you are not a financial counterparty as defined in Article 2 (8) of EMIR.

2.7. Each FX Transaction will be governed by these Terms and, in particular, the provisions set out in this Appendix. In the event of any inconsistency between this Appendix and any other provisions of these Terms, this Appendix shall prevail.

2.8. Time will be of the essence in respect of all obligations of yours under or in

connection with this Appendix and any FX Transaction. This means that the specified times and dates in respect of payment obligations are vital and mandatory. Any delay will constitute a Default Event.

### 3. Risk warnings

3.1. You should only engage in FX Transactions if you are prepared to accept a high degree of risk and in particular the risks described below.

3.2. Entering into FX Transactions can expose you to the risk of adverse changes in exchange rates. Exchange rates can be volatile and are driven by a variety of factors affecting the economies of the jurisdiction whose currencies are the subject of the FX Transactions.

3.3. You should be aware that you may suffer a total loss of any Margin deposited with us. If the applicable market moves against you, you may be called upon to deposit substantial additional Margin at short notice to maintain the position. If you fail to do so within the time required the position may be closed out under Paragraph 13.2 at a loss to you and you will be responsible for the resulting Liquidation Amount.

3.4. Any Liquidation Amount owed by you to us may be significantly in excess of the amount of Margin which has been deposited by you with us, and you will be liable to pay the excess in full to us.

### 4. Your representations and warranties

4.1. You agree that each time you enter into an FX Transaction with us you will be deemed to warrant and represent to us that:

4.1.1. you are acting as principal and, in entering into any FX Transaction with us, you are either the sole beneficial owner or, where you act on behalf of any third party, that you have the requisite authority and capacity from such third party to enter into any FX Transaction

4.1.2. the obligations created under each FX Transaction are and will be binding on you and do not breach any other agreement by which you are bound;

4.1.3. you have read these Terms and understand the risks of each FX Transaction entered into and you are willing to accept, financially or otherwise, those risks;

4.1.4. each FX Transaction you enter into is solely to facilitate payment for identifiable goods, services or direct investment, and not for other investment purposes (such as for example, a FX Transaction entered into on a speculative basis for the purpose of making a profit); and

4.1.5. the information provided by you in relation to each FX Transaction entered into by you is accurate and complete in all material respects.

### 5. Instructions relating to FX Transactions

5.1. We will enter into FX Transactions with you on your instructions sent via the Online Banking Service or made by telephone to us.

5.2. We may request further information from you at any time to clarify your specific instructions in relation to any FX Transaction.

5.3. If there are joint Account holders we are authorised to act upon the instructions of any Account holder sent via the Online Banking Service and/or made by telephone and such instructions will bind the other joint Account holder(s).

5.4. Your instructions to enter into an FX Transaction with us constitute an offer by you to enter into such FX transaction with us and must include, without limitation:

5.4.1. the currency and the amount of such currency you wish to buy or sell;

5.4.2. the type of FX Transaction; and

5.4.3. the proposed Settlement Date.

5.5. You acknowledge that we will rely on the instructions that you have provided to us. Following our acceptance of your instructions in relation to an FX Transaction the instructions cannot be amended, altered or cancelled without our written consent (such consent will not be provided where we have acted on your instructions).

5.6. We reserve the right to refuse to accept any instruction in respect of an FX Transaction and we are not obliged to enter into an FX Transaction should we decide not to do so.

5.7. Acceptance by us of an instruction by you to enter into an FX Transaction will be evidenced by the issue by us of a confirmation as provided for in Paragraph 10.

### 6. Payment netting

All FX Transactions you instruct us to enter into are subject to payment netting. Where you instruct us to enter into an FX Transaction with the same currency and Settlement Date as an existing FX Transaction each party shall aggregate the amounts of such currency to be delivered to the other party. Only the difference between these aggregate amounts shall be delivered by the party who owes the larger aggregate amount to the other party. On the date the aggregate amount is delivered each party's obligation to make payment of such original amounts will thereby be automatically satisfied and discharged. If the aggregate amounts are equal no delivery of that currency shall be made.

