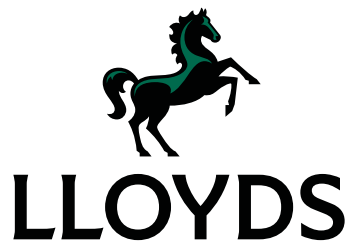


BUSINESS & COMMERCIAL



# Lloyds Bank Gem<sup>®</sup> Relationship Terms & Conditions

Core Banking Agreement



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# 1. Information about our relationship with you

- 1.1 The Core Banking Agreement for Lloyds Bank Gem® (“**The Agreement**”) contains terms, conditions and important information that apply to certain of our products and services. Those products can be identified as they state in the header Core Banking Agreement for Lloyds Bank Gem®. Such products and services include:
  - 1.1.1 accounts (including most current, deposit, foreign currency and client money accounts);
  - 1.1.2 payment services that we offer (domestic and international);
  - 1.1.3 online services that we offer; and
  - 1.1.4 channel services that we offer, and they are referred to as “**Products**” throughout **The Agreement**.
- 1.2 If we provide any **Products** to you, under **The Agreement** our relationship with you is governed by:
  - 1.2.1 any application forms that you have signed relating to the **Products**;
  - 1.2.2 any **Mandates** that you have signed relating to the **Products**;
  - 1.2.3 the following documents which detail both your and our rights and obligations in relation to the **Products**, and which we refer to collectively as your “**Terms And Conditions**”:
    - 1.2.3.1 the Relationship Terms & Conditions;
    - 1.2.3.2 the Product & Services Terms & Conditions relating to any **Products** which we provide to you;
    - 1.2.3.3 the General Information On Payments, Charges & Contacts; and
    - 1.2.3.4 any other contractual documentation that we tell you is to be read alongside the **Terms And Conditions** (such as the Gem client agreement).
- 1.3 Further information about the **Terms And Conditions**:
  - 1.3.1 the Relationship Terms & Conditions – these contain the general relationship terms and conditions for all **Products** under **The Agreement**;
  - 1.3.2 the Product & Services Terms & Conditions – these contain additional terms and conditions for a specific **Product** provided under **The Agreement**;
  - 1.3.3 the General Information On Payments, Charges & Contacts – this document including its schedules contains information you will need to know about the types of payment you can make and our charges under **The Agreement**. This also includes general information on large print, braille and call recording;
  - 1.3.4 you need to read the Product & Services Terms & Conditions relating to a **Product** that we agree to provide to you alongside the Relationship Terms & Conditions and the General Information On Payments, Charges & Contacts. You should also refer to the **Service Level Guide** as this has important information about making payments and how to contact us;
  - 1.3.5 you may find terms in the Relationship Terms & Conditions and the General Information On Payments, Charges & Contacts that conflict with terms in a set of Product & Services Terms & Conditions. In such circumstances, the terms in the relevant Product & Services Terms & Conditions will override and apply to the extent of any conflict; and
  - 1.3.6 we will provide you with separate terms and conditions for any products that fall outside the scope of **The Agreement**.
- 1.4 We recommend that you retain a copy of all of the documents that make up **The Agreement**. If you would like a copy of any of the documents that make up **The Agreement** with us, you can contact your relationship team.
- 1.5 To the extent of any conflict between **The Agreement** and any terms contained with any **Mandates** that you have signed relating to the **Products**, **The Agreement** will take precedence.
- 1.6 When you are accessing our **Products** electronically, any instructions that you give to us electronically will take precedence over the instructions provided in any **Mandate** which you have signed relating to the **Products**. You may also be asked to comply with extra security requirements when you are accessing our **Products** electronically or if you are using any telephone banking service that we provide.

- 1.7 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.
- 1.8 You agree that the following provisions of the **Payment Services Regulations** do not apply to your Agreement with us:
  - 1.8.1 Part 6 – Information Requirements for Payment Services;
  - 1.8.2 Regulation 66(1) – Charges;
  - 1.8.3 Regulation 67(3) and (4) – Consent and withdrawal of consent;
  - 1.8.4 Regulation 74(1) – Notification and rectification of unauthorised or incorrectly executed payment transactions;
  - 1.8.5 Regulation 75 – Evidence on authentication and execution of payment transactions;
  - 1.8.6 Regulation 77 – Payer or payee's liability for unauthorised payment transactions;
  - 1.8.7 Regulation 79 – Refunds for payment transactions initiated by or through a payee;
  - 1.8.8 Regulation 80 – Requests for refunds for payment transactions initiated by or through a payee;
  - 1.8.9 Regulation 83 – Revocation of a payment order;
  - 1.8.10 Regulation 91 – Non-execution or defective or late execution of payment transactions initiated by the payer;
  - 1.8.11 Regulation 92 – Non-execution or defective or late execution of payment transactions initiated by the payee; and
  - 1.8.12 Regulation 94 – Liability of payment service provider for charges and interest.

## 2. Definitions and interpretation

- 2.1 Where the words set out below are used with capital letters in the **Terms And Conditions**, they mean as follows:

### **Authorised Signatory**

means anyone who is nominated by you to be an authorised signatory from time to time under a **Mandate** (and Authorised Signatories means all of such persons).

### **Business Day**

means 9am to 5pm every Monday to Friday other than public or bank holidays in England and Wales.

### **Compliance Obligations**

means the obligations of **Lloyds Banking Group** to comply with any local or foreign law, regulation, judgment or court order, voluntary code, sanctions regime, treaty, requests from or agreements between any member of **Lloyds Banking Group** and/or a legal, regulatory, government, law enforcement, securities exchange, tax or other authority with jurisdiction, applicable to us or a member of **Lloyds Banking Group**.

### **Confidential Information**

means any information, whether written, oral, in electronic form or in any other media, that:

- i. is disclosed by you or us, or on behalf of you or us, to the other in connection with **The Agreement** and that relates in whole or in part to your or our business (or the business of any member of **Lloyds Banking Group**); and/or
- ii. relates to the terms of **The Agreement** (but it does not include the existence of **The Agreement**).

### **EEA**

means the European Economic Area.

### **Faster Payments**

means the scheme operated by Faster Payments Scheme Limited. It is an electronic near real time transfer between participating member banks with the money being transferred irrevocably on the same **Business Day** (subject to any cut-off time which applies).

### **Insolvent**

has the meaning given to it in the section entitled "Termination".

### **Lloyds Bank Foreign Exchange Rate**

means a currency exchange rate determined by a member of **Lloyds Banking Group** acting in its sole discretion.

### **Lloyds Banking Group**

means Lloyds Banking Group plc registered in Scotland with a company number of SC095000 and any of its subsidiaries from time to time.

### **Mandate**

means an up to date authority provided by you to us relating to the operation of one or more **Product(s)**.

### **Micro-enterprise**

means:

- i. an enterprise which, at the date that you entered into a contractual relationship with us in relation to any of the **Products**, employs fewer than 10 persons and its annual turnover and/or annual balance sheet total does not exceed 2 million euro; or
- ii. any body whose annual income, at the date that you entered into a contractual relationship with us in relation to any of the **Products**, is less than £1 million and is:
  - in England and Wales, a charity as defined by section 1(1) of the Charities Act 2006;
  - in Scotland, a charity as defined by Section 106 of the Charities and Trustee Investment (Scotland) Act 2005; or
  - in Northern Ireland, a charity as defined by Section 1(1) of the Charities Act (Northern Ireland) 2008.

### **Our Website**

means our website appearing at **lloydsbank.com/business** (or any other URL as we may notify to you from time to time).

### **Payment Instrument**

means any:

- i. personalised device; or
- ii. personalised set of procedures agreed between you and us such as the use of a password, security details or a **PIN**, used by you to instruct us to execute payment transactions for you.

### **Payment Services Regulations**

means the Payment Services Regulations 2017 (S.I. 2017/752).

### **PIN**

means Personal Identification Number.

### **Product**

has the meaning given to it in the section entitled "Information about our relationship with you".

**Reference Interest Rate**

means the Bank of England bank rate or such other external reference interest rate to which a **Product** is linked, details of which can be found on **Our Website** or by contacting your relationship team.

**Service Level Guide**

means the information sheet available online which does not form part of our Agreement but sets out important information about how to make payments, keep secure and contact us.

**Terms And Conditions**

means these Relationship Terms & Conditions, the Product & Services Terms & Conditions relating to any **Products** which we provide to you and the General Information On Payments, Charges & Contacts.

**Third Party Provider**

means a service provider authorised by law to access information or make payments for you from your payment accounts.

