

COMMERCIAL BANKING



PLEGGED ACCOUNT

As at: 11 January 2022

Quick Facts

Account Type:	Pledged Account
Account Overview:	Operational account where the funds are charged to a 3rd party lender
Interest:	As per your current account terms
Maximum Deposit Amount:	No maximum deposit
Statement Frequency:	Monthly*
Overdrafts:	Not permitted
Eligibility Requirements:	Clear notification of a 3 rd party charge over the funds in the account held at Lloyds Bank plc

*alternative frequencies available upon request.

Definitions

- **Lloyds Bank/We/Us/Our:** Lloyds Bank plc.
- **Account:** Pledged Accounts.
- **Client:** A legal entity who has entered into a relationship with Lloyds Bank plc.
- **3rd party:** A party who is not the direct owner of the Account but has a charge over the funds in the Account.

Product Description

Our Clients can choose to obtain funding from 3rd party providers such as other Banks or Specialist Lenders, while maintaining their operational accounts with Us. Pledged Accounts can apply to any lending structure in any sector where the 3rd party takes security in the form of a charge

against a named account held with Us, requiring Our Client to request that We waive Our right of set off on the balances and recognise the 3rd party's claim should Our Client default on its obligations.

Features & Benefits

- **Instant access to funds:** as long as cleared funds are available.
- **Multiple Currencies:** available in Sterling (GBP), Euro (EUR) and US Dollars (USD). Other currencies available on request.
- **Separation of funds:** We recognise the funds are subject to a separate legal charge and We waive Our rights to the balance in the Pledged Account(s).
- **Control:** upon request, the Client can update the account level mandate(s) over the Pledged Account(s) to reflect 3rd party payment authority. In the event that the Client defaults, Pledged Accounts have the functionality to allow 3rd party charge stakeholders to take control of the funds[†] (subject to full Know Your Customer compliance meeting the Bank's standards).
- **Ease of reconciliation:** 3rd party and Client are able to view Pledged Accounts via Our online digital channel[°].

[†]Please note, until the point that Our client defaults, Our client will have the sole right to amend account level mandate set up and payment approvals.

[°]As long as both parties are set up via client approval.

Interest Rates and Charges

- For further detail on the applicable interest rates and any account charges please contact your Relationship Manager. Terms and conditions available on request or via the link below:
<https://www.lloydsbank.com/assets/assets-business-banking/pdfs/m58256a.pdf>



LLOYDS BANK

Our service promise

If you experience a problem, we will always try to resolve it as quickly as possible. Please bring it to the attention of any member of staff. Our complaints procedures are published at commercialbanking.lloydsbank.com/contact-us/

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

If you have a hearing or speech impairment you can use Relay UK. More information on the Relay UK Service can be found at: relayuk.bt.com/

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Eligible deposits with us are protected by the Financial Services Compensation Scheme (FSCS). We are covered by the Financial Ombudsman Service (FOS). Please note that due to FSCS and FOS eligibility criteria not all business customers will be covered.