

Terms & conditions

For Co-operative Bank Personal Current Accounts and any savings account linked to a Privilege Account, Privilege Premier Account or Current Account Plus (Except for Cashminder and smile current accounts)

With effect from 5 July 2016

Please read these terms and conditions and keep them safe.

The **co-operative** bank
It's good to be different



How to contact us

- **For general queries.**
- **To request a monthly statement.**
- **To tell us to cancel a regular or future dated payment.**
- **To find out:**
 - our standard exchange rates
 - Faster Payment limits
 - why we've refused a payment.
- **To let us know:**
 - about a change of contact details
 - if you've forgotten your PIN
 - if you've lost or damaged a device we've given you (such as a card reader to access Online Banking).

Call 03457 212 212',

Visit one of our branches, or

Write to Customer Services Manager, The Co-operative Bank p.l.c., P.O. Box 222, Unit 550, Metroplex Business Park, Broadway, Salford Quays, Manchester M50 2UE.

- **To alert us quickly:**
 - that you didn't authorise a payment or you've received a payment you don't recognise
 - that you think we've not made a payment correctly and want to stop it
 - that you think someone knows your security details.

Call 03457 212 212' as soon as possible.

- **To report a lost, stolen or damaged debit card or cheque book.**

Call 0345 600 6000' as soon as possible.

- **For anything to do with international payments**
(for example, to make a payment overseas that's not in sterling, or to cancel an international payment).

Call 03457 558 888'

- **To make a complaint**

Call 03457 212 212' or

Write to: Customer Response, The Co-operative Bank p.l.c., Ground Floor, Miller Street, Manchester M60 0AL.

Please call 03457 212 212* if you would like to receive this information in an alternative format such as large print, audio or Braille.

* Calls to 03 numbers usually cost no more than calls to geographic numbers (01 or 02) and are usually included in inclusive minutes and discount schemes. Please check with your telephone service provider. Calls may be monitored or recorded.

Guide to this document

To make it easier to find what you're looking for, we've divided these terms and conditions into chapters.

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Look out for symbols and boxes that help you to understand our terms and conditions.

Key



Definitions



Points to note



Examples

Chapter A. About this agreement and your account

In this chapter, we explain some key points about this agreement and your account including:

- the documents which make up our agreement with you;
- when we can transfer our rights under this agreement to others;
- the law that applies to this agreement;
- our tax reporting obligations; and
- how we will contact each other.

1. About this agreement

1.1 Our agreement with you is made up of the terms and conditions:

- (a) in this document;
- (b) in the Account Charges Leaflet relevant to your account (which contains our interest rates and charges and related terms); and
- (c) additional terms in other documents we give you or put on our website that we say are part of our current account agreement.

It covers sterling personal current accounts and any savings account linked to a Privilege Account, Privilege Premier Account or Current Account Plus. It does not apply to club, charity or business accounts and you must not use your current account or any linked savings account for business purposes.

1.2 If there is a difference between the terms in this document and the Account Charges Leaflet relevant to your account or any additional terms for an account, the Account Charges Leaflet or additional terms will apply.

1.3 We'll also give you information about how to use your account. This could be in the Welcome Guide, on our website and in other documents we give you.

1.4 Where we use examples in this agreement to make things clearer for you, the meaning of the conditions is not limited to the specific examples we've given.

1.5 In this agreement:

- (a) the 'bank', 'we', 'us' or 'our' means The Co-operative Bank p.l.c., P.O. Box 101, 1 Balloon Street, Manchester M60 4EP; and
- (b) 'you' means the individual or, for joint accounts, the individuals the account is in the name of.

2. When can we transfer our rights under this agreement to others?

2.1 We may transfer our rights and our responsibilities under this agreement. We'll only transfer our responsibilities to another person if it is authorised to hold your money, we reasonably believe that it is capable of carrying out our responsibilities instead of us and it agrees to do so. We'll tell you about any transfer and when it will take effect and you agree that we'll be released from all responsibilities from that date.

2.2 You may not transfer any of your rights or responsibilities under this agreement to any person.

3. What law applies to this agreement?

3.1 This agreement (and all our dealings with you before the agreement) is governed by the laws of England and Wales. Any dispute which arises in relation to this agreement shall be dealt with by any court in the United Kingdom, Isle of Man and Channel Islands which is able to hear the case.

