

COMMERCIAL BANKING



HEAD OFFICE
COLLECTION ACCOUNT

Product & Services Terms & Conditions



LLOYDS BANK

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Core Banking Agreement

(“**The Agreement**”) contains terms, conditions and important information that apply to certain of our products and services.

Those products and services can be identified as they state in the header Core Banking Agreement.

Important Information

The following documents detail both your and our rights and obligations in relation to the **Products**.



RELATIONSHIP TERMS & CONDITIONS

These contain the general relationship terms and conditions for all **Products** under **The Agreement**;



PRODUCT & SERVICES TERMS & CONDITIONS

These contain additional terms and conditions for a specific **Product** provided under **The Agreement**; and



GENERAL INFORMATION ON PAYMENTS, CHARGES & CONTACTS

This contains the general information you will need to know in respect of payments and standard charges under **The Agreement**. Also included are general contact details and information on large print, Braille and call recording.

You need to read

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 can find a copy of each of these at lloydsbank.com/corebankingagreement or request a copy from your relationship team.





DEFINITIONS

Words and expressions as defined in the Relationship Terms & Conditions and the General Information On Payments, Charges & Contacts have the same meaning in these Product & Services Terms & Conditions unless otherwise stated in these Product & Services Terms & Conditions

1. Definitions

- 1.1 Words and expressions as defined in the Relationship Terms & Conditions and the General Information On Payments, Charges & Contacts have the same meaning in these Product & Services Terms & Conditions unless otherwise stated in these Product & Services Terms & Conditions. We also use the following defined terms throughout these Product & Services Terms & Conditions.

Facility Letter

means the document detailing specific terms and conditions relevant to an overdraft or other borrowing agreed by your relationship team (as amended, varied or supplemented from time to time).

HOCA

means a Head Office Collection Account.

Settlement Account

means the **Trading Account** held with us in your name which you nominate as such and to which funds in your **HOCA** are to be transferred in accordance with these Product & Services Terms & Conditions.

Settlement Account Charging Cycle

means the monthly, quarterly, half-yearly or other periodic charging cycle relating to the payment of interest and charges on your **Settlement Account** as agreed with us.

Trading Account

means an account used by you for day to day banking transactions.

2. Purpose of the Account

- 2.1 A **HOCA** may not be used as a **Trading Account**.
- 2.2 A **HOCA** is intended to be used for the purposes of receiving and aggregating large volumes of payments.
- 2.3 In order to maintain your **HOCA**, you must also maintain a **Settlement Account**.

