

COMMERCIAL BANKING

TERMS AND CONDITIONS

Phonebank® For Business

June 2018



LLOYDS BANK

These terms and conditions apply to the supply of the PhoneBank For Business service. Please see the section at the end for the definitions.

1. Using this Service

- 1.1 By completing this application form you confirm that the Users are authorised by you to use the Service at the levels indicated on the application form for each individual (i.e as Full Service Users or Enquiry Only Users) and to instruct us on all your Accounts (whether opened now or in the future) and that the Bank is authorised to carry out such instructions.
- 1.2 You further agree that any Full Service User may instruct us to carry out an International Transaction on your behalf. Separate terms and conditions apply to any International Transactions 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 lloydsbank.com/business or ask your relationship manager for a copy.
- 1.3 You also agree that 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.
- 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. The Business will however be liable for the normal costs of all calls and the normal charges for the Transactions which are set out in the "Charges" brochure which was provided to you on account opening (unless other charges were agreed when you opened the account). We can also give you information about the charges for Transactions on request when a User calls.
- 1.6 If you have set any signing restrictions or instructions in "Your Authority to operate your account(s)", 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 **0345 072 5555** or your relationship manager.
- 2.3 You can cancel any User's authority to use this Service by calling us on **0345 072 5555**. 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.
- 2.6 You give us your explicit consent (or have obtained the explicit consent of the relevant individual) for us to access, process and keep any personal information that you provide to us for the purposes of providing payment services to you. This won't affect any rights any of us have under data protection legislation. You can withdraw your consent by ending your agreement with us.

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 provide us, as applicable, with:
 - a. for sterling payments to a sterling account in the UK: the payee's account number and Faster Payments Service enabled sort code and the name of the company (if relevant). Where the payee is a company such as a utility company and has already provided us with the required details of the account into which a payment must be made the User will only have to provide the name of the company to be paid; or

- b. for payments to an international account: subject to clause 3.2 (c) below, the payee bank's BIC number and IBAN number and, if required, payee's full name and address, the payee bank's SWIFT address or National Clearing Code; or
- c. for euro payments to an account within a SEPA country: the IBAN number and, if required, payee's full name and address, the payee bank's SWIFT address or National Clearing Code. Sometimes we will also require the BIC.

By 'SEPA' we mean the Single Euro Payments Area and a 'SEPA country' means any of the countries or territories listed from time to time on the European Payment Council's website as being part of SEPA.

- 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 We may not be able to carry out a Transaction if the bank or building society you are sending the payment to is not a member of the Faster Payments Service or a participant in the Faster Payments Service. If we cannot make a payment using the Faster Payment Service we will notify you or make this information available to you as described in clause 3.18, and you can contact us to ask if there is any other method available to make the payment. Until we have received an instruction from you that we can properly execute by an alternative method we will not make the payment.
- 3.5 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.
- 3.6 Where a User calls us between 8am and 5.30pm on a Business 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 Business Day as the call (subject to clause 3.8 and any other cut-off times we may tell you for certain types of payment as set out or referred to in the "Need to know" brochure).
- 3.7 Subject to clause 3.10, where a User calls us outside the hours of the Business Day as set out in clause 3.6 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 Business Day.
- 3.8 Where a User calls us between 8am and 2pm on a Business 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 Business Day as the call (subject to any other cut-off times we may tell you for certain types of payment as set out or referred to in the "Need to know" brochure).
- 3.9 Subject to clause 3.10, where a User calls us outside the hours of the Business Day as set out in clause 3.8 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 Business Day.
- 3.10 If possible we will start to process an instruction made pursuant to clause 3.7 or 3.9 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 Business Day.
- 3.11 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.
- 3.12 We will execute an instruction to carry out a Transaction in sterling, euro or other EEA currencies in accordance with our processing cycles so that the amount to be transferred reaches the payee's bank in all events no later than:
 - a. for payments in sterling: where the payee's bank is within the UK, the next Business Day after the Business Day on which we received your instruction; or, where the payee's bank is elsewhere in the EEA, the fourth Business Day after the Business Day on which we received your instruction;
 - b. for payments in euro: where the payee's bank is within the EEA (including the UK), the next Business Day after the Business Day on which we received your instruction;
 - c. for payments in any other EEA currencies: where the payee's bank is within the EEA (including the UK), the fourth Business Day after the Business Day on which we received your instruction.For payments outside the EEA and/or in non EEA currencies different timescales will apply.
- 3.13 Unless clause 3.14 or 3.15 applies, once a User has given consent to the instruction for the Transaction as set out in clause 3.4 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 **0345 072 5555**.