4. Tax reporting

4.1 If we believe you may have tax obligations in other countries, we may disclose information about you directly to those tax authorities, or to HM Revenue & Customs, which may share the information with the other tax authorities.

5. Reporting problems and how we contact each other

5.1 You must use the contact details at the front of this booklet to report an unauthorised payment or possible loss, theft or unauthorised use of a payment device or security details, or to contact us for any other reason.

What do we mean by security details?

These are personalised details you must use to make an instruction, confirm your identity or to access any payment device (for example a password, security code, PIN or, if available, biometric data such as a fingerprint).

What do we mean by payment device?

This means a card or other device you can use to make payments or access your account (such as a smart phone that has your card or account details on it).

5.2 We'll contact you and give you notices using the most recent details you have given us.



Wherever in this agreement we say we'll contact you, we'll use post, telephone or any electronic or digital message (including internet, email and text message) as appropriate.

We'll assume that you've received any letter or other personal notice we send using your contact details within two business days after we've posted or sent it. You must tell us immediately of any change of address or other contact details. We may ask for evidence of the change.

Chapter B. Using your account

In this chapter, we explain:

- how we confirm that we're authorised to take action on your account and the terms that apply to joint accounts;
- what you must do to keep your account secure;
- what happens if a payment is unauthorised or made to the wrong person or account; and
- when we refund Direct Debits and some card payments in the European Economic Area (EEA).

6. How do we confirm that we're authorised to take action on your account?

How do we check your identity?

6.1 We'll assume that we are dealing with you and that we are authorised to provide information about your account, make payments, provide new services, open or close accounts and do other things we are asked to do without further checks if we've checked your identity:

- (a) by seeing some evidence of identity, such as a passport, in one of our branches;
- (b) by confirming the security details used in connection with a payment device (except for some low-value contactless payments);
- (c) by getting your written signature on paper (including cheques) or;
- (d) by confirming the security details used with Telephone, Mobile and Online Banking.

In future, we may add other ways of checking we are dealing with you.

When can someone else operate your account for you?

6.2 You can allow another person (a 'third party') to operate your account. If you want to do this you'll have to sign a document called a third-party mandate.

6.3 Another person may be appointed to act for you when you are not able to. This person would be your 'attorney' and we'll need to have a legal document called a Power of Attorney before we can allow them to use your account. Ask us if you'd like any more information about making someone your attorney.

- 6.4 These conditions will apply to any third party or attorney allowed to use your account and you will be responsible for everything they do even if they cause you to break the agreement.

What additional terms apply to joint accounts?



Depending on the type of account you have, there are limits on the number of account holders you can have on a joint account.

With joint accounts, each account holder can use the account without the knowledge of the other account holders.

- 6.5 As long as we've checked an account holder's identity, each individual can operate the account without us checking with the other account holders first. For example each account holder can:
- (a) make payments (including payments by debit card);
 - (b) get information about the account;
 - (c) take all the money out of the account;
 - (d) apply for a formal or informal overdraft;
 - (e) apply for any other service; and
 - (f) give us, or be given, information about any other account holders.
- 6.6 As joint account holders you are, together and individually, responsible for repaying any money owed to us on the account. This means we can demand payment from any or all of you. This includes payments you did not know about.
- 6.7 If any joint account holder tells us there's a dispute between any of you we'll:
- (a) block or suspend the account and stop any cheques, but before we're told of the dispute we'll still make payments and provide cash; and
 - (b) require all of you to agree to any further dealings on the account, so you won't be able to use Telephone, Mobile or Online Banking, cards or cheques.
- 6.8 If one of you dies, the remaining account holder(s) can continue to operate the account.

7. What must you do to keep your account secure?

- 7.1 You must act reasonably to prevent misuse of your account, any payment device and your security details. If you don't, we may block access to your account to protect you and us from unauthorised access to your account (including your use of a payment device, Telephone, Mobile and Online Banking). We'll also do all we reasonably can to prevent unauthorised access to your account.



Please read the information in the section headed 'Keeping your account secure' at the back of this leaflet.