**The Agreement**

means the Core Banking Agreement for Lloyds Bank Gem® which consists of:

- i. any application forms that you have signed relating to the **Products**;
  - ii. any **Mandates** that you have signed relating to the **Products**;
  - iii. the **Terms And Conditions**; and
  - iv. any other contractual documentation that we tell you is to be read alongside the **Terms And Conditions**.
- 2.2 We have split the **Terms And Conditions** into sections and inserted a number of headings in order to make them easier to read. The headings are not intended to affect the way that the **Terms And Conditions** are interpreted.
- 2.3 In the **Terms And Conditions**:
- 2.3.1 where we refer to “you” or “your” we mean your business or organisation (whether you are a sole trader, partnership, limited liability partnership, company, charity, trustee of a pension scheme or any other type of entity or organisation). If two or more persons are comprised in the expression “you” or “your”, the words mean any one or more of them;

- 2.3.2 where we refer to “we”, “us” or “our” we mean Lloyds Bank plc. Registered in England and Wales with a Registered Office address of 25 Gresham Street, London EC2V 7HN and with a registered company No. 2065 (and any successors or assigns of Lloyds Bank plc); and

Lloyds Bank Gem® is a registered trade mark of Lloyds Bank plc

- 2.3.3 when we refer to a person, this could mean any individual, body corporate, association, partnership, firm, trust, organisation, joint venture, government, local or municipal authority, governmental or supra-governmental agency or department, state or agency of state or any other entity;
- 2.3.4 when we refer to a statute or statutory provision, this includes any subordinate legislation made under it and any modifications, amendments, extensions, consolidations, re-enactments and/or replacements of that statute, statutory provision and/or subordinate legislation which are in force from time to time;
- 2.3.5 any references that we make to the singular include the plural and vice versa;
- 2.3.6 any references that we make to any gender include every gender;
- 2.3.7 any references to a time of day are to UK time;
- 2.3.8 any words following the words include, includes, including, in particular or any similar words or expressions are for illustration or emphasis only and are not intended to limit the meaning of the words preceding them; and
- 2.3.9 any references to a “party” or to the “parties” means you and/or us as the context requires.

### 3. Your relationship with us

- 3.1 **The Agreement** will continue indefinitely until you or we end it in accordance with the terms of **The Agreement**.
- 3.2 When you apply for a **Product**, we may decide whether to provide you with the **Product** at our discretion. We will tell you if we are unable to provide you with a specific **Product**, but we may not be able to give you a reason. We will not be responsible for any loss or damage that you may suffer as a result of our decision.
- 3.3 We may introduce restrictions in terms of maximum balances that we may apply to your accounts at any time and without prior notice. This means that we may, without prior notice, not be able to accept new deposits into your accounts or, if we have already accepted deposits in excess of the maximum balance, we may need to return funds to you. We will tell you if we are unable to accept further deposits or need to return funds.

### 4. Providing services to you

- 4.1 When we are providing services to you and/or managing your day-to-day banking needs, we will use reasonable care and skill. Any financial information that we give to you is provided for your guidance only to help you to make your own decision. Unless we expressly state otherwise our **Products** are provided on a non-advisory basis.
- 4.2 We will perform our obligations under **The Agreement** provided that it will not put us in breach of any applicable law or regulation by doing so.

### 5. Your warranties

- 5.1 You warrant that:
  - 5.1.1 you have full capacity and authority to enter into and to perform **The Agreement**;
  - 5.1.2 you are not infringing the rights of any third party by entering into and performing **The Agreement**; and
  - 5.1.3 any information provided by you (or by anyone acting on your behalf) to us is accurate, complete and up to date; and
  - 5.1.4 you are not a **Micro-enterprise**.

## 6. Who is authorised to give instructions to us

- 6.1 We will accept instructions given by you or anyone who is an **Authorised Signatory** in relation to a **Product** (provided such instructions are given in accordance with the relevant **Mandate**) or by anyone who has a legal right to give us instructions (and, when we refer in **The Agreement** to you giving instructions to us, we are referring to any of such persons). This includes instructions relating to payments, account management and any other aspect of your relationship with us, for example, you may ask us to give information to you about a specific **Product** or a specific transaction. This also includes instructions given by you or anyone who is an **Authorised Signatory** in relation to a **Product** via a **Third Party Provider**.
- 6.2 Where two or more persons are comprised in the expression “you”, we have the authority to act upon instructions given by any of you, unless your **Mandate** says otherwise.
- 6.3 We are authorised to act upon instructions given by you without making further enquiries into the purpose for which they were given or any circumstances relating to them.
- 6.4 In respect of electronic instructions, we will check the validity of electronic instructions where we have agreed a system with you to do so. Otherwise, we are authorised to act upon any electronic instructions without checking or considering the validity of the instructions.
- 6.5 Before we accept an **Authorised Signatory**, we will need to complete any identification, background and other checks. We will tell you if we are unable to accept an **Authorised Signatory**, but we may not be able to give you a reason.
- 6.6 If you wish to put conditions or restrictions on the authority of any **Authorised Signatory**, you must give details to us in the relevant **Mandate**. If you do not give such details to us, each **Authorised Signatory** has individual authority without any restriction to operate any **Products** falling within the **Mandate**. An **Authorised Signatory** may also commit to any number of facilities without the approval of other **Authorised Signatories**. For example, an **Authorised Signatory** will be able to set up overdrafts (which may be without the knowledge of any other **Authorised Signatories**). However, you will remain responsible to us for all debts and obligations relating to such **Products**.
- 6.7 It is your responsibility to ensure that each of your **Authorised Signatories** is aware of your obligations under **The Agreement** and complies with them.
- 6.8 We may remove an **Authorised Signatory** if we reasonably believe a regulatory requirement means we have to. We will tell you if we have to remove an **Authorised Signatory**, but we may not be able to give you a reason.



# 7. Confidentiality

- 7.1 We and you will:
  - 7.1.1 keep **Confidential Information** secret and only disclose it in the manner and to the extent expressly permitted by **The Agreement** or otherwise as permitted by the terms of the disclosure; and
  - 7.1.2 use the **Confidential Information** only to the extent necessary for the performance of obligations under **The Agreement**.
- 7.2 We and you may disclose **Confidential Information**:
  - 7.2.1 to such officers and employees and, in our case, agents and sub-contractors, who need access to that **Confidential Information** for the purpose of complying with obligations under **The Agreement** and, in such circumstances, you or we (as applicable) will take all necessary steps to ensure that any person to whom **Confidential Information** is disclosed will comply with this section entitled "Confidentiality";
  - 7.2.2 in our case, to **Third Party Providers** and other third parties to which we need to disclose **Confidential Information** so that they can provide their services to you;
  - 7.2.3 to such auditors and professional advisers who need access to that **Confidential Information**, and, in such circumstances, you or we (as applicable) will take all necessary steps to ensure that any person to whom **Confidential Information** is disclosed will comply with this section entitled "Confidentiality"; and
  - 7.2.4 to the extent required by applicable law or a court of competent jurisdiction or a regulatory authority or the rules of any listing authority, stock exchange or the Panel on Takeovers and Mergers or any successor body.
- 7.3 We and other members of **Lloyds Banking Group** may also use, retain and disclose **Confidential Information** about you to the extent required to meet **Compliance Obligations** and internal policies or procedures, maintain your relationship with **Lloyds Banking Group** (including promotion of other products and services), enforce or defend our rights or those of a member of **Lloyds Banking Group**, and prevent or detect crime.
- 7.4 The obligations under this section do not extend to any **Confidential Information** which:
  - 7.4.1 has ceased to be secret without default by the party receiving the **Confidential Information**;
  - 7.4.2 was already in the possession of the party receiving the **Confidential Information** prior to disclosure by the other party;
  - 7.4.3 was received from a third party who did not acquire it in confidence and who was free to make it available without limitation; and/or
  - 7.4.4 at the time of disclosure was in the public domain or subsequently enters into the public domain without any default on the part of the party receiving the information.

## 8. Changes to the Terms And Conditions

- 8.1 We may make changes to the **Terms And Conditions**, including to introduce a new charge or to amend a charge, at any time for any reason. For example, typically (but not exclusively), we may make changes to comply with changes to the law, rectify errors, improve security, change the scope of the services that we provide or take account of reorganisations within **Lloyds Banking Group** but we may also make changes for other reasons.
- 8.2 If we intend to make a change to the **Terms And Conditions** which is to your disadvantage, we will give you at least 30 days' written notice before the change comes into effect, unless the change is required due to a change in relevant law or regulation and we are prevented from giving you this amount of notice. In those circumstances, we will give you as much written notice as possible. In all other circumstances, we will make a change and within 30 days of us making the change we will provide information about the change to you.
- 8.3 We will notify you of changes to the **Terms And Conditions** by post, by email, through any online service which you receive from us or in any other way which we have agreed with you. In the notice, we may direct you to **Our Website** where the most recent **Terms And Conditions** are posted. During the period before a change comes into effect, you may reject the change, provided that you notify us of this in writing. In such circumstances, your notice of rejection of the change will be deemed to be a notice that you wish to stop receiving any **Product(s)** to which the change relates and the contractual documentation to which the change relates (which could be the Product & Services Terms & Conditions for a particular **Product** or **The Agreement** in its entirety) will terminate on the date that you request, provided such date is before the change comes into effect. You will not incur any additional charges as a result of choosing this course of action. If you do not notify us before a change comes into effect, we will treat you as if you have accepted the relevant change.
- 8.4 If we add new products to **The Agreement** or add to the ways that you can use an existing **Product** (and this does not otherwise change the **Terms And Conditions**), this will not be treated as a change to your disadvantage.