- 3.14 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 Business Day immediately before the date set for us to make the Transaction by calling **0345 072 5555**.
- 3.15 Subject to clause 3.16, where the User instructs us to carry out a series of Transactions the User may withdraw their consent up until 5.30pm on the Business 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.
- 3.16 Where a future dated Transaction or a Transaction forming part of a series of Transactions falls on a day which is not a Business Day, the date set for the Transaction will be the next Business Day. Therefore if a User wishes to withdraw consent for any such Transaction, they may do so up until 5.30pm on the Business Day immediately before the Business Day on which the Transaction will fall to be made 3.15.
- 3.17 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.
- 3.18 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 "Need to Know" brochure or contact your relationship manager.
- 3.19 We may refuse to make a Transaction where:
- there are insufficient available funds in the Account;
 - where it is reasonable to do so, for example if you are in breach of this Agreement, or we (or the systems we use) reasonably suspect that the Transaction is fraudulent; or
 - we are unable to make a Transaction in accordance with the terms of this Agreement.
- If we have refused the Transaction, or are unable to act upon your instructions, we will, subject to legal and regulatory requirements, where it is reasonable or we are required to do so, notify you, or make available to you, the reason why the Transaction was refused as soon as possible and in any event within the designated maximum execution times for Transactions of that type as set out in our Payment Transaction brochure. If this has been due to your giving incorrect information you can contact us and we will tell you how to put this right. We will notify you or make this information available to you in the manner that we reasonably believe is most appropriate, having regard to the way in which you have sought to instruct us and the terms of our relationship with you.
- 3.20 All Transactions made using this Service will be listed on the statements for the Account.
- 3.21 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 and at the latest within 13 months of when the payment left or should have left your account (as applicable), after you or a User becomes aware of any incorrectly executed Transaction or any unauthorised Transaction on your Account by telephoning **0345 072 5555** or by calling your relationship manager directly, otherwise you may not be entitled to a refund.
- 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 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 of profits, loss of business, loss of goodwill or any form of special damages; nor
 - any losses associated directly or indirectly with our failing to make a payment because you have not provided us with the required or correct Remittance Details. We will, however, use all reasonable efforts to recover your payment and reserve the right to charge you a fee to cover our reasonable costs for so doing. Where we are unable to get the money back, you can send us a written request and we will then provide all the relevant information we can in order for you to claim repayment of the funds. We will only provide you with information that we are allowed to provide to you by law.
- 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 (other than in situations where you have not provided us with all of the required information), 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 and pay you any interest you have missed out on so that it is as if the defective payment transaction had not taken place.
- 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 or pay you any interest you have missed out on so that it is as if the unauthorised payment or transaction had not taken place.
- 4.3.4 When we are assessing whether a payment transaction was authorised by you we cannot necessarily treat the use of the Password as sufficient evidence of such authorisation, although this is one of the factors that we will take into consideration.
- 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 provisions of the Payment Services Regulations 2017 that deal with incorrectly executed and unauthorised transactions shall be disapplied and replaced as provided for herein.
- 4.4.1 If we fail to execute (other than in situations where you have not provided us with all of the required information), 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 to properly execute or a failure to execute at all for any reason.
- 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.
- 4.4.3 When we are assessing whether a payment transaction was authorised by you:
- we can treat the use of the Password as sufficient evidence to show that the payment was authorised by you or that you may have acted fraudulently or that you may have failed to:
 - take all reasonable care to keep the Password safe; or
 - use the Password in accordance with our security requirements.

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 Subject to clause 5.3, 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.
- 5.3 We may change these terms and conditions at any time to reflect changes in law, regulation or codes of practice which apply to us or the way we are regulated. We will always endeavour to give you at least two months' notice of such changes in accordance with clause 5.2 wherever possible. Where this is not possible we will give you as much prior notice as reasonably practicable.