- 7.2 If someone else tries to access your account using a payment device, cheques or security details, you must contact us as soon as possible. We'll ask you to give us information or other help and we may also give, or ask you to give, information to the police to assist with any investigation.
- 7.3 If you find a payment device or cheques after you have reported them lost or stolen or you think someone has used or tried to use them you must not use them. You must destroy them and return them to us if we ask.

8. What happens if there's an unauthorised or incorrect payment from your account?

Incorrect payments

- 8.1 You must call us as soon as you can after you notice that a payment you asked us to make has not been sent to the right person or account. If the payment was to an account at another bank in the EEA and the payment was not made properly or didn't arrive, we'll immediately refund the payment unless:
- (a) there was a mistake in any of the details you gave us for the payment; or
 - (b) we can show that the payment was received by the other person's bank; or
 - (c) you tell us more than 13 months after the payment was made, though we may agree to investigate the matter.

- 8.2 If a payment goes to the wrong person or is delayed because you gave us the wrong payment details, we will not be liable but, if you ask us, we'll try to recover the payment for you. We may charge our reasonable costs for doing this but we'll tell you the maximum amount you'll pay first.



What do we mean by European Economic Area (EEA)?

This means all member states of the European Union, plus Iceland, Liechtenstein and Norway.

Unauthorised payments

- 8.3 You must call us as soon as you notice that an unauthorised payment has been made from your account. If this happens, we'll immediately refund the amount of the unauthorised payment unless any of the following apply:
- (a) you tell us more than 13 months after the payment was made;
 - (b) we can prove that you acted fraudulently;



If you've acted fraudulently you'll be liable for all payments from your account.

- (c) we can prove that the unauthorised payment was made because of your gross negligence; or



If you've been grossly negligent you'll be liable for all payments from your account until you've told us that the payment device or security details have been lost, stolen or you suspect misuse.

An example of gross negligence would be if you knowingly give your card and PIN number to someone else.

- (d) we can prove that the unauthorised payment was made because the payment device was lost or stolen or we can show you failed to keep your security details safe. In this case you'll be liable for the unauthorised payment up to a maximum of £50 and we'll reduce the refund by this amount.
- 8.4 You are not liable for any unauthorised payment made remotely, for example by telephone or internet (unless you've acted fraudulently), and you may not be liable in some other circumstances.
- 8.5 A payment is not unauthorised, and we will not refund it, if it was made by someone using a payment device or security details with your consent.

Refunds for some card payments in the EEA

- 8.6 When you have used a card to make a payment, you can ask us to refund the payment if:
- (a) the payment was made in the EEA;
 - (b) you did not agree the actual payment amount;
 - (c) the amount charged to your account was higher than you reasonably expected, taking into account previous spending patterns and the particular facts of the case; and
 - (d) you make the refund request within eight weeks of the date when the payment was charged to your account.

In these cases, we'll investigate your claim and may ask you to provide information which we reasonably need to do this.

- 8.7 Within 10 business days of receiving your request (or of receiving any more information we've asked for), we will either refund the payment or inform you of our reasons for refusing the refund.
- 8.8 You are not entitled to a refund if you gave consent for the payment directly to us and, at least four weeks before the payment was made, you were given information about the transaction by (or it was available from) us or the retailer.

Refunds for Direct Debit payments

- 8.9 The conditions for card payment refunds don't apply to payments made by Direct Debit. The terms of the Direct Debit Guarantee apply to refunds for any Direct Debit errors.

How much will we refund and can we reverse a refund?

- 8.10 If we give a refund for any reason we'll return your account to the position it would have been in if the payment had not taken place by refunding the payment and any interest we charged on it (or by paying any interest we would have paid on it). If we provide a refund but later investigation finds you were not entitled to it, we'll return your account to the position it would have been in if we had not made the refund. **7**

In this chapter, we explain:

- how money can be paid into and out of your account;
- how soon your money will be available for use after it has been paid in;
- when your payments will reach the payee's bank;
- some special rules about cheques and overseas payments;
- how to cancel or change a payment; and
- how and when you'll receive statements about your account.



What do we mean by business day?

Any day except Saturday, Sunday or a bank holiday in England and Wales.

What do we mean by cut-off time?

This is the latest time on any given day that we can process payment instructions. You can ask us for the relevant cut-off time when you give us a payment instruction.