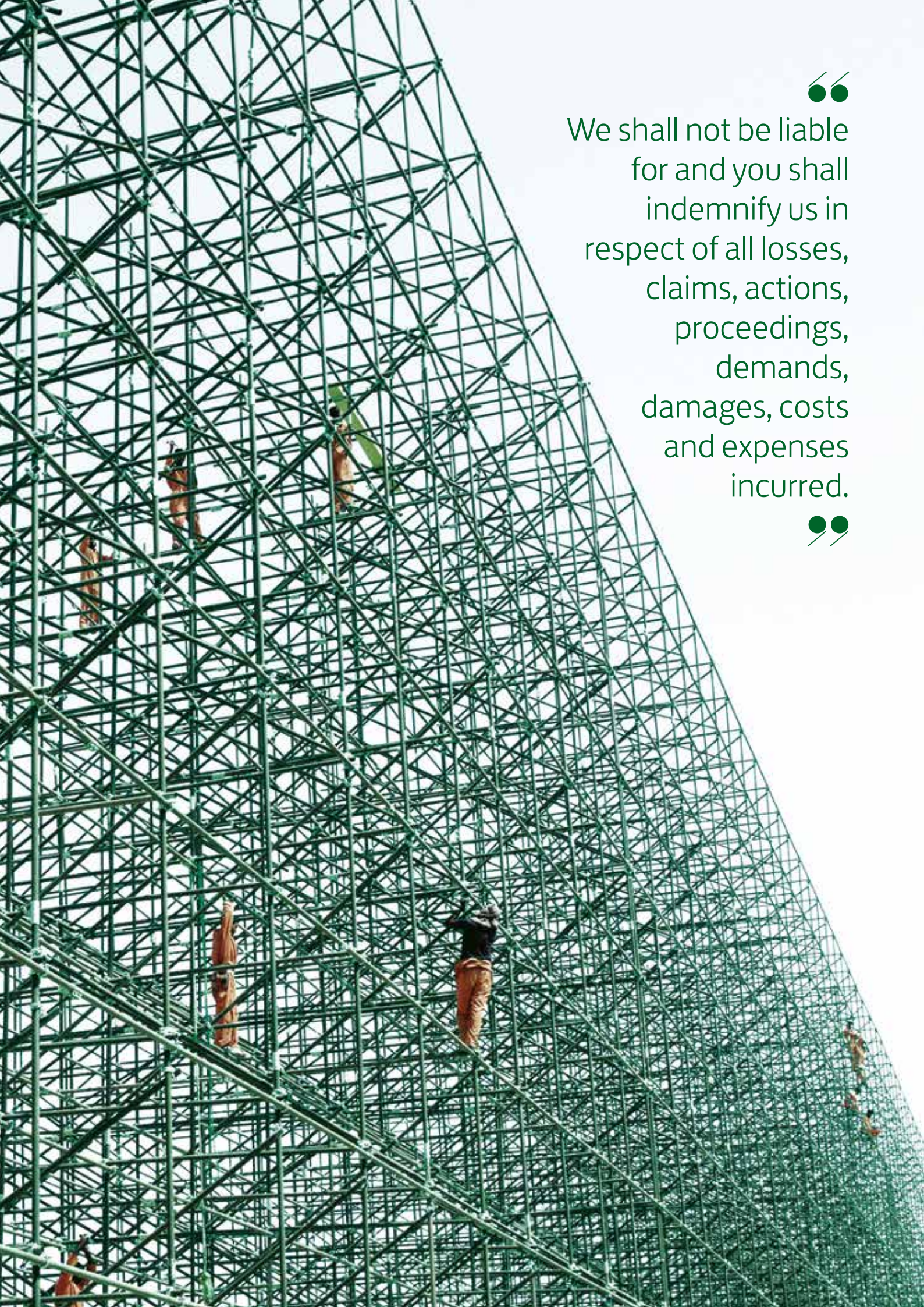


trading account

means an account
used by you for day to day
banking transactions

3. Running your HOCA

- 3.1 In relation to a **HOCA**:
- 3.1.1 you agree that all funds received into the **HOCA** shall, on receipt, be immediately subject to a standing payment instruction from you to transfer such funds to your **Settlement Account** after the end of the **Business Day** on which the funds are made available in the **HOCA** (and you hereby provide your consent for such transfer);
 - 3.1.2 funds which are to be transferred to your **Settlement Account** shall be aggregated with all other funds to be transferred from the **HOCA** at the same time. They will be transferred as one single statement line per day with the exception of funds received into the **HOCA** by electronic transfer which will be transferred up to three times per day, depending on the timings of the payments;
 - 3.1.3 you may change your **Settlement Account** by giving us eight weeks' prior written notice in accordance with the Relationship Terms & Conditions;
 - 3.1.4 the making of regular payments (e.g. direct debits), or payments other than as agreed under clause 3.1.1 (such as payments to any account or recipient other than your **Settlement Account**) is not permitted;
 - 3.1.5 you may not cancel or amend your instruction given under clause 3.1.1 above other than in accordance with clause 3.1.3 or by giving notice to terminate the **HOCA** under the Relationship Terms & Conditions; and
 - 3.1.6 cheque books, debit cards and cashpoint cards are not provided and cannot be linked to your **HOCA**.
- 3.2 If we discover that a payment that has been credited to the **HOCA** has been made by mistake, or if a payment is recalled by the bank that made it, or if a cheque is returned unpaid, we will debit your **Settlement Account** with the amount of that payment, even if this results in your **Settlement Account** going into an unauthorised overdraft.
- 3.3 If you require same day reconciliation information you should use the Entry Collection Service offered by us for a fee. Daily reconciliation information will also be provided to you by post for funds received by electronic transfer.
- If you require an itemised breakdown of Bank Giro Credit payments then this can only be provided through the Entry Collection Service.
- You can also ask us at any time for details of an individual transaction made to or from your **HOCA**.
- 3.4 Payments into a **HOCA** must be made in sterling, in cash, by cheque or by electronic transfer and will be credited to the **HOCA** as follows:
- 3.4.1 cash payments will be value dated and made available no later than the end of the **Business Day** following the **Business Day** on which we receive the funds;
 - 3.4.2 funds received by electronic transfer will be value dated on the **Business Day** on which we received the funds and will be made available immediately; and
 - 3.4.3 Sterling cheques deposited on a **Business Day** will have funds made available for withdrawal from 23.59 on the **Business Day** after we receive the cheque. Until this time cheques may be returned unpaid and funds debited from your **Settlement Account**.
- 3.5 We shall not be liable for and you shall indemnify us in respect of all losses, claims, actions, proceedings, demands, damages, costs and expenses incurred or sustained by us arising out of or in connection with any instructions you give us, unless it should have been readily apparent to a reasonable banker processing such instructions in the ordinary course of business that (where applicable) the signature or facsimile was not the signature authorised by you or that any instructions had been altered or falsified in any way.