## 7. Settlement

- 7.1. On each Settlement Date you shall pay or deliver to us the full amount due, if any, under each FX Transaction to be settled on that Settlement Date, together with any commissions or transfer charges which may apply. Payments made by you to us will be made in full without set off, counterclaim or deduction.
- 7.2. All payments to be made by us to your Account upon the maturity of an FX Transaction will be made on the relevant Settlement Date or as soon as reasonably possible after the maturity of that FX Transaction.
- 7.3. We may require you to open one or more Currency Accounts in the currency or currencies of any FX Transaction requested by you. All payments will be made in the currency of the FX Transaction as set out in the confirmation of the FX Transaction. Such payments will be to your relevant Account or Currency Account as we, in our sole discretion, may determine.

## 8. Spot Transactions and rollover

In respect of Spot Transactions you may instruct us to rollover a Spot Transaction by giving proper instructions in good time to enable us to carry out those instructions in accordance with the time zone of the relevant currency or currencies on an FX Business Day.

## 9. Margin

- 9.1. Upon our request you shall deposit and maintain such Margin in your Account(s) in the currencies and amounts as we may require in our absolute discretion. We may require you to deposit Margin in addition to any Margin previously requested for either the same or a different FX Transaction and in addition to any other security required from you under any other agreement between us.
- 9.2. If you have instructed us to enter into more than one FX Transaction we may aggregate the calculations of Margin, but are not obliged to do so.
- 9.3. For as long as any FX Transactions are outstanding you may not withdraw deposits paid by way of Margin without our consent which may be given or refused in our absolute discretion.
- 9.4. All Margin provided by you to us may be transferred to us pursuant to Paragraph 14 in the event that we incur any liability or loss in respect of an FX Transaction where you fail to fulfil your obligations under these Terms.
- 9.5. We will not pay interest on any Margin held by us unless separately agreed.
- 9.6. For the avoidance of doubt your liability under an FX Transaction shall not be limited to the Margin deposited with respect to such FX Transaction.
- 9.7. Any failure by you to deposit Margin when requested by us will constitute a Default Event entitling us to exercise our rights as set out in Paragraph 13.

## 10. Confirmations

We shall send you a notice typically via the Online Banking Service where this is how the instructions were received and otherwise in writing confirming the execution of each FX Transaction no later than the first Business Day following the Business Day on which the FX Transaction was entered into.

## 11. Charges

You agree to pay our fees and which may be levied from time to time as set out in the Commercial Account Charges Schedule.

## 12. Interest on overdue amounts

Any amount payable by you to us under this Appendix which is not paid on the due date shall bear interest as set out in the Interest Rates Schedule for Commercial Clients.

## 13. Default Events

- 13.1. We have the right to terminate or suspend our Agreement with you under Term 4.14. If we so terminate or suspend our Agreement with you, and/or if an event specified in Term 4.14.3 occurs, such termination, suspension or event shall constitute a Default Event.
- 13.2. We may choose to close-out all FX Transactions outstanding on the date of a Default Event.
- 13.3. Specifically, upon a Default Event we may designate by notice (immediate or otherwise) to you a Closing-Out Date. Upon the occurrence of a Closing-Out Date:
  - 13.3.1. neither party shall be obliged to make any further payments or deliveries under each FX Transaction which would, but for this Term, have fallen due for performance on or after the Closing-Out Date and such obligations shall be satisfied by settlement (whether by payment, set off under Paragraph 14 or otherwise) of the Liquidation Amount;
  - 13.3.2. we shall on, or as soon as reasonably practicable after, the Closing-Out Date for each outstanding FX Transaction determine and aggregate each payment owed by you as positive amounts and each delivery owed by us to you as negative amounts to produce a single, net positive or negative amount denominated in sterling, the Liquidation Amount;

13.3.3. if the Liquidation Amount is a positive amount payable by you to us you shall pay such amount to us to a bank account notified by us to you in writing. If the Liquidation Amount is a negative amount payable by us to you, subject to Paragraph 14, we shall pay such amount to you to a bank account in your name in the UK or EU as notified to us by you in writing; and

13.3.4. the amount payable by one party to the other party pursuant to this Term shall be paid in sterling by the close of business on the second Business Day following notification of the Liquidation Amount by us to you.