9. Payments into your account

General

- 9.1 Payments can be made into your account by cash, cheque, or electronically by direct transfer from another account. Payments in other currencies can be made by cheque or direct transfer, but we do not accept payments in all currencies. Ask us if you want to know which currencies we do accept.
- 9.2 We can refuse to accept a payment into your account if we reasonably believe that accepting it might cause us to breach a legal requirement or might expose us to action from any government or regulator.

Payments into your account by mistake or fraud

- 9.3 If we reasonably believe that a payment into your account was made as a result of fraud, we will remove the payment or take other steps to make sure the amount of the payment is not available for you to use.
- 9.4 If we reasonably believe that a payment was made into your account by mistake we will return it to the paying bank unless you can show us that it was not made by mistake. We will take these steps before returning the payment:
- (a) If you received the payment up to two months before we find out about the mistake, we will tell you about it and give you 15 business days to show us that it was not made by mistake. During this period we will make sure the amount of the payment is not available for you to use (we might do this by taking the amount out of your account or by limiting access to the amount on the account).
 - (b) If you received the payment more than two months before we find out about the mistake, we will contact you before restricting your ability to use the amount of the payment and before we return it to the paying bank.
- 9.5 If you don't have enough money in your account when we take a mistaken payment out of it, you won't be liable for any informal overdraft fees that you would have paid as a result.
- 9.6 If we mistakenly credit funds to your account, we'll either take the amount out of your account or limit your access to the amount on your account. If this happens, we'll normally tell you before taking action.

Payments in (other than by cheque)

- 9.7 The table below shows:
- (a) how quickly we add these payments to your account after we have received them; and
 - (b) when we treat them as part of the amount on your account for working out interest.

Payment in	When you can use them and when they count for working out interest
Cash (during opening hours): <ul style="list-style-type: none"> at one of our branches; or at a Post Office® using your debit card 	Immediately (But cash paid in with a credit slip after 4.30pm may not be counted and added to your account until the next day.)
Cash using a deposit machine in one of our branches	Immediately (Unless a notice on the machine says that you can only use funds after we have emptied the machine.)
International payments (in currencies we accept)	Within two hours. (If the payment is received after 9pm or on a non-business day, it will count for interest on the next business day.)
Internal transfer between accounts held with the Co-operative Bank or smile	Immediately (If the payment is received after 9pm or on a non-business day, it will count for interest on the next business day.)
All other payments	

Payments in other currencies

- 9.8 If we receive money for your account in a currency other than sterling, we'll convert it into sterling using our standard rate of exchange and deduct any charges before adding it to your account.

Cheques paid into your account

- 9.9 We show a cheque payment in your account on the day we receive it but we then have to collect the payment from the paying bank. During the time this takes we treat the payment as follows:

Business day after we receive the cheque	The payment
2	Increases the amount we pay any interest on or reduces the amount we charge interest on.
4	Is included in the funds you can use.
6	Can be recalled by the paying bank and we can take it out of your account until the end of the sixth day. If you need to be certain that the funds won't be recalled after you have used them, you should not use them until seven business days after we receive the cheque (although you can ask us for 'special presentation' if you need the money faster).



Cheque timings explained

If you pay a cheque in on a Wednesday and you have an overdraft on your account, it'll reduce the amount you are paying interest on from the Friday (day 2) and you'll be able to use the funds on the Tuesday (day 4). If the paying bank recalls the payment on the Thursday (day 6), we'll take the funds out of your account. If the paying bank recalls the payment on the Friday (day 7), we cannot take it out of your account.

If you pay a cheque in at a Post Office® it will normally take two business days for us to receive it. The above timings will begin when we receive the cheque.

- 9.10 If a cheque paid into your account is returned unpaid we'll tell you and take the payment from your account. We may ask for payment again from the paying bank. If your account goes overdrawn because we've taken out the amount of an unpaid cheque, we'll treat this as a request for an informal overdraft.

Paying international cheques into your account

- 9.11 We cannot always process a foreign cheque, for example if exchange controls apply. You will be responsible for the cost to us of processing, or trying to process, a foreign cheque. We'll take our charges, and any charges made by the foreign bank, from the account you told us to pay the cheque into.
- 9.12 To pay a foreign currency cheque (or a sterling cheque where the paying bank is not in the UK, Channel Islands, Isle of Man or Gibraltar) into your account we either have to negotiate or collect it.