## 9. Terms applying to charges

- 9.1 You can find details of any charges that apply to our **Products** and the amount of those charges in the Gem client agreement. Some **Products** may have separate or additional charges and, if applicable, details of those charges (or where to find them) will be set out in the Product & Services Terms & Conditions for any relevant **Products**.
- 9.2 If you fail to pay any charges by the date that they are due, we may deduct such charges from any account that you hold with us. If this places you in an unauthorised overdraft position we will charge unauthorised borrowing interest at the rate stated in the General Information On Payments, Charges & Contacts and/or the relevant Product & Services Terms & Conditions.
- 9.3 If we have a disagreement about the charges that apply to a **Product**, the fees and charges set out in the Gem client agreement and/or the charges schedule to any Product & Services Terms & Conditions will apply.
- 9.4 In compliance with the **Payment Services Regulations**, most domestic and cross border payments made within the UK or **EEA** must be made on the basis that the person making the payment pays any charges levied by its bank or other financial institution and the person receiving the payment pays any charges levied by its bank or other financial institution. We will notify you if a payment instruction does not comply with these requirements. You agree that we are authorised to alter such payment instruction so that it meets these requirements and that we are authorised to act upon such altered payment instruction.

# 10. Interest paid and charged

## How we pay and charge interest

- 10.1 You can find details of when and how interest will be paid (if applicable) and when and how interest will be charged (if applicable) in relation to a **Product** in the Product & Services Terms & Conditions for that **Product**. For most **Products**, we will calculate any interest that we pay or charge on a daily basis and we will pay or charge interest to you on a monthly basis. If the day interest is due to be paid or charged is not a **Business Day** we will pay or charge interest up to and on the next **Business Day**. Interest will be calculated on either a 360 day year or a 365 day year depending on the currency involved. For further information please contact your relationship team.

## Reference Interest Rates

- 10.2 You can obtain details relating to the **Reference Interest Rate** that applies to a **Product** on **Our Website** or by contacting your relationship team.

## Changes to rates

- 10.3 Changes to **Reference Interest Rates** will take effect automatically as they are not set by us.
- 10.4 If we are making a change to any interest rates which apply to you and:
- 10.4.1 the change is based on a change to the **Reference Interest Rate**; or
  - 10.4.2 the change is favourable to you, we may make the change immediately without providing you with advance notice and, within 30 days of us making the change, we will provide and/or make information about the change available to you by post, by email, by statement, by publishing details of the change on **Our Website** or by posting a notice on an online service which you receive from us.
- 10.5 For any other changes to interest rates, we will provide at least 30 days' advance written notice to you about the change by post, by email, through any online service which you receive from us or in any other way which we have agreed with you (and the section entitled "Changes to the Terms And Conditions" will apply).

Change to interest rate	Notice to be provided by us
The change is based on a change to the Reference Interest Rate	No advance notice required
The change is favourable to you	No advance notice required
Any other change in interest rates	At least 30 days' advance written notice required

- 10.6 If the interest rate which applies to your account(s) is linked to a **Reference Interest Rate** and changes to the **Reference Interest Rate** result in the interest rate which applies to your account(s) falling:
- 10.6.1 to 0%, then zero interest rates apply to your account(s) which means that we may not pay any interest to you for holding a deposit with us; or
  - 10.6.2 below 0%, then negative interest rates apply to your account(s) which means that we may charge interest to you for holding a deposit with us.
- 10.7 During any period when zero or negative interest rates apply, we may (at our discretion) for all or part of such period:
- 10.7.1 pay more interest to you than applies under your account(s);
  - 10.7.2 not charge any interest to you; or
  - 10.7.3 charge a lesser amount of interest to you than applies under your account(s), as applicable, but this does not affect our right to revert to paying or charging the interest applicable under your account(s) at any time during such period or our right to change the amount of interest that we pay or charge to you at any time during such period, provided that we never pay less interest to you or charge more interest to you than applies under your account(s).
- 10.8 During any period when zero or negative interest rates apply, if we pay more interest to you than applies under your account(s), charge no interest to you or charge a lesser amount of interest to you than applies under your account(s) (as applicable), this is favourable to you. We will not provide advance notice to you of this.
- 10.9 Paying more interest to you than applies under your account(s), charging no interest to you or charging a lesser amount of interest to you than applies under your account(s) does not affect the interest rate applicable to your account(s). If the **Reference Interest Rate** subsequently increases such that the interest rate applicable to your account(s) increases to above 0% interest will continue to apply to your account(s) in the same way as it would have applied had the interest rate never fallen to 0% or below. We will not provide advance notice to you of this.

## Illustrative examples

**Important note:** The examples below are for illustrative purposes only and the use of an interest rate which is set at the same level as the Bank of England bank rate is to assist with clarity only.

### Zero interest rate example

- The **Reference Interest Rate** which applies to your account(s) is the Bank of England bank rate.
- The interest rate which applies to your account(s) is set at the same level as the Bank of England bank rate.
- If the Bank of England bank rate falls to 0%, the interest rate which applies to your account(s) also falls to 0%.
- We may pay more interest to you than applies under your account(s) during such period (e.g. instead of not paying any interest to you, we may pay you interest of 0.05% but the interest rate applicable to your account(s) remains at 0% in any event).
- This does not affect our right to revert to not paying any interest to you during such period.
- This also does not affect our right to pay you another amount during such period (e.g. we may pay you 0.05% for part of such period, then 0.02% for the remainder of such period), provided that we never pay you less interest than applies under your account(s) (e.g. by paying you 0.02% or 0.05%, we are paying you more than you would be paid under the 0% rate which is applicable to your account(s) so this is favourable to you).
- Irrespective of whether we pay you more interest or not, the interest rate which applies to your account(s) continues to track the Bank of England bank rate at all times. This means that if the Bank of England bank rate falls to -1%, the interest rate applicable to your account(s) falls to -1%. Similarly, if the Bank of England bank rate rises to 0.1%, the interest rate applicable to your account(s) rises to 0.1%.
- Once the Bank of England bank rate increases so that the interest rate applicable to your account(s) is above 0%, interest would be paid on your account as usual (e.g. if the Bank of England bank rate increased to 0.1%, interest would be paid on your account at 0.1%).

### Negative interest rate example

- The **Reference Interest Rate** which applies to your account(s) is the Bank of England bank rate.
- The interest rate which applies to your account(s) is set at the same level as the Bank of England bank rate.
- If the Bank of England bank rate falls to -0.5%, the interest rate which applies to your account(s) also falls to -0.5% which means that we may charge interest to you for holding a deposit with us.
- We may charge a lesser amount of interest to you than applies under your account(s) during such period (e.g. instead of charging you -0.5%, we may only charge you -0.5%) or we may charge you no interest at all during such period (but the interest rate applicable to your account(s) remains at -0.5% in any event).
- This does not affect our right to revert to charging you -0.5% at any time during such period.
- This also does not affect our right to charge you another amount during such period (e.g. we may charge you -0.1% for part of such period, then -0.25% for the remainder of such period), provided that we never charge you more interest than applies under your account(s) (e.g. by charging you -0.1% or -0.25%, we are charging you less than you would be charged under the -0.5% rate which is applicable to your account(s) so this is favourable to you).
- Irrespective of whether we charge you less interest or not, the interest rate which applies to your account(s) continues to track the Bank of England bank rate at all times. This means that if the Bank of England bank rate falls to -1%, the interest rate applicable to your account(s) falls to -1%. Similarly, if the Bank of England bank rate rises to -0.25%, the interest rate applicable to your account(s) rises to -0.25%.
- Once the Bank of England bank rate increases so that negative interest rates no longer apply to your account(s), interest would be paid on your account as usual (e.g. if the Bank of England bank rate increased to 0.1%, interest would be paid on your account at 0.1%).

## 11. Third Party Providers

- 11.1 You can instruct a **Third Party Provider** to access information on your accounts or make payments from your accounts online as long as it is open and transparent about its identity and acts in accordance with the relevant regulatory requirements. We will treat any instruction from a **Third Party Provider** as if it were from you.
- 11.2 We may refuse to allow a **Third Party Provider** to access your account if we are concerned about unauthorised or fraudulent access by that **Third Party Provider**. Before we do this we will tell you and explain our reasons for doing so, unless it is not reasonably practicable, in which case we will tell you immediately afterwards. In either case, we will tell you in the way which we consider most appropriate in the circumstances. We won't tell you where doing so will compromise our reasonable security measures or otherwise be unlawful. We may make available to a **Third Party Provider** a specific means of accessing your account. If we do, and it tries to access your account by a different way, we may refuse to allow that access.
- 11.3 If you think a payment may have been made incorrectly or is unauthorised, you must tell us as soon as possible even where you use a **Third Party Provider**.
- 11.4 If you (or an authorised user) provide consent to a **Third Party Provider** to access your account data so they can provide account information services or initiate transactions on your behalf, you consent to us sharing your information (which may include personal data relating to authorised users) with the **Third Party Provider** as is reasonably required for them to provide their services to you.