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.

7. Governing law

- 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 the laws of England and Wales.
- 7.2 The courts of England and Wales 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).

8. Help and information

- 8.1 If you require a copy of this Agreement or any document referred to in it please consult our website at lloydsbank.com/business in the first instance. If you have any queries about your account or need further information please contact your relationship team.
- 8.2 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. If something has gone wrong please bring this to the attention of any member of staff. The complaint procedures are also published on our website: lloydsbank.com/business/contactus
- 8.3 You should let us know as soon as possible if your business is experiencing financial difficulties. We will always seek to help you and develop a repayment plan with you.
- 8.4 We record telephone calls for resolving any disagreements. We may monitor calls to improve our service.

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.

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.

11. Definitions

- 11.1 **"Account"** your business bank accounts with us which we say may be accessed, viewed or operated through the Service.
- 11.2 **"Business"** the business in whose name the Account is maintained by us.
- 11.3 **"Business Day"** means 9am to 5pm Monday to Friday other than public and bank holidays in England and Wales and we notify you of different times for the processing of payments to and from your Account(s).
- 11.4 **"Enquiry Only User"** any person authorised by the Business to use this Service but whose authority is limited to:
 - 11.4.1 checking the balance of the Account;
 - 11.4.2 stopping cheques;
 - 11.4.3 asking about bill payments;
 - 11.4.4 asking about standing orders and direct debits;
 - 11.4.5 asking about recent payments made into and out of the Account(s);
 - 11.4.6 applying for Text Alerts;
 - 11.4.7 asking for information about other services; and
 - 11.4.8 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).
- 11.5 **"Faster Payments Service"** means the payments service which allows faster electronic payments to be made between accounts in the UK with sort codes capable of receiving faster payments held with banks and building societies which are either members of the service or participants in the service;
- 11.6 **"Full Service User"** any person authorised by the Business and whose authority allows them to:
 - 11.6.1 make Transactions (including International Transactions);
 - 11.6.2 apply for Text Alerts;
 - 11.6.3 stop a cheque, set up, cancel or change standing orders;
 - 11.6.4 cancel UK Sterling direct debits;
 - 11.6.5 order cheque books, foreign currency and travellers cheques;
 - 11.6.6 carry out any of the Enquiry Only User functions.
- 11.7 **"International Transaction"** any Transaction made to a payee or account held outside the United Kingdom.
- 11.8 **"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 2 million (or its equivalent).
- 11.9 **"Password"** a word or numeric code set up by a User to assist us in identification.
- 11.10 **"Service"** a telephone banking service enabling Full Service Users and Enquiry only Users to give us instructions by telephone in accordance with this Agreement.
- 11.11 **"Text Alerts"** a free service which delivers updates on your Account(s) to a User's mobile telephone as text messages.
- 11.12 **"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 personal account).
- 11.13 **"User"** an individual who you have appointed as a Full Service User or Enquiry Only User on the application form.
- 11.14 **"we/us/our/Bank"** means Lloyds Bank plc, registered in England No. 2065, 25 Gresham Street, London EC2V 7HN. Telephone: **020 7626 1500**.
- 11.15 **"you/your/Customer"** means the Business.

Find out more

 Go to lloydsbank.com/business

 Visit your local branch

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

If you have a hearing or speech impairment you can use Text Relay (previously Typetalk) or if you would prefer to use a Textphone, please feel free to call us on 0345 601 6909 (lines open 7am-8pm Monday to Friday and 9am-2pm Saturdays).

Important Information

Your call may be monitored or recorded in case we need to check we have carried out your instructions correctly and to help improve our quality of service.

Lloyds Bank plc. Registered Office: 25 Gresham Street, London EC2V 7HN. Registered in England and Wales No. 2065. Telephone: 020 7626 1500.

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Licensed under the Consumer Credit Act 1974 under licence number 0004685.

We adhere to the Standards of Lending Practice which are monitored and enforced by the LSB: www.lendingstandardsboard.org.uk

Lloyds Bank 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 Lloyds Bank Commercial Banking customers will be covered by these schemes.)



LLOYDS BANK