

PhoneBank[®] Telephone Banking

for Bank of Scotland Private Banking Clients (non personal clients only)

These terms and conditions apply to the supply of the PhoneBank[®] service. Please see the section at the end for the definitions.

1 Using this Service

- 1.1 By completing the application form you confirmed that the Users are authorised by you to use the Service at the levels indicated for each individual (i.e as Full Service Users or Enquiry Only Users). The Users are authorised to instruct us on all your Accounts (whether opened now or in the future) and the bank is authorised to carry out such instructions.
- 1.2 Any Full Service User may instruct us to carry out an International Transaction on your behalf. Separate terms and conditions apply and a copy of these terms and conditions will be supplied to you after any International Transaction is authorised by a Full Service User. If you would like to see these terms and conditions for International Transactions please visit the website bankofscotland.co.uk/terms or ask your Private Banking and Advice Manager for a copy.
- 1.3 Any User may apply for the Text Alerts service on your behalf and this service will be subject to separate terms and conditions which will be supplied to the User upon application and accepted by them on your behalf (where applicable).
- 1.4 Provided that we can identify the User by reference to their Password and date of birth, we will act on the User's instructions without seeking further confirmation from you.
- 1.5 The Service is free. You will however be liable for the normal costs of all calls and the normal charges for the Transactions which are set out in the Price List. We can also give you information about the charges for Transactions on request when a User calls. Please note that these charges are subject to change. Please contact your Private Banking and Advice Manager if you require further information.
- 1.6 If you have set any signing restrictions or instructions in your bank mandate under which your accounts are to be operated, these restrictions will not apply to the Service. For example, if you have set a restriction of "Any two" signatories to sign any transfer or have set a financial cap on any signatory, these restrictions will not apply to Transactions a User may make using the Service and we will carry out the Transaction upon the sole instruction of the User via the Service and the financial cap will not be applied.
- 1.7 We cannot change or alter direct debits unless the originator agrees. You should contact them direct.
- 1.8 These conditions are in addition to those for the accounts and services you are accessing through this Service. If there is any conflict, these conditions override any others.

2 Your obligations

- 2.1 You will ensure that the Users do not record their Password in any form recognisable by others or disclose it to anyone.
- 2.2 You will ensure that if a User forgets their Password or suspects that someone else knows it, you or the User will notify us immediately by calling **0845 300 0268** or your Private Banking and Advice Manager.
- 2.3 You can cancel any User's authority to use this Service by calling us on **08457 111 111**. Although we will immediately put a stop on that User's Password when you call, you will also need to confirm this cancellation in writing by completing the form which we will supply to you. There must always be at least one authorised Full Service User.
- 2.4 If you cancel a User's authority then, unless you instruct us otherwise, we will process all outstanding instructions which were authorised by this User before you notified us of the cancellation. At your request we will tell you of any future Transactions set up on your Account to enable you to consider whether or not to cancel any such outstanding Transactions.
- 2.5 You can change the level of a User's authority (for example from Enquiry Only User to Full Service User) by completing the relevant application form which we will supply to you on your request.

3 Transactions (Full Service Users only)

- 3.1 Only Full Service Users can make Transactions using the Service.
- 3.2 To instruct us to make a Transaction or a series of Transactions, the Full Service User must usually provide the account number and sort code for the account into which the payment is to be made and the name of the company (if relevant) ("Remittance Details"). Where the payee is a company such as a utility company, that payee may have already provided us with the details of the account into which a payment must be made in which case the User will only have to provide the name of the company to be paid.
- 3.3 Before we process the instruction for the Transaction (or series of Transactions) we will read the Remittance Details back to the Full Service User and ask them to confirm that we are to carry out the Transaction. Once the Full Service User has verbally confirmed that the Remittance Details are correct and that the Transaction is to proceed, the Full Service User will be deemed to have given consent to the Transaction (or series of Transactions) on your behalf.
- 3.4 The cut-off times in relation to a Full Service User instructing us to make Transactions and us starting to process them are set out below. Please note that these cut-off times are different to the times during which the Service is available to take calls.
- 3.5 Where a User calls us between 7am and 5.30pm on a Working Day to instruct us to carry out a Transaction as soon as