## 12. Partnerships

- 12.1 If you are a partnership (other than a limited partnership or a limited liability partnership), this section applies to you.
- 12.2 Each partner (whether or not they have signed the **Mandate**) will be separately responsible to us for all debts and obligations of whatever nature of the partnership, together with all interest, fees and charges. If we need to take legal action against you, we may at our sole discretion take legal action against all or any of the partners for the full amount of all debts and obligations.
- 12.3 If there is a dispute between partners about the partnership accounts, you agree that we may require all partners to authorise transactions which are to be made out of any accounts until all partners agree how the partnership accounts are to be run. Payments made into any accounts will be paid in the usual manner.
- 12.4 If a partner in a partnership dies or a partner ceases to be a partner of the partnership, we may treat the remaining partners as having the full power to carry on the relevant business. This applies unless we receive instructions to the contrary from any of the continuing partners, or from the executors, legal personal representatives or trustees of the deceased (such instructions must be provided in writing).
- 12.5 If we are owed money in relation to any **Products** or on any outstanding loans:
  - 12.5.1 when a partner dies, in addition to the surviving partners each remaining separately responsible, the deceased partner's estate will also be separately responsible for paying the debt and we may require payment from the deceased partner's assets; and
- 12.5.2 unless otherwise agreed between us and the partnership, when a partner leaves the partnership, on such date each partner (including the partner who has left) remains separately responsible to us to repay all of the debts outstanding at such date.
- 12.6 You must notify us immediately (in such form as we require) of any changes in the partnership, and the current partners must ensure that any incoming partners sign a confirmation of the existing **Authorised Signatories** to us in the form that we may specify from time to time. We will also need to complete any identification, background and other checks in relation to any incoming partners.
- 12.7 The **Mandate** will not be affected by:
  - 12.7.1 any change in the name, style or constitution of the partnership; or
  - 12.7.2 any change in the partners of the partnership as a result of death, bankruptcy, retirement and/or any new partner(s) joining or otherwise.
- 12.8 If any **Mandate** that you have signed is changed or terminated, the partners will not be released from any responsibility for any act performed by us in accordance with instructions previously received from the partners or an **Authorised Signatory**.

## 13. Suspension of a Product

13.1 We may suspend the availability or provision of any **Product** to you on reasonable grounds:

- 13.1.1 relating to any of the circumstances set out in the section entitled “Termination”, whilst we are investigating such circumstances;
- 13.1.2 if you become overdrawn in relation to a **Product** (where no overdraft has been agreed between you and us) or if you exceed any overdraft limit which may apply to a **Product**;
- 13.1.3 if we become aware of any dispute between the holders of an account;
- 13.1.4 if a **Product** is in your sole name and you die;
- 13.1.5 if you are **Insolvent**;

13.1.6 relating to the security of our systems; and/or

13.1.7 if we reasonably believe that you or someone else is using a **Product** illegally, fraudulently or outside of the terms of **The Agreement**,

and we will not be responsible for any loss or damage that you may suffer as a result of us suspending such **Product**. We will inform you as soon as is practicable if we are going to, or if we have, suspended any **Product** and we will advise you of the reasons, unless the law prevents us from doing so or it would undermine our security measures. We will remove the suspension on any **Product** as soon as is practicable if the reason for suspending it no longer applies.

## 14. Termination

14.1 You may stop receiving a **Product** from us or end your relationship with us entirely at any time for any reason. If you wish to do so, you will need to give one month’s notice to us. Such notice needs to be given to us in writing by post, unless otherwise agreed between you and us.

14.2 We may stop providing you with a **Product** or end our relationship with you entirely:

- 14.2.1 at any time for any reason by giving two months’ written notice to you (provided that we also give you any other notice that we are required to give to you by law); and
- 14.2.2 immediately, if any of the circumstances set out below has occurred (and we will provide you with such notice (if any) that we are required by law to provide to you):
  - 14.2.2.1 you breach **The Agreement** or any other agreement with us in a serious way;
  - 14.2.2.2 you repeatedly breach **The Agreement** or any other agreement with us;
  - 14.2.2.3 we suspect fraud in the opening or operation of any **Product**;
  - 14.2.2.4 you do anything which we reasonably believe will damage our reputation;
  - 14.2.2.5 you use, or we reasonably believe that you are using, any **Product** improperly;
  - 14.2.2.6 you fail to pay any charges that are due to us under **The Agreement**;
  - 14.2.2.7 you use, or we reasonably believe that you are using, any **Product** for or in connection with any purpose which is or may be unlawful;
  - 14.2.2.8 you breach or attempt to breach, or

we reasonably believe that you have breached or are attempting to breach, any applicable law or regulation;

14.2.2.9 you behave threateningly or abusively towards our staff;

14.2.2.10 we are required to do so in order to comply with legal, fiscal or regulatory changes;

14.2.2.11 we find that any information which you have given to us (whether in connection with **The Agreement** or not) is inaccurate;

14.2.2.12 we find that you entered into **The Agreement** (or the **Product** & Services Terms & Conditions for any **Product**) with us without informing us in writing beforehand, that material litigation was, or material administrative, criminal or judicial proceedings were, being taken against you (“material” means likely, if successful, to have any damaging effect on you);

14.2.2.13 you fail at any time to meet any identification or other checks required by law or regulation;

14.2.2.14 we reasonably believe that, if we do not stop providing you with a **Product** or end our relationship with you, you will cause us to breach any applicable law or regulation or expose us to action from any government or regulator;

14.2.2.15 if closure is required by the order of any court or direction or decision of a regulator or any other regulatory requirement; or

14.2.2.16 where we have issued a notice to close an account because you have failed to provide us with relevant 'know your customer' information, we can immediately close any accounts you apply for in the period from us issuing this notice to close and that prior account being closed.

14.2.2.17 you are **Insolvent**.

14.3 For the purposes of this section, the term "**Insolvent**" means:

14.3.1 if you are an individual, you or any other person takes (or threatens to take) any step in connection with:

- 14.3.1.1 your bankruptcy (including, for the avoidance of doubt, if a bankruptcy petition is presented against you, or you petition for your own bankruptcy);
- 14.3.1.2 the making of any composition, compromise, assignment or arrangement with any of your creditors;
- 14.3.1.3 the appointment of an interim receiver of your property under section 286 of the Insolvency Act 1986;
- 14.3.1.4 the appointment of a receiver in respect of you under the Mental Health Act 1983;
- 14.3.1.5 the appointment of any other, receiver or manager of any of your assets; or
- 14.3.1.6 any analogous procedure in any jurisdiction; or
- 14.3.1.7 you are unable or admit inability to pay your debts as they fall due or you are deemed to or declared to be unable to pay your debts under applicable law; or
- 14.3.1.8 you cease or threaten to cease to carry on business.

14.3.2 If you are a company, partnership, limited partnership or limited liability partnership, you (or any other person) takes (or threatens to take) any step in connection with:

- 14.3.2.1 any suspension or re-scheduling of payments by you, a moratorium of any of your indebtedness or your dissolution or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise);
- 14.3.2.2 the making of any composition, compromise, assignment or arrangement with any of your creditors;
- 14.3.2.3 the appointment of an administrator in respect of you (including, for the avoidance of doubt, the filing of a notice of intention to appoint an administrator, or an application being made to court for the appointment of an administrator in respect of you);
- 14.3.2.4 the appointment of a liquidator in respect of you (including the presentation of a winding up petition, the convening of a meeting of members or creditors for this purpose, or any resolution being

passed to appoint a liquidator in respect of you);

14.3.2.5 the appointment of a receiver or any similar officer in respect of you or any of your assets; or

14.3.2.6 any analogous procedure in any jurisdiction; or

14.3.2.7 you are unable or admit inability to pay your debts as they fall due (or you are deemed to or declared to be unable to pay your debts under applicable law) or the value of your assets is less than your liabilities (taking into account contingent and prospective liabilities); or

14.3.2.8 you cease or threaten to cease to carry on business.

14.4 If you become aware that any of the above circumstances have occurred, or if you believe that they will occur, you must notify us immediately.

14.5 If you stop receiving or we stop providing you with a **Product** and such **Product** is required in order for us to provide other **Product(s)** to you, we may stop providing you with all associated **Products** (for example, you need to have an account with us to use certain online services or payment services which we provide, so, if you close your account, we can stop providing you with such online services and payment services). Any notice of termination relating to a **Product** which is required in order for us to provide other **Product(s)** to you will be deemed to be a notice of termination in respect of such associated **Product(s)**. Your Relationship Terms & Conditions and the General Information On Payments, Charges & Contacts and any **Product & Services Terms & Conditions** for any other non-associated **Product(s)** that we provide to you will remain in place.

14.6 Any notice of termination relating to these Relationship Terms & Conditions and the General Information On Payments, Charges & Contacts will be deemed to be a notice of termination in respect of all **Product(s)** that we provide to you and it will end the relationship between you and us under **The Agreement** entirely.

14.7 If a sole account holder dies, the personal representative of the sole account holder may end the relationship between the sole account holder and us. The personal representative will need to provide us with any evidence that we require.

14.8 If a joint account holder dies, we may treat any **Product(s)** as belonging to the survivor(s).

14.9 If a limited liability partnership or company is dissolved or struck off, we reserve our legal rights against such limited liability partnership or company.

14.10 If there is more than one of you and the relationship between you ends, we will ask for instructions from all of you. Provided we receive clear instructions from all of you agreeing to this, we will remove the name of the person who is leaving the relationship from the **Product(s)** involved.

## 15. Your rights to cancel

- 15.1 If you change your mind within 14 days of you signing an application form for a **Product**, you can cancel and we will stop providing you with such **Product** or help you to switch to another **Product**, provided that you notify us in writing within that 14 day period. If you do not cancel the **Product** within the 14 day period the **Product & Services Terms & Conditions** for such **Product** will remain in place.
- 15.2 If you wish to stop receiving a **Product** after the 14 day period has expired, you can do so by giving one month's notice to us in writing (unless otherwise agreed with us) as set out in the section entitled "Termination".