What do we mean by negotiate?

This means we'll buy it from you. We'll convert the amount of the cheque into sterling using our standard exchange rate and pay that amount into your account on the business day after we receive the cheque.

What do we mean by collect?

This means we'll send the cheque to the paying bank. When we get payment from the paying bank we'll convert the amount of the cheque into sterling using our standard exchange rate and pay that amount into your account. The time this takes will vary depending on the paying bank or its country. You can ask us for details. We may use an agent to collect payment.

- 9.13 In both cases, if the foreign bank returns the cheque or asks for the money to be returned after we've negotiated or collected it, we'll take enough money from your account to cover the payment in the foreign currency. This may not be the same as the amount we paid into your account if exchange rates have changed. We'll do this even if you have already spent the money or if it will put you into an informal overdraft.

10. Making payments from your account

How we decide whether to make a payment

- 10.1 We'll make a payment from your account if you ask us to unless:
- (a) you do not have enough money in your account;
 - (b) we know that the account details or reference details you give us are incorrect;
 - (c) you've asked us to make the payment by Faster Payments and the recipient's bank does not accept them;
 - (d) you are seriously or repeatedly in breach of these conditions;
 - (e) you've not provided any extra identification that we've reasonably asked for;
 - (f) the payment exceeds a particular amount;
 - (g) we suspect fraudulent or criminal activity;
 - (h) there has been, or we suspect, a breach of security or misuse of your account, security details or a payment device; or
 - (i) we reasonably believe that doing so would cause us to breach our legal or regulatory obligations.
- 10.2 If we refuse to make a payment, we'll let you know why as soon as we reasonably can, unless the law or any regulation prevents us from doing so. If we aren't able to tell you in advance then we'll contact you as soon as possible afterwards (and at the latest by the end of the day on which the payment should have been received).
- 10.3 We can block or suspend your use of any payment device (and related services such as Telephone, Mobile and Online Banking) if we reasonably believe it's necessary because of:
- (a) a significantly increased risk that you may be unable to pay any money you owe us on the relevant account (for example, if you have gone over a formal overdraft limit);
 - (b) suspected fraudulent or criminal use of the payment device; or
 - (c) security concerns (for example, if we know or suspect that your payment device and/or security details have been misused).

- 10.4 If we block or suspend the use of a payment device, we'll let you know why as soon as we reasonably can, unless the law or any regulation prevents us from doing so or if we believe doing so would compromise reasonable security measures.
- 10.5 If you are using a payment device (such as a card) to make a payment or withdraw cash, the retailer, or organisation which owns the cash machine, will tell you that the payment or withdrawal has been refused. For certain contactless transactions, it may not be possible to confirm at the point the card is used that the transaction has been refused.
- 10.6 You can call us as soon as you become aware that a payment has been refused. Where appropriate we will tell you how to correct any errors which led to our refusal.



If you have a Privilege Account, Privilege Premier Account or a Current Account Plus you will also have a linked savings account. You can make payments to your current account from your linked savings account but the types of payments you can make from it to other accounts are limited. For example, you can't set up Direct Debits and we do not provide cards on linked savings accounts.

Cash withdrawals

- 10.7 You can withdraw cash at branches or by using a cash machine. There's a daily limit on the amount you can pay or get in cash from a cash machine. We'll tell you what it is when we send your debit card.

Payments (other than by card or cheque)

- 10.8 To make a payment from your account in one of the ways set out in the table below, you will need to give us details of the account to which you want to make the payment. This is usually the sort code and account number (or the equivalent information for payments outside the UK). It's your responsibility to check that the details are correct before asking us to make a payment.
- 10.9 The table below shows how long payments take to reach the payee's bank after we've received your request to make the payment and taken the money from your account.



If we don't receive a payment request before the cut-off time on a business day, we'll treat your request as received on the next business day. The timings set out in the box below will begin then.