- possible the instruction will be deemed to have been received by us on the same Working Day as the call (subject to clause 3.7 and any other cut-off times we may tell you for certain types of payment as set out in the Payment Transaction brochure).
- 3.6 Subject to clause 3.9, where a User calls us outside the hours of the Working Day as set out in clause 3.5 to instruct us to carry out a Transaction as soon as possible, the instruction will be deemed to have been received by us on the next Working Day.
- 3.7 Where a User calls us between 7am and 2pm on a Working Day to instruct us to carry out an International Payment as soon as possible, the instruction will be deemed to have been received by us on the same Working Day as the call (subject to any other cut-off times we may tell you for certain types of payment as set out in the Payment Transaction brochure).
- 3.8 Subject to clause 3.9, where a User calls us outside the hours of the Working Day as set out in clause 3.7 to instruct us to carry out an International Payment as soon as possible, the instruction will be deemed to have been received by us on the next Working Day.
- 3.9 If possible we will start to process an instruction made pursuant to clause 3.6 or 3.8 on the same day that the User calls us. If we start to process such an instruction, the instruction will be deemed to have been received by us on the day which the call is made. This may be a day which is not a Working Day.
- 3.10 Where a User calls us to make a Transaction (or the first payment in a series of Transactions) on a future date, the instruction for that Transaction (or series of Transactions) will be deemed to have been received by us on the future date specified by the User.
- 3.11 We will execute an instruction to carry out a Transaction out of your account in sterling, euro or other EEA currencies where the payee's bank is within the EEA in accordance with our processing cycles so that the amount to be transferred reaches the payee's bank in all events no later than the end of the third Working Day (after 1 January 2012, for payments in sterling or euro the next Working Day) after the Working Day on which we received your instruction. For payments outside the EEA and/or non-EEA currencies different timescales will apply.
- 3.12 Unless clause 3.13 or 3.14 applies, once a User has given consent to the instruction for the Transaction as set out in clause 3.3 the User cannot then withdraw their consent to the Transaction. We will however make reasonable efforts to cancel such a Transaction if a User so requests by calling **08457 111 111**.
- 3.13 Where a User instructs us to carry out a Transaction on a future date the User may withdraw their consent up until 5.30pm on the Working Day immediately before the date set for us to make the Transaction by calling **08457 111 111**.
- 3.14 Subject to clause 3.15, where the User instructs us to carry out a series of Transactions the User may withdraw their consent up until 5.30pm on the Working Day immediately before the date set for the first payment of the series of Transactions and we will operate your Account on the basis that you do not consent to making the other payments within the series.
- 3.15 Where a future dated Transaction or a Transaction forming part of a series of Transactions falls on a day which is not a Working Day, the date set for the Transaction will be the next Working Day. Therefore if a User wishes to withdraw consent for any such Transaction, they may do so up until 5.30pm on the Working Day immediately before the Working Day on which the Transaction will fall.
- 3.16 If a User withdraws consent for an instruction to our making a Transaction, we will be entitled to charge you a fee to compensate us for the reasonable costs and expenses we incur in relation to this.
- 3.17 If you require information on any Transaction (for example, in relation to charges or execution times), please refer in the first instance to the latest Payment Transaction brochure or contact your Private Banking and Advice Manager.
- 3.18 We may refuse to make a Transaction where there are insufficient available funds in the Account.
- 3.19 Where a User instructs us to carry out a Transaction as soon as possible and the circumstances set out in clause 3.18 arise, the operator will verbally notify the User of the refusal on the call.
- 3.20 Where a User instructs us to carry out a Transaction on a future date and the circumstances in clause 3.18 arise, we will notify you of the refusal in writing or your Private Banking and Advice Manager will contact you directly.
- 3.21 All Transactions made using this Service will be listed on the statements for the Account.
- 3.22 Payment transactions will be shown on your Account in sterling (GBP) and will be executed in sterling (GBP) unless otherwise agreed.

4 Liability

- 4.1 General
- 4.1.1 In addition to notifying us as set out in clause 2.2, you must notify us as soon as possible after you or a User becomes aware of any incorrectly executed Transaction or any unauthorised Transaction on your Account by telephoning **0845 300 0268** or by calling your Private Banking and Advice Manager directly.
- 4.1.2 Both you and the relevant User will assist us, our agents or the police in the investigation of any unauthorised use of a Password.
- 4.1.3 You will be liable for all unauthorised Transactions on your Account if you or a User has acted fraudulently.
- 4.1.4 As set out in clause 3.3 above, a User must usually provide us with the Remittance Details for your payment instructions to be properly executed. In such cases, if you or a User fails to provide the correct details we will not be liable should a Transaction not be properly executed although we will use all reasonable efforts to recover your payment. We reserve the right to charge you a fee to cover our reasonable costs for so doing.
- 4.1.5 We will not be liable for:
- any losses not directly associated with the incident that may cause you to claim against us whether or not such losses were reasonably foreseeable; nor

- any loss or profits, loss of business, loss of goodwill or any form of special damages.