## 16. What happens after termination or cancellation

- 16.1 If you cancel a **Product**, stop receiving a **Product**, we stop providing you with a **Product** or the relationship between you and us ends entirely:
- 16.1.1 you must destroy any cards and/or cheque books which we have provided to you relating to any relevant **Product(s)** and the action you will be required to take with regard to security devices will be advised to you at the time of cancellation or termination;
  - 16.1.2 subject to our rights in the section entitled "Set off", we will return to you any money which is in credit in relation to any relevant **Product(s)**, together with any credit interest that is due to you;
  - 16.1.3 you will still be responsible for any amount which you owe to us (whether such amount is incurred before, during or after closure) and such amounts will become immediately due and payable to us;
- 16.1.4 we will not be responsible for any loss or damage that you may suffer as a result of us acting on instructions which were authorised by you prior to the date of closure of any relevant **Product(s)**;
- 16.1.5 your and our accrued rights, and the continuation of any term of **The Agreement** which is expressly stated or implicitly intended to apply after a **Product** or various **Products** are closed, will not be affected or prejudiced;
- 16.1.6 any charges that you have paid to us in advance for any relevant **Product(s)** will be apportioned up to the date of closure of such **Product(s)** and we will refund the relevant amount to you; and
- 16.1.7 any outstanding charges that you owe to us (including charges for transactions which were executed before closure of a **Product**) will become immediately due and payable.



## 17. Liability

- 17.1 If two or more persons are comprised in the expression “you”, their undertakings and responsibilities will be joint and several.
- 17.2 If you are a trustee or trustees acting on behalf of a trust (including a pension scheme), your responsibility to us will not exceed the value of the assets of the trust (or pension scheme).
- 17.3 All warranties, conditions and other terms implied by statute or common law are excluded from **The Agreement** to the fullest extent permitted by law.
- 17.4 We will have no responsibility to you arising out of or in connection with **The Agreement**, howsoever caused including if caused by negligence, for any:
  - 17.4.1 loss of profit (whether direct, indirect or consequential);
  - 17.4.2 loss of revenue, loss of production or loss of business (whether direct, indirect or consequential);
  - 17.4.3 loss of goodwill, loss of reputation or loss of opportunity (whether direct, indirect or consequential);
  - 17.4.4 loss of anticipated savings or loss of margin (whether direct, indirect or consequential);
  - 17.4.5 loss of bargain (whether direct, indirect or consequential);
  - 17.4.6 costs relating to wasted managerial, operational or other time (whether direct, indirect or consequential);
  - 17.4.7 loss of or corruption of data or information (whether direct, indirect or consequential);
  - 17.4.8 claims made against you by third parties (whether in respect of direct, indirect or consequential losses); or
  - 17.4.9 indirect, consequential or special loss.
- 17.5 Nothing in **The Agreement** excludes or limits our responsibility in any way for:
  - 17.5.1 death or personal injury which is caused by our negligence or the negligence of our employees, agents or subcontractors;
  - 17.5.2 our fraud or fraudulent misrepresentation, or the fraud or fraudulent misrepresentation of our employees, agents or subcontractors; or
  - 17.5.3 any other matter for which we cannot exclude or limit our responsibility by law.

## 18. Circumstances beyond your or our control

- 18.1 You and we will not be responsible if you or we (or our sub-contractors or agents) are unable to perform any obligations under **The Agreement**, or if you or we are delayed in doing so, due to abnormal and unforeseeable circumstances beyond your or our control provided that the consequences were unavoidable despite all efforts to the contrary.
- 18.2 Some examples of where circumstances may be beyond your or our control are typically (but not exclusively) industrial action, riots, invasions, terrorist attacks, threat of terrorist attacks, war, hostilities, rebellion, local or national emergency, civil commotion, fire, explosion, storm, flood, earthquake, accident, epidemic, natural disaster, acts or omissions of third parties, failure or fluctuation of a power supply or a breakdown or failure of telecommunications networks, equipment or software.
- 18.3 We will also not be responsible if we are unable to perform any of our obligations under **The Agreement**, or if we are delayed in doing so, where we are required to act in a certain way due to legal or regulatory requirements.
- 18.4 We and/or any member of **Lloyds Banking Group** may be subject to sanctions and/or embargoes imposed by the international community including the UK, EU, UN and the USA. We may not accept instructions and may refuse to make any payment or take any action pursuant to an instruction if it would result, or in our reasonable opinion is likely to result, in a breach by us or any member of **Lloyds Banking Group** or any of their respective employees of any sanction or embargo whether or not imposed in the UK and we will not be liable for any loss, damage, cost or expense by reason aforesaid. We shall be permitted to disclose to the relevant authorities such information in relation to any instruction and/or payment as may be required.

## 19. Set off

- 19.1 If you owe money to us, we may use money in any of your accounts with us to reduce or repay what you owe to us without telling you before we do so (and, if we need to make a currency exchange in order for us to do so, we will use the equivalent amount in the relevant currency). We will not use this right where:
- 19.1.1 we are required by law to hold money in your account for somebody else (for example, where monies are held in a client account);
  - 19.1.2 to do so would contravene any law or regulation; and/or
  - 19.1.3 we have otherwise agreed with you that we will not do so.

## 20. Other terms you need to know about your agreement with us

- 20.1 **The Agreement** and any non-contractual obligations which arise out of **The Agreement** are governed by the law of England and Wales and you and we both agree that the courts of England and Wales have exclusive jurisdiction to determine any dispute arising out of or in connection with **The Agreement**, including in relation to any non-contractual obligations unless you are:
- 20.1.1 a company or other incorporated body and your registered office is in Scotland;
  - 20.1.2 sole trader and your business operates from Scotland;
  - 20.1.3 an unincorporated body and your central management and control is exercised from Scotland; or
  - 20.1.4 a charity based in Scotland,
- in which case, **The Agreement** and any non-contractual obligations which arise out of **The Agreement** will be governed by the law of Scotland and you and we both agree that the courts of Scotland have exclusive jurisdiction to determine any dispute arising out of or in connection with **The Agreement**, including in relation to any non-contractual obligations.
- 20.2 **The Agreement** is solely between you and us and, with the exception of terms in **The Agreement** which include references to **Lloyds Banking Group** (which can be enforced by **Lloyds Banking Group**), no other person will have any rights to enforce any of its terms.
- 20.3 You cannot grant any security over any account with us (except in favour of us).
- 20.4 Each of the terms within the **Terms And Conditions** operates separately. If any court or relevant authority decides that any of the terms are unlawful, the remaining terms will remain in full force and effect. Any unlawful terms will apply with whatever modification is necessary to give effect to the commercial intentions of you and us.
- 20.5 You may only transfer any of your rights and obligations, or sub-contract any of your obligations, under **The Agreement** to another person if we agree in writing
- 20.6 We may transfer any of our rights and obligations under **The Agreement** to another person without your prior consent. You agree that you will promptly execute all documents that we reasonably require in order to make a transfer effective. We may also sub-contract any of our obligations under **The Agreement** to another person without your prior consent.
- 20.7 **The Agreement** constitutes the entire agreement made between you and us in respect of the **Products** and supersedes any prior agreement or arrangement made between you and us in relation to such **Products**. You and we agree that:
- 20.7.1 you and we have not entered into **The Agreement** in reliance upon any statements or representations which are not expressly set out in **The Agreement**;
  - 20.7.2 the only remedy for any misrepresentation or breach of any representation or statement made before you and we entered into **The Agreement** and which is expressly set out in **The Agreement** will be for breach of contract; and
  - 20.7.3 nothing in this section is intended to limit or exclude the responsibility of any person for fraud or fraudulent misrepresentation.
- 20.8 If we fail to insist that you perform any of your obligations under **The Agreement** or if we do not enforce our rights against you, or if we delay in doing so, that will not mean that we have waived our rights against you and will not mean that you do not have to comply with those obligations. If we do decide to waive a breach by you, we will do so in writing, and that will not mean that we automatically waive any later breach by you.

20.9 **Lloyds Banking Group** and its subsidiaries may participate in benchmarks in any one or more of the following capacities; as administrator, submitter or user. Benchmarks may be referenced by **Lloyds Banking Group** for internal purposes or used to reference products, services or transactions which

we provide or carry out with you. More information about **Lloyds Banking Group** participation in benchmarks is set out in the Benchmark Transparency Statement which is available on **Our Website**.

## 21. Payment instructions

### Giving payment instructions to us

21.1 In order for us to process a payment instruction from you, you will need to provide certain information to us. The information that we need depends on the currency of the payment and the location of the beneficiary's account and is known as the unique identifier. You can find details of the unique identifier in the **Service Level Guide**.