Payment type	Cut-off	When the payment will reach the payee
Internal transfer between accounts held with The Co-operative Bank or smile Note: we may need a day's notice to make the payment	N/A	Immediately
Standing order Direct Debit	N/A	On the agreed date for payment
Faster Payments	N/A	Within two hours
CHAPS	4.30pm	Guaranteed same day
International payments in euro and sterling	2.30pm	The next business day
International payments in euro by TARGET	2.00pm	Same day
International payments to accounts within the EEA in EEA currencies other than euro and sterling	2.30pm	Four business days

If you want to make an international payment in non-EEA currencies, please ask us.



If you ask us to make a payment on a **future date**, we'll make the payment on that date, unless it is a non-business day, in which case we'll make the payment on the next business day.

If you want to make **regular payments** by Direct Debit or standing order you must set it up in advance.

- 10.10 If you want to make a payment in a currency other than sterling, we'll first convert the amount to be paid into the currency you tell us. The rate we use will be:
- (a) our standard rate of exchange (if you ask us the exchange rate before we make the payment, the rate we actually use may be different if the exchange rate has changed); or
 - (b) a fixed exchange rate we agree with you. If we agree a fixed exchange rate, you must make sure there is available money in your account 48 hours before the payment is due to be made.
- 10.11 If you decide to cancel your international payment during the 48 hours before the payment is due to be made, please tell us as soon as possible. If we have agreed a rate of exchange to sell the currency to you, we'll reverse the transaction using our rate of exchange at the time of cancellation. If the exchange rate is different, reversing the transaction may result in us paying more into, or taking more from, your account.



There are some types of payment we don't make in other currencies. Ask us if you want to know which currencies we can make payments in.

Payments by cheque

- 10.12 To make a payment by cheque you need to write the name of the payee, the amount of the payment (in numbers and words) and the date and you must sign it. If you want to stop a cheque payment you must tell us these details and your account and cheque number. We will pay all cheques even if they have a date in the future.
- 10.13 If we receive one of your cheques for payment and it is more than six months old we may pay it but we do not have to. If you want to be sure that a cheque will not be paid you must stop it before we pay it.

Payments by card

- 10.14 If you use your card to withdraw cash or to make a payment, we'll take the funds from your account after we receive confirmed details of the withdrawal or payment from the relevant payment scheme, such as Visa. This may be on a business or a non-business day.
- 10.15 If you use your card for a transaction (e.g. a cash withdrawal or a payment) in a currency other than sterling, we'll convert it into sterling on the day Visa processes it, using the Visa scheme exchange rate which is available at www.visaeurope.com. We also apply charges to these transactions. You can find our charges in the Account Charges Leaflet. You can find out the current exchange rate by calling us.
- 10.16 We may replace your card with a different type of card available under this agreement after reviewing your personal circumstances. We'll tell you about the features of the card when we send you the replacement.
- 10.17 If you use your card to make a payment, the retailer is paid when it processes the payment at point of sale.

Other payments from your account

- 10.18 We may be required by law to make payments to a third party (e.g. under a Child Support Agency deduction order) or take other action in relation to your account (e.g. freezing funds). If this happens, we'll tell you unless we are prevented from doing so (for example, if it is forbidden by law or regulation).

11. Cancelling or changing payments (other than cheques)

- 11.1 You cannot change or cancel a payment that you have asked us to make immediately. This includes card payments.
- 11.2 If you want to cancel a Direct Debit, standing order, regular card payment or any other future-dated payment (such as a bill), you must call us by 9pm on the business day before the payment is due to be made. Direct Debits and standing orders can also be cancelled using Online Banking, before 9pm on the business day before the payment is due to be made. If you do cancel a Direct Debit, standing order or regular card payment, you should also tell the organisation or retailer that collects the payment so that they can cancel or change it as well.

- 11.3 If you cancel a regular card payment, in certain circumstances it may not be possible for us to stop any subsequent payments coming out of your account. If this happens, we'll treat the payment as unauthorised and give you an immediate refund.

12. Statements

- 12.1 To help you keep track of your money, we'll provide you with a written statement after every 25 transactions or annually, whichever is sooner. You can also ask us for a monthly statement.
- 12.2 The statement will show the balance on your account, details to enable you to identify each transaction, the date and amount of the transaction, details of the sender/recipient of a transaction, a reference for the transaction and any charges. You'll also be able to get these details through our Telephone, Mobile or Online Banking services.
- 12.3 You must check your statement and tell us as soon as possible if there's a payment in or out of your account that you don't recognise.
- 12.4 You can contact us for more information about any transaction on your account.