We shall not be liable
for and you shall
indemnify us in
respect of all losses,
claims, actions,
proceedings,
demands,
damages, costs
and expenses
incurred.



4. Interest on money in a HOCA

4.1 No interest is payable on any balance held in a **HOCA**.

5. Borrowing

5.1 Borrowing is not permitted on a **HOCA**.

6. Fees and Charges

- 6.1 We will charge you for transactions by applying the charges set out in the charges schedule to these Product & Services Terms & Conditions, or as subsequently agreed from time to time.
- 6.2 If you are the recipient (i.e. a payee) of a payment we may deduct our charges as set out in the tariff from the money transferred before crediting it to you. If we deduct any charges under this clause, we will give you details in your relevant monthly invoice (or other agreed means by which you wish to be notified) of the amount of the money we receive and of our charges for receiving the money.
- 6.3 Charges incurred in respect of a **HOCA** will be debited to your **Settlement Account** in line with the charging cycle for your **Settlement Account**.
- 6.4 We will tell you the charge for any other service or product before we provide that service or product, and at any time that you ask.

7. Changes to your Mandate

7.1 You may cancel or amend the **Mandate** or authority that relates to your **HOCA** by contacting your relationship team.

8. Termination/closing of a HOCA

- 8.1 If you:
 - 8.1.1 close your **Settlement Account** and do not nominate an alternative **Settlement Account**; and/or
 - 8.1.2 cancel or revoke your payment instruction to transfer funds to your **Settlement Account** and do not nominate an alternative **Settlement Account**,we may close your **HOCA** and terminate these Product & Services Terms & Conditions.



fees and charges

We will charge you for transactions by applying the charges set out in the charges schedule to these Product & Services Terms & Conditions, or as subsequently agreed from time to time

9. Liability for loss

- 9.1 We will only be liable for any reasonable losses, costs and expenses incurred by you which arise directly from our breach of contract or negligence in relation to an account and if, in the ordinary course of events and with the knowledge we had, we might reasonably have expected such loss to result directly from our breach or negligence. Our liability pursuant to this clause 9 will be limited to the monetary amount of the relevant transaction in relation to the account pursuant to which our breach of contract or negligence occurred.
- 9.2 Nothing in these Product & Services Terms & Conditions limits or excludes our liability in any way under the sections titled “Refunds for incorrectly executed payment instructions”, “Refunds for incorrect payment amounts/sums” and “Refunds for unauthorised transactions” in the Relationship Terms & Conditions. Any limitation on your liability under the section titled “Your responsibility for unauthorised transactions” in the Relationship Terms & Conditions will not be affected or prejudiced by any term of these Product & Services Terms & Conditions.

10. Contact details

- 10.1 You can contact us:



through your relationship team, by using the contact details given to you when you applied for the **HOCA** or by such other contact methods as we may from time to time advise you.

- 10.2 Further contact details are set out within General Information On Payments, Charges & Contacts.

11. Other terms

- 11.1 Each of our services and products have separate terms and conditions applying to them (including in the form of other Product & Services Terms & Conditions).
- 11.2 These Product & Services Terms & Conditions apply to the **HOCA** only. Subject to clause 11.3 and clause 11.4, if separate terms and conditions (including in the form of other Product & Services Terms & Conditions) are provided to you by us for the supply by us of any of our other services or products (either electronic, automated or other), the provisions of any such separate agreements will apply to those products and services.
- 11.3 To the extent of any conflict between these Product & Services Terms & Conditions and any other separate terms and conditions relating to the supply of the **HOCA** you receive from us, these Product & Services Terms & Conditions will take precedence.
- 11.4 To the extent of any conflict between these Product & Services Terms & Conditions and any other separate terms and conditions relating to the supply by us of any of our other products and services (either electronic, automated or other), the terms and conditions relating to such other products and services will take precedence in respect of the provision by us to you of those products and services.
- 11.5 In the event of any inconsistency between these Product & Services Terms & Conditions, the **Mandate** or authority that relates to your account and the Product & Services Terms & Conditions relating to your account, these Product & Services Terms & Conditions shall prevail in so far as is necessary to resolve any conflict relating to the **Services** offered under these Product & Services Terms & Conditions.



Further contact details are set out within General Information On Payments, Charges & Contacts.





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CBALB016 (08/19)