### Important information about unique identifiers

- 21.2 It is very important that the unique identifier that you provide to us is correct as this is the only information that we will use to process your payment instructions.
- 21.3 If you fail to provide us with all of the information that we require or if the information that you provide to us is unclear in any way, we may not be able to act on your instructions. The section entitled "Our rights to decline or delay acting on your payment instructions" explains what will happen in such circumstances.
- 21.4 If we process your payment instructions in accordance with the unique identifier that you provide to us and that unique identifier is incorrect, the payment may not reach the intended beneficiary. You can ask us to trace the payment for you and we will make reasonable efforts to do so, but we will not be responsible for any loss or damage that you may suffer, whether due to us processing the incorrect instructions or due to our failure to trace the payment. 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 information to you that we are allowed to provide to you by law.
- 21.5 If you are making repeated payments to a beneficiary (even if that beneficiary's unique identifier information has been saved on an online service that we provide to you), it is your responsibility to check that the unique identifier information that you provide to us is correct each time that you provide payment instructions to us.

### What happens if the beneficiary of a payment has switched accounts

#### Limits on payments

- 21.6 Where we have been notified by a UK banking industry payment scheme service (such as the Current Account Switching Service), that the beneficiary of a payment has moved their current account to another financial institution, we will update your instruction with the beneficiary's new Sort Code and Account number without further notice to you to ensure that your payment reaches the correct account within the timescales set out in this section.
- 21.7 We set limits on certain types of payments (such as **Faster Payments**) and we may agree other limits with you which apply to certain types of payment or in respect of **Payment Instruments**. You can find details of any limits we have set in the Product & Services Terms & Conditions and/or the **Service Level Guide**.

#### Confirmation of payee

- 21.8 We participate in the confirmation of payee service. This is a name checking service to help stop certain types of domestic payments that are made in sterling going into the wrong account. We will check the name of the account you want to pay against the name you are using to set up the payment ("Confirmation of Payee").
- 21.9 If you add a new recipient to your account so that you can send them a payment (online), we will contact the bank (or other financial institution) of the person, business or organisation you want to pay to check the name on the account matches the name you have given us. We will also check if it is a personal or business account. If the other bank or financial institution is making Confirmation of Payee checks, they will tell us if the name matches, does not match or partially matches the name you have given us. They will also tell us if it is a business or personal account and they will give us other relevant information, for example, if the account has switched to another bank. We will display this information so that you can decide if you want to continue setting up the new recipient.

- 21.10 If we do not give you an exact 'match' result, you will be asked if you want to continue making the payment. If you make the payment and this goes to the wrong person, business or organisation, we may not be able to get your money back for you. If you do get an exact 'match' result and you make a payment which goes to the wrong person, business or organisation, you may be entitled to a refund, depending on the circumstances.
- 21.11 If someone adds you to their account as a payment recipient and Confirmation of Payee checks are made, their bank or financial institution will make these checks with us about you and your account. In response to Confirmation of Payee checks, we will give information about you and your account to:
- other customers of ours;
  - other banks (or other financial institutions, who may be eligible to participate in Confirmation of Payee) who will pass this on to their customers.

This information can include the full name of any account held by you with us, including, if applicable, the name of any underlying client on whose behalf you may have opened the account, whether the account is a business account or a personal account or if your account has switched to another bank. Please refer to our Privacy Notice which explains your privacy rights.

#### Important note

Lloyds Bank Gem® does not enable you to make payments by paper cheques of any kind, bankers' drafts, paper-based vouchers or paper postal orders. The General Information On Payments, Charges & Contacts contains details of payment types you can make on Lloyds Bank Gem®. When making payments on Lloyds Bank Gem®, you must instruct the payments using one of the available channels and you cannot initiate payments in paper form, by email or by phone.

## 22. Providing consent for and receiving payment instructions

### Providing consent to make a payment

- 22.1 We must have your consent to execute a payment transaction. The ways in which your consent will be given to us differ for each **Product** and can be found in the Product & Services Terms & Conditions for each **Product** if applicable.
- 22.2 If you give consent to us in relation to a series of recurring payments, we will treat this as you giving your consent for all future payments in the series, unless you notify us otherwise.

## 23. Receipt of your payment instructions

- 23.1 We will treat a payment instruction to have been received by us at the time that it is actually received by us (rather than the time that you send it to us), unless you instruct us to make a payment on a future date or a series of recurring payments on future dates.
- 23.2 If you instruct us to make a payment on a future date or a series of recurring payments on future dates, we will treat the date that we are required to begin processing the payment as the date that we receive your payment instruction (this is known as the date of deemed receipt).
- 23.3 Except for **Faster Payments**, if we receive (or are deemed to receive) any payment instruction:
- 23.3.1 after the cut-off time on any **Business Day**; or
  - 23.3.2 on a day which is not a **Business Day**,
- we will reject the payment unless you have agreed otherwise with us.

- 23.4 If you have agreed otherwise we will treat that payment instruction to have been received by us on the next **Business Day**.
- 23.5 You can find our standard payment cut-off times in the **Service Level Guide**. Some **Products** may have separate cut-off times and, if applicable, details of those cut-off times (or where to find them) will be set out in the Product & Services Terms & Conditions for any relevant **Products**.

#### Processing your payment instructions

- 23.6 We will act on your payment instructions so that the amount to be transferred reaches the beneficiary's bank or other financial institution in accordance with the execution times set out in the **Service Level Guide**.

## 24. Withdrawing your consent and recalling payments

#### Withdrawing consent

- 24.1 Once we receive your consent, you can only withdraw it if you notify us by close of the **Business Day** before the payment is scheduled to be made.
- 24.2 If we have started to process a payment, we will make reasonable efforts to stop it. You cannot withdraw your consent to a payment you have asked us to make immediately or a payment you have asked us to make through a **Third Party Provider**.
- 24.3 If you withdraw your consent in relation to a series of recurring payments, we will treat this as you withdrawing your consent for all future payments in the series, unless you notify us otherwise.

#### Recalling payments

- 24.4 If we have started to process a payment and you notify us that you would like to recall it, we will make reasonable efforts to do this but you acknowledge that:

- 24.4.1 we may not be able to recall the payment and we will have no responsibility to you for any loss or damage that you may suffer if we are unable to do so; and
- 24.4.2 if the payment has already been credited to the account of the beneficiary, we will only be able to recall the payment with the agreement of the beneficiary.

- 24.5 If we are able to recall the payment and the payment was in a different currency to the denomination of the account, we will return to you the equivalent amount in the currency in which your account is denominated. We will calculate the amount to be returned to you based on the **Lloyds Bank Foreign Exchange Rate** prevailing on the day that the amount is credited to your account.
- 24.6 We may charge you for withdrawing a payment order under any of the circumstances in this section. Such charges are set out in the General Information On Payments, Charges & Contacts.

## 25. Payments involving a foreign currency exchange

#### Foreign currency exchange rate information

- 25.1 The exchange rates we use are variable exchange rates which are changing constantly throughout the day (for example, to reflect movements in foreign exchange markets). The exchange rate applied to your payments will appear on your statement. Unless otherwise agreed with you, the exchange rate we will apply to payments you make involving a currency exchange (including any future dated payments) and payments you receive which are in a different currency to the denomination of your account will be the **Lloyds Bank Foreign Exchange Rate** applicable at the time that your payment is

processed. You can contact us to find out the rate which will apply and you can find details of how to contact us in the **Service Level Guide**.

- 25.2 The **Lloyds Bank Foreign Exchange Rate** includes a margin. This margin is the difference between the **Lloyds Bank Foreign Exchange Rate** you pay and the rate available to us when we obtain these currencies. The rate available to us will depend on a variety of factors such as where we source the rates from, timing of the transaction and whether we hold the rate for you. The rate you achieve will be different from what you can see elsewhere.

- 25.3 The exchange rates applied to your payments are considered final. If a payment is returned, the amount credited to your account may be different to the original debited amount. Any difference is due to potential movements in underlying exchange rates and possible third-party bank charges.
- 25.4 Where you make a payment, we or our correspondent may convert the currency if we believe that the beneficiary account is in a different currency to the currency the payment is sent in. Regulation 57(1) of the **Payment Services Regulations** does not apply. This means that where you have asked us to make a payment and we, or our correspondent believe that the beneficiary account is in a different currency to the currency set out in the payment instruction, unless you have asked us not to convert a payment, we or any correspondent bank acting on our behalf may convert the payment currency. Where we convert the currency of the payment, we will advise you of any exchange rate used. Where the payment is converted by a correspondent bank acting on our behalf, we will advise you of the exchange rate where this information is made available to us. Where the payment is converted by a

correspondent bank acting on our behalf, we may receive a payment from them.

#### Unavailable currencies

- 25.5 From time to time we are unable to make payments in certain currencies (you can contact us to check whether payment in a specific currency is available) and you can find details of how to contact us in the **Service Level Guide** or by contacting your relationship team. If you ask us to make a payment in a currency we do not offer, we may make an equivalent payment in sterling or in a currency other than sterling and we will agree which currency with you in advance. Where we make the payment in a currency other than sterling, we will use the **Lloyds Bank Foreign Exchange Rate** applicable to a **Product** to convert the payment. If the rate actually used is different to the indicative rate used by us to calculate the sterling (or other currency) payment amount, we may debit all or part of any shortfall to your account. We will notify you if this is the case. In the event of a surplus, this will be refunded to your account. If a payment is converted by the beneficiary's bank, it will be converted using that bank's applicable exchange rate at the time.