4.2 Notwithstanding anything to the contrary in this Agreement, if we are prevented, hindered, or delayed from or in performing any of our obligations under this Agreement due to abnormal and unforeseeable circumstances beyond our control (including any strike, lock-out, labour dispute, act of God, war, riot, civil commotion, malicious damage, compliance with a law or governmental order, rule, regulation or direction, accident, breakdown or other failure of equipment, software or communications network, fire, flood, or other circumstances affecting the supply of goods or services), then we shall not be liable to you or be obliged to perform our obligations under this Agreement to the extent that we are prevented, hindered or delayed in our performance by the abnormal and unforeseeable circumstances beyond our control.

4.3 Customers which are Micro-enterprises

The provisions of this clause 4.3 shall apply if you are a Micro-enterprise.

4.3.1 If we fail to execute, or incorrectly execute a Transaction on your Account, we will refund the payment to your Account unless the payment was received by the payee's bank. We will also refund to you any interest and charges directly incurred by you on your Account that would not have been incurred had we executed the Transaction correctly.

4.3.2 You will not have to pay anything in respect of any unauthorised use of a Password unless we can show that you or a User have acted fraudulently or without all reasonable care in keeping the Password safe and in accordance with our security requirements and provided that you notify us as soon as you or the User becomes aware that a Password may have become known to someone other than the User.

4.3.3 Unless we can show that you or a User have acted fraudulently or without all reasonable care in keeping a User's Password safe and in accordance with our security requirements we will refund the amount of any unauthorised Transaction and any interest charged in respect of that Transaction together with any charges directly incurred on your Account which would not otherwise have been incurred.

Warning: If you or a User have acted fraudulently in connection with the use of a Password or have not taken all reasonable care in keeping a Password safe and in accordance with our security requirements, you will be responsible for all losses arising out of or in connection with unauthorised Transactions.

4.4 Customers which are not Micro-enterprises

Clause 4.3 shall not apply if you are not a Micro-enterprise. Instead this clause 4.4 shall apply, and the Payment Services Regulations 2009 shall apply only insofar as they are provided for herein.

4.4.1 If we fail to execute, or incorrectly execute a Transaction on your Account, we shall be liable to you for any reasonable losses incurred by you but only if they arise directly from our breach of this Agreement or our negligence, and if in the ordinary course of events and with the knowledge we had, we might reasonably have expected such loss to result directly from such breach or negligence. Our liability pursuant to this Clause 4.4.1 shall be limited:

- to the amount of the relevant transaction pursuant to which our breach or negligence occurred; and
- to the amount of any interest and charges directly incurred by you on the Account that would not have been incurred otherwise.

Beyond this we shall have no further liability to you for a failure properly to execute or at all.

4.4.2 We will only be liable to you for unauthorised Transactions arising from the use of a User's Password after you have notified us of you or a User suspecting or becoming aware that someone else may know the Password.

Warning: If you or a User have acted fraudulently or without all reasonable care in keeping a Password safe and in accordance with our security requirements you will be liable for all losses in respect of any unauthorised Transactions.

5 Variation

5.1 We may:

- 5.1.1 change or withdraw any part of the Service;
- 5.1.2 change any of these terms and conditions;
- 5.1.3 introduce charges for the Service.

5.2 We will notify you in writing at least two months before we make any change to these terms and conditions. You will be deemed to have accepted any such change if you do not notify us to the contrary before the date any such change comes into effect. However if you do not accept any change:

- 5.2.1 you can terminate this Service at any time before the change comes into effect; or
- 5.2.2 our notice of the change will be deemed to be notice of termination given under clause 6 and this Agreement will terminate immediately.

6 Termination and suspension of the Service

6.1 This Agreement shall continue until terminated in accordance with clause 6.4. We will normally process any instructions received before termination.

6.2 We may cancel or suspend your use of the Service at any time if we reasonably suspect that there has or will be fraudulent or unauthorised use in relation to the Service or if you or a User has broken the terms and conditions of your Account.

6.3 If we do cancel or suspend use of the Service, we will tell you as soon as possible unless the law prevents us from doing so or we reasonably believe it would undermine our security measures.

- 6.4 This Agreement may be terminated at any time;
- 6.4.1 immediately by you;
 - 6.4.2 immediately by us in the event that we close your Account;
 - 6.4.3 immediately by us if you or a User has broken this Agreement repeatedly and/or seriously; or
 - 6.4.4 for any other reason, by us giving you not less than two months' written notice.
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7 Governing law and jurisdiction

- 7.1 This Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with either the laws of England and Wales if your account is held in England and Wales or the laws of Scotland if your account is held in Scotland.
- 7.2 The courts of either England and Wales or Scotland (depending on where your account is held) shall have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including any dispute relating to any non-contractual obligation arising out of or in connection with this Agreement).
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8 Complaints