## 14. Set-off in relation to FX Transactions

- 14.1. The provisions of this Paragraph 14 are in addition to and without prejudice to our rights under Term 4.11 and any other right of set-off or similar right we may have by law.
- 14.2. We may on, or after, the occurrence of a Closing-Out Date and the determination of the Liquidation Amount set off any obligation owing from you to us (whether payable at such time or in the future) in connection with this Appendix or any FX Transaction against any Margin and/or credit balance on your Account or any other obligation owing by us to you (whether payable at such time or in the future). This will apply regardless of the place of payment, booking branch or currency of the obligation.
- 14.3. Where you have entered into an FX Transaction under this Appendix, we shall be entitled at any time and without notice to you to take all or any of the following steps:
  - 14.3.1. open a new Account in your name and debit that or any other Account with any amount or liability due to us; and
  - 14.3.2. combine or consolidate, regardless of currency, all or any of your Accounts with us and set off any amount standing to the credit of such Accounts including any Margin by applying any credit balance in or towards payment of any amount due to us.
- 14.4. We shall be entitled to make any necessary currency conversion at the then prevailing spot rate of exchange for such currency as determined by us.

## 15. Joint Accounts

- 15.1. For the avoidance of doubt, Term 2.1.5 shall apply for the purposes of FX Transactions.

## 16. Disruption Event

- 16.1. A Disruption Event is an event that either generally makes it impossible or makes it impossible for a party to the FX Transaction to:
  - 16.1.1. convert one currency, the Affected Currency, into the other currency in the country of origin of that Affected Currency through customary channels, except where such impossibility is due solely to the failure by that party to comply with any law, rule or regulation (unless such law, rule or regulation is enacted after the trade date of the FX Transaction and it is impossible for such party, due to an event beyond the control of that party, to comply with such law, rule or regulation);
  - 16.1.2. deliver:
    - a) the non-Affected Currency from accounts inside the country of origin of the Affected Currency to accounts outside such country; or
    - b) currency to a party that is a non-resident of such country;
    - c) in each case, except where such impossibility is due solely to the failure by that party to comply with any law, rule or regulation (unless such law, rule or regulation is enacted after the trade date of the FX Transaction and it is impossible for such party, due to an event beyond the control of that party, to comply with such law, rule or regulation); or
    - d) obtain a sufficient amount of the Affected Currency in the country of origin of the Affected Currency in order for a party to perform fully its obligations under the FX Transaction, as a result of the general interbank exchange market in the country of origin of the Affected Currency becoming illiquid.
- 16.2. If we determine that a Disruption Event occurs or has occurred and is continuing in respect of an FX Transaction, the fall-back determination mechanism described in Paragraph 16.3 shall apply as an alternative basis for the settlement of that FX Transaction.
- 16.3. The fall-back determination mechanism in the case of an FX Transaction is that the party, whether you or us, that is obliged to pay the settlement amount will instead pay an alternative currency agreed between you and us (or failing that an amount in any of sterling, euros or US dollars as determined by us in our absolute discretion) equal to the quantity of the Affected Currency owed on the Settlement Date. The interest as set out in Paragraph 12 will be payable, if applicable, in the agreed currency.

**17. Reimbursement**

Except in the case of our gross negligence, fraud or wilful default, you shall reimburse and fully compensate us in respect of any loss, cost, liability, action or expense in relation to all FX Transactions entered into on your instructions or FX Transactions we entered into because we acted on what we reasonably believed to be instructions from you.

**18. Liability**

To the extent permitted by law and the FCA Rules and save as otherwise expressly provided in these Terms we shall not be liable for any losses, liabilities, costs, claims, damages, expenses, demands or taxes incurred or suffered by you directly or indirectly as a result of any FX Transaction other than those which have arisen directly as a consequence of our gross negligence, fraud or wilful default.

**19. Changes to this Appendix**

For the avoidance of doubt, the provisions of Term 1.8 shall apply in respect of changes by us to this Appendix.

## Contact Information

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