## 26. Our rights to decline or delay acting on your payment instructions

- 26.1 We may decline to process or delay processing your payment instructions, and we will not have any responsibility to you for any loss or damage that you may suffer as a result, if:
- 26.1.1 you are in breach of **The Agreement**;
  - 26.1.2 there are insufficient cleared funds in your account to cover the amount of the transaction;
  - 26.1.3 the transaction would exceed any limit relating to any **Product**;
  - 26.1.4 there is a dispute (which we reasonably believe to be genuine) about the ownership or entitlement to money in your account or we reasonably believe someone else may have rights over money in your account;
  - 26.1.5 we become aware of any dispute between the holders of an account;
  - 26.1.6 the terms of the account held by the beneficiary of the payment prevent completion of the transaction;
  - 26.1.7 the payment seems unusual when considering the way that you normally use your account;
  - 26.1.8 by processing your payment instructions, we would infringe any law or regulation;
  - 26.1.9 the payment instructions relate to one or more of a limited number of countries, from or to which we may decide not to process payments (for example, a country in relation to which sanctions are in place);
  - 26.1.10 not acting on the instruction or delaying to act on the instruction would assist us with complying with applicable money laundering laws or regulations;
  - 26.1.11 we consider that the instruction is inaccurate or requires further explanation or does not appear to be given in accordance with the relevant **Mandate**;
  - 26.1.12 if we acted upon the instruction, it would breach **The Agreement** or the operating limits of any relevant **Product**;
  - 26.1.13 in relation to a **Product** which is provided through one of our online services, we are unable to process your payment instructions due to:
    - 26.1.13.1 maintenance (whether routine or emergency) or enhancement of the service;
    - 26.1.13.2 any technical fault or failure;
  - 26.1.14 despite all efforts, we are unable to make the payment within the timescales specified in the section entitled "Processing your payment instructions";

- 26.1.15 any of the circumstances in the section entitled "Termination" occur; and/or
- 26.1.16 we receive a payment instruction for an immediate payment after the cut-off time on a **Business Day** or on a day which is not a **Business Day** and you have not asked us to make the payment on the next **Business Day**.
- 26.2 If we have declined to process your payment instructions, we will provide and/or make available to you details of the reason(s) for the refusal as soon as is practicable and at the latest within the timescales set out in the section entitled "Processing your payment instructions", unless the law prevents us from doing so or it would undermine our security measures. We will also include details of how to correct any errors which led to our refusal, if appropriate.
- 26.3 We may also not be able to process your payment instructions if we are sending the payment using a payment scheme (for example, **Faster Payments**) and the financial institution to which we are sending the payment is not a member of the relevant payment scheme or if the amount of the payment exceeds any value limit which is permitted under the relevant payment scheme. If we cannot make a payment using the relevant payment scheme, we will notify you or make this information available to you so that we can discuss with you alternative ways that we could make the payment (and any charges that may be payable by you as a result). Unless you have already asked us to make the payment by an alternative method, we will not make the payment by an alternative method until we receive an instruction from you to do so. If, in exceptional circumstances, we are unable to make the payment using an alternative method, we will notify you of this and the reason for this or make this information available to you (unless the law prevents us from doing so or it would undermine our security measures) within

the timescales that we would have processed your payment (as set out in the section entitled "Processing your payment instructions").

### Delaying payments

- 26.4 Where we reasonably suspect a payment in sterling you have asked us to make to another UK account involves fraud or dishonesty, we may delay the processing of your instruction. We may do this to ask you for further information or to contact third parties to check that the payment is not fraudulent or dishonest. We can delay payments for up to 4 **Business Days** but won't delay longer than necessary to make these checks.
- 26.5 We will tell you if we are delaying your payment no later than the end of the **Business Day** following the day you ask us to make it. We will also explain why and give you any information we have that will help you decide whether to ask us to make it. We may ask you for further information we need to process the payment. We won't tell you we are delaying your payment if there is a legal or security reason why we can't.
- 26.6 If we reasonably suspect a payment involves fraud or dishonesty, we may ask you to take further steps to check the payment, talk to someone about it or tell us you wish to cancel it. If you ask us to make the payment, we may be unable to recover the funds from the recipient.
- 26.7 Where we (or the systems we use) still reasonably suspect the payment instruction is fraudulent after you have carried out further steps, we can refuse to make a payment.
- 26.8 If you have to pay any charges or interest as a result of a payment being delayed due to suspected fraud or dishonest activity we will refund you any interest or charges you have paid because of the delay.

## 27. Payments made into your account by mistake

- 27.1 If we discover that a payment has been credited to your account by mistake, or if a payment is recalled by the financial institution that made it, we reserve the right to debit your account with the amount of that payment, even if this results in your account going into an authorised or unauthorised

overdraft. We may also be required by law to pass on information about you to the other bank or financial institution. You may have to pay any charges and/or interest that result from the use of an authorised or unauthorised overdraft in such circumstances.

## 28. When we can stop the use of a Payment Instrument

- 28.1 We can stop the use of a **Payment Instrument** if it is reasonable for us to do so for reasons relating to:
- 28.1.1 the security of the **Payment Instrument**;
  - 28.1.2 any suspected unauthorised or fraudulent use of the **Payment Instrument**;
  - 28.1.3 a significantly increased risk that you will be unable to repay any overdraft or credit line relating to a **Payment Instrument**; and/or
  - 28.1.4 our legal or regulatory obligations, and we will not have any responsibility to you in respect of any loss or damage that you may suffer as a result.
- 28.2 We will inform you as soon as is practicable if we are going to, or if we have, stopped the use of a **Payment Instrument** and we will advise you of any reasons, unless the law prevents us from doing so or it would undermine our security measures. We will remove the stop on any **Payment Instrument** or replace it with a new **Payment Instrument** as soon as is practicable if the reason for stopping it no longer applies.
- 28.3 If you need to discuss the stop on any **Payment Instrument** with us, you can find details of how to contact us in the **Service Level Guide**.

## 29. Refunds for incorrectly executed payment instructions

### What happens if we incorrectly execute or fail to execute a payment transaction

- 29.1 If we incorrectly execute or fail to execute a payment transaction made from your account (e.g. a credit transfer, card payment or Direct Debit), we will, within a reasonable period after we have completed an investigation, refund to you the amount of the incorrectly executed payment and, where applicable, restore your account to the state it would have been in if the defective payment transaction had not taken place (including refunding any interest you have paid or paying you any interest you have missed out on).
- 29.2 If you ask us to make a payment to someone else in the **EEA** and the beneficiary's bank or other financial institution receives it later than set out in the **Service Level Guide**, you can ask us and we'll contact the other bank and ask them to correct the amount of interest on the account with their customer (so that it is as if the payment was received on time).
- 29.3 If you ask us to request a payment from someone else on your behalf (e.g. by Direct Debit) and we incorrectly execute or fail to execute the payment instruction, we will re-transmit the payment order as soon as reasonably practicable. When we receive the funds, we will immediately make the funds available to you and refund to your account any interest and charges you have incurred or pay any interest that you have missed out on so that it is as if the transaction had been executed correctly.
- 29.4 If we receive a payment to you from another bank or other financial institution but we do not credit it to your account straight away, we will immediately make available the amount of the payment to you and credit the corresponding amount to your account. We will also refund to you any charges you have incurred due to our failure and pay/refund any interest to you so that it is as if you received the payment when you should have done.
- 29.5 If we can show that we correctly transmitted the payment or payment order (as applicable) to the beneficiary's bank or other financial institution within the relevant timescale, you will not be entitled to a refund under this section entitled "Refunds for incorrectly executed payment instructions" and restoration of your account or retransmission of the payment order (as applicable).
- 29.6 You will not be entitled to a refund under this section entitled "Refunds for incorrectly executed payment instructions" if:
- 29.6.1 we executed the payment in accordance with the unique identifier that you gave to us; and/or
  - 29.6.2 you fail to notify us without undue delay on becoming aware of the error, and in any event within 2 months of the date that the payment left or should have left your account. You can find details of how to contact us in the **Service Level Guide**.
- 29.7 If you ask us to trace a payment for you, we will make immediate efforts to do so free of charge and



we will notify you of the outcome.

- 29.8 Beyond the responsibility set out above, we will have no further responsibility to you for a payment transaction that we have failed to execute or incorrectly executed.

- 29.9 This section does not affect any rights you may have to a refund under the UK Direct Debit Scheme or the SEPA Direct Debit Scheme. Details of the UK Direct Debit Scheme and the SEPA Direct Debit Scheme are widely available on the internet.

## 30. Refunds for incorrect payment amounts/sums

### Your entitlement to a refund for transactions initiated through a payment beneficiary (“payee”)

- 30.1 For transactions initiated by a payee where the exact amount of the payment was not specified when you gave your consent to make the payment (for example, **Direct Debits**), we will refund to you the amount of the payment if:
- 30.1.1 the amount of the payment is more than you could have reasonably expected to pay taking into account the previous spending pattern on your account, the **Terms And Conditions** and any other circumstances relevant to you, your account or the payee; and
  - 30.1.2 you request the refund from us within eight weeks from the date that the amount left your account. We will also refund to you any charges you have directly incurred on your account and refund any interest you have paid or pay you any interest you have missed out on.
- 30.2 You will not be entitled to a refund if you gave your consent directly to us to make the payment and the amount of the payment was provided or made available to you at least four weeks before the due date for payment.