- 8.1 We aim to provide the highest level of customer service possible. However, if you experience a problem, we will always seek to resolve this as quickly and efficiently as possible. You should contact Us either in writing, by fax or telephone. A copy of our complaints procedure is available on our website at: [bankofscotlandbusiness.co.uk/get-in-touch/feedback/complaints-procedure/](https://www.bankofscotlandbusiness.co.uk/get-in-touch/feedback/complaints-procedure/). If you are not satisfied with the way We deal with Your complaint You may be entitled to refer this to the Financial Ombudsman Service at Exchange Tower, London E14 9SR.
- 8.2 We record telephone calls for resolving any disagreements. We may monitor calls to improve our service.
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9 Notices and communication

- 9.1 Any notice to be given by either party in relation to your account shall be written, sent by facsimile, post or otherwise delivered to the other party. The address for any such notice for us will be the address which appears on your Account statement, until further notice. The address for any such notice for you will be your correspondence address. Either party may change address for communication by giving 7 days' notice in writing to the other party.
- 9.2 The language of this Agreement shall be English and communications and notices between us shall be in English.
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10 Third Parties

- 10.1 Nothing in this Agreement confers or is intended to confer a benefit enforceable by a person who is not a party to it and such a person shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.
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11 Help and information

- 11.1 If you have any queries about this Service or require a copy of this Agreement or any document referred to in it, please contact your Private Banking and Advice Manager by writing to the address set out on your Account statement or telephone us on **0845 300 0268**. These PhoneBank for business terms and conditions and any documents referred to in these terms and conditions can also be found on our website at [bankofscotlandterms.co.uk](https://www.bankofscotlandterms.co.uk)
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12 Definitions

- 12.1 "Account": your business bank accounts with us which we say may be accessed, viewed or operated through the Service.
- 12.2 "Business": the business in whose name the Account is maintained by us.
- 12.3 "Working Day": means Monday to Friday (other than English bank holidays). Although some payments can be made on non-working days, the processing of these payments is not completed on our systems until the next working day.
- 12.4 "Price List": means any brochure or leaflet of ours that sets out the charges, including where appropriate, international as well as UK charges that apply to your account.
- 12.5 "Enquiry Only User": any person authorised by the Business to use this Service but whose authority is limited to:
- 12.5.1 checking the balance of the Account;
 - 12.5.2 stopping cheques;
 - 12.5.3 asking about bill payments;
 - 12.5.4 asking about standing orders and direct debits;
 - 12.5.5 asking about recent payments made into and out of the Account(s);
 - 12.5.6 asking for information about other services; and
 - 12.5.7 making any other enquiry related function we may make available as part of this Service from time to time in relation to the Account(s).
- 12.6 "Full Service User": any person authorised by the Business and whose authority allows them to:
- 12.6.1 make Transactions (including International Transactions);

- 12.6.2 stop a cheque, set up, cancel or change standing orders;
- 12.6.3 cancel direct debits;
- 12.6.4 order cheque books, foreign currency and travellers cheques;
- 12.6.5 carry out any of the Enquiry Only User functions.
- 12.6.6 cancel any User.
- 12.7 "International Transaction": any Transaction made to a payee or account held outside the United Kingdom.
- 12.8 "Micro-enterprise": means any enterprise, or group of enterprises of which it forms part, which at the time you enter into the Agreement for this Service, employs fewer than 10 persons and whose annual turnover and/or balance sheet total does not exceed EUR 2million (or its equivalent).
- 12.9 "Password": a word or numeric code set up by a User to assist us in identification.
- 12.10 "Service": a telephone banking service enabling Full Service Users and Enquiry only Users to give us instructions by telephone in accordance with this Agreement.
- 12.11 "Transaction": any transfer of funds between your Account(s) or any payment from your Account(s) to a third party account (for example a bill payment or a payment to a User's account).
- 12.12 "User": an individual who you appointed as a Full Access User/Full Service User or a View Only Access User/Enquiry Only User on the application form.

"We/us/our/Bank": means Bank of Scotland plc, registered in Scotland number SC327000. Registered and Head office: The Mound, Edinburgh EH1 1YZ and its successors and assigns.
- 12.13 "You/your/Customer": the Business.

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

bankofscotlandbusiness.co.uk

You may contact us using Type Talk. Telephone calls may be recorded for security purposes and monitored under our quality control procedures.

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

Bank of Scotland plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under number 169628.

Bank of Scotland plc is covered by the Financial Services Compensation Scheme and the Financial Ombudsman Service.

(Please note that due to the schemes' eligibility criteria not all Bank of Scotland business customers will be covered by these schemes.)

We subscribe to The Lending Code; copies of the Code can be obtained from www.lendingstandardsboard.org.uk