### The action we will take upon receipt of your request for a refund

- 30.3 Before providing a refund to you, we may ask you to provide us with any information that we reasonably require so that we can ensure that you satisfy the requirements for a refund.
- 30.4 Within 10 **Business Days** of the later of:
- 30.4.1 our receipt of your request for a refund; or
  - 30.4.2 our receipt of any information that we ask you to provide, we will provide you with a refund or inform you why you are not entitled to a refund. If you are not happy with our decision, you can contact your relationship team or make a complaint to us.
- 30.5 Beyond the responsibility set out above, we will have no further responsibility to you in respect of a transaction which has been initiated by a payee under the circumstances set out in this section entitled “Refunds for Incorrect Payment Amounts/Sums”.
- 30.6 This section does not affect any rights you may have to a refund under the UK Direct Debit Scheme or the SEPA Direct Debit Scheme. Details of the UK Direct Debit Scheme and the SEPA Direct Debit Scheme are widely available on the internet.

## 31. Refunds and liability for unauthorised transactions

### When you will be entitled to a refund for an unauthorised transaction

- 31.1 If a payment transaction was not authorised by you (and subject to any responsibility that you may have under the section entitled “Your responsibility for unauthorised transactions”), we will refund the amount of the transaction to you and, where applicable, restore your account to the state it would have been in if the unauthorised transaction had not taken place (including refunding any

interest you have paid or paying you any interest you have missed out on), provided that you notify us without undue delay on becoming aware of the unauthorised transaction, and in any event within 2 months of the date that the payment left your account. You can find details of how to contact us in the **Service Level Guide**. We will provide a refund to you as soon as practicable and always by the end of the **Business Day** following the day we become aware of the unauthorised transaction on your account, unless we suspect that you have

acted fraudulently.

- 31.2 We may investigate whether you are entitled to a refund and we may ask you to provide us with any information that we reasonably require as part of such investigation. If we have already provided a refund and, through our subsequent investigations, we discover that you were not entitled to a refund, we may debit the refunded amount from your account (subject always to any rights you may have under the UK Direct Debit Scheme). We will give you reasonable notice in advance of doing so.
- 31.3 When we are assessing whether a payment transaction was authorised by you, we will treat the use of any **Payment Instrument** as sufficient evidence to show that the payment was authorised by you.

#### Your responsibility for unauthorised transactions

- 31.4 Unless we agree that the payment transaction was not authorised by you, you will be responsible for all losses incurred in respect of an unauthorised

transaction except for any losses arising in the following circumstances, unless you have acted fraudulently:

- 31.4.1 after you have notified us in the agreed manner of the loss, theft, misappropriation or unauthorised use of the **Payment Instrument**; or
- 31.4.2 if we fail to provide the means for you to notify us of the loss, theft, misappropriation or unauthorised use of the **Payment Instrument** (unless the section entitled "Circumstances beyond your or our control" applies to us).
- 31.5 Beyond the responsibility set out above, we will have no further responsibility to you for unauthorised transactions.
- 31.6 This section does not affect any rights you may have to a refund under the UK Direct Debit Scheme or the SEPA Direct Debit Scheme. Details of the UK Direct Debit Scheme and the SEPA Direct Debit Scheme are widely available on the internet.

## 32. Contacting each other



#### Ways we can contact each other – general

- 32.1 The ways in which you can contact us and our contact details will differ depending on which **Product** you need to discuss with us. You can find contact details relating to each **Product** in the **Service Level Guide**.
- 32.2 Unless **The Agreement** states that we will contact you in a particular way in relation to a specific type of notice or we are required by law to contact you in a particular way, we can contact you by post, by telephone, or by email (in each case using the details which you provided to us on the application form relating to a **Product** or the details that you have since informed us are correct), through a message on an online service that we provide to you or by posting a notice on **Our Website**.
- 32.3 We will contact you by telephone or text message if we need to tell you about suspected or actual fraud or security threats to any or all of your accounts.
- 32.4 If we are sending a copy of a notice to you, we will only send one copy. This applies even if a **Product** is held in the names of two or more persons.
- 32.5 Any information and communications that are provided to you or made available to you relating to **The Agreement** will be in the English language.



#### Date of receipt of any communication to you or us

- 32.6 Any notice sent by post in the UK will be deemed to have been delivered on the second **Business Day** after posting if first class post has been used, or on the fourth **Business Day** after posting if second class post has been used.
- 32.7 Any notice sent from outside the UK will be deemed to have been delivered on the eighth **Business Day** after posting.
- 32.8 Any notice sent by email before 4pm on a **Business Day** will be deemed to have been delivered on that day, but otherwise on the next **Business Day**.
- 32.9 If we post information on **Our Website**, it is considered received by you at the time that the notice is uploaded or first becomes available for viewing on **Our Website**. It is your responsibility to check **Our Website** regularly for any notices applicable to you.



### Email communication

- 32.10 You agree that we may accept emails from you for general communication purposes and that we may act on emails that we reasonably believe you have sent to us. However, we will not accept payment instructions from you provided by email. We will also not accept the service of any proceedings or other documents in a legal action to which the Civil Procedure Rules apply by email.
- 32.11 When we accept emails from you for general communication purposes, we will not have any responsibility to you for any loss or damage that you may suffer as a result of our failure to respond to an email if:
- 32.11.1 we consider that your email is unclear in any way;
  - 32.11.2 we doubt the validity of your email;
  - 32.11.3 we are unable to receive your email (and/or any attachments to it) due to a system error or rejection of your email by our system; and/or
  - 32.11.4 the individual to which you have sent the email (or the individual that monitors the email account to which you have sent the email) is unavailable, which causes a delay.



### What you must do if certain details change

- 32.12 You can change your contact details by giving seven days' written notice to us.
- 32.13 You must tell us (and provide us with any evidence that we reasonably require) as soon as possible if any of the following change, to the extent that it applies to you:
- 32.13.1 your name;
  - 32.13.2 the nature of your business or organisation;
  - 32.13.3 your address;
  - 32.13.4 your phone number;
  - 32.13.5 your email address;
  - 32.13.6 your status as a non **Micro-enterprise**;
  - 32.13.7 your directors or members (as applicable) and you must give details to us regarding the amount of such directors' or members' interest in your business or organisation;
  - 32.13.8 the structure of your business or organisation (such as a change of control), if such change is material; and/or
  - 32.13.9 the names of those persons that you wish to be appointed as Authorised Signatories.

## 33. Statements of account

- 33.1 Where there have been transactions on your account, we will make available transaction information online each day and provide a statement of account online in a downloadable form at least once a month to help you manage your finances, unless you ask us (or you have previously asked us) for a statement at another frequency or in a different format which we offer. If you require a statement of account on paper, there will be a charge for this as set out in the General Information On Payments, Charges & Contacts.
- 33.2 You should check your transaction information and statements of account carefully after you receive them or after they are made available to you and notify us of any apparent mistake or discrepancy without undue delay.
- 33.3 You agree that the following information may be provided in your statements of account:

If a payment was made from your account:	If a payment was made into your account:
a. a reference enabling you to identify;	a. a reference enabling you to identify;
b. where appropriate, information that we have received relating to the beneficiary of the payment;	b. where appropriate, information that we have received relating to the person making the payment and any information transferred to us with the transaction;
c. the amount of the transaction in the currency in which your account was debited or in the currency used for the payment order;	c. the amount of the transaction in the currency in which your account was credited;

If a payment was made from your account:	If a payment was made into your account:	If a payment was made from your account:	If a payment was made into your account:
d. the amount of any charges for the transaction and, where applicable, a breakdown of those charges, and/or any interest payable by you;	d. the amount of any charges for the transaction and, where applicable, a breakdown of those charges, and/or any interest payable by you;	e. where applicable, the exchange rate used in relation to the transaction and the amount of the transaction after the currency conversion; and	e. where applicable, the exchange rate used in relation to the transaction and the amount of the transaction after the currency conversion; and
		f. the debit value date or the date of receipt of the payment order.	f. the credit value date.

## 34. Your obligations relating to the security of your accounts, payments and Payment Instruments

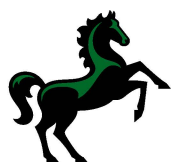
### What you must do to maintain security

34.1 You must use any **Products**, security devices and **Payment Instruments** provided to you in accordance with any instructions that we give to you (including any instructions set out in any relevant Product & Services Terms & Conditions) and you must take all reasonable steps to keep them safe, including by following any steps we advise from time to time. You can find details of these steps in the **Service Level Guide**.

### What you must do if you have any concerns about security

34.2 If you think that any security device or **Payment Instrument** is lost, has been stolen, has been compromised or could be misused, or if you have been asked to disclose any of the personalised security details referred to above you must contact us without undue delay using the contact details found in the **Service Level Guide**. Where necessary we will stop the use of the Payment Instrument in accordance with the section entitled "When we can stop the use of a **Payment Instrument**". We will remove the stop on any **Payment Instrument** as soon as it is practicable if the reason for stopping it no longer applies.

34.3 You agree that you will assist us or our agents in any investigations into the loss or theft or potential misuse of any security device or **Payment Instrument**. You acknowledge that we may pass information relating to you to other financial institutions and/or the police and/or other authorities for the purposes of an investigation.



**LLOYDS**