Chapter D. Overdrafts and paying for our services

In this chapter, we explain:

- the different overdraft services available, how you can access them and what it means for you if you use these services; and
- that interest and charges payable are all set out in the Account Charges Leaflet relevant to your account.

13. Overdrafts

- 13.1 If we agree, you can borrow from us using a formal or informal overdraft.



You cannot have a formal overdraft if you have a Pathfinder account.



What do we mean by formal overdraft?

This is an overdraft we agree in advance. We'll confirm the terms of your overdraft in writing.

What do we mean by informal overdraft?

This is agreed when we make a payment (or take an amount out of your account, for example if a cheque is returned unpaid) even though you don't have enough money in your account (or under a formal overdraft) to cover the payment in full. We charge interest and service charges on an informal overdraft.



Informal overdrafts

Informal overdrafts are a more expensive way to borrow than formal overdrafts.

For example, if you have £50 in your account and we are asked to pay a Direct Debit of £75 from your account, this will be an informal request from you for an overdraft of £25. If we agree the request, we'll make the payment and apply our informal overdraft interest rate and charges.

- 13.2 Overdrafts are repayable on demand, which means that you must repay any overdraft when we ask you to. We'll usually give you advance notice.
- 13.3 If you ask, we may convert an informal overdraft into a formal overdraft. When we do this our informal overdraft rates and charges will apply until the formal overdraft is agreed.
- 13.4 Overdrafts are only for short-term borrowing. You should regularly pay into your account to reduce the amount you owe. Your account must be returned to credit or within any formal overdraft limit as soon as possible.

- 13.5 We regard an informal overdraft that is not repaid as a serious breach of these terms and conditions. It may result in us deciding to close your account.

14. Interest and charges

- 14.1 We may require you to pay interest and charges in certain circumstances.
- 14.2 The interest rates payable by you and charges that apply to the current account and related services are set out in the Account Charges Leaflet relevant to your account. You can also find out our rates and charges in branch, by calling us or visiting our website.
- 14.3 We apply buffers, caps and waivers to our informal overdraft and service charges in certain circumstances.



What do we mean by buffers, caps and waivers?

We won't apply informal overdraft charges if you borrow up to £20 (but we'll still charge interest) and we apply caps to our service charges. In some cases, we waive them. See the Account Charges Leaflet relevant to your account for details.

Charges and exchange rates

- 14.4 If you withdraw cash in a currency other than sterling it will be converted into sterling before it is debited from your account. The conversion will take place on the day Visa processes it, using the Visa scheme exchange rate which is available at www.visaeurope.com. Exchange rates vary daily, so the rate may differ from what it was when the transaction took place.

Interest

- 14.5 We'll calculate any interest on the daily balance of your account. Unless we tell you otherwise, we will:
- (a) pay interest into your account once a year on 5 April or the business day before 5 April, and
 - (b) charge interest on the 21st day of each month or the next business day.

Credit interest

- 14.6 Where we add credit interest to your account, we'll pay it without deducting income tax. If you earn more interest than the amount permitted as tax free income, you will have to pay tax on the interest directly to HM Revenue & Customs. If you are not sure whether you will have to pay income tax, we recommend that you seek separate professional advice about this, or call your local tax office or HM Revenue and Customs.

Debit interest

- 14.7 We may take any debit interest and charges you owe us from the same account or from any other account you have with us. We'll tell you personally about overdraft charges and interest you have to pay at least 14 days before we take them from your account. We'll also tell you the date this will happen. We add interest to your account balance each month and we charge interest on the debit balance on a daily basis.

Chapter E. Changing these terms and ending this agreement

In this chapter, we explain:

- how and when we can make changes to your agreement (including these terms, the rates, charges and any other terms set out in the Account Charges Leaflet relevant to your account and any additional term);
- how we'll tell you about any changes we're making, and what you can do if you don't agree with them;
- how you or we can end this agreement;
- what happens to account services and benefits if your account is closed; and
- how your account can be converted to another type of account.



This agreement will continue until either you or we end it. It is not for a fixed or minimum period.

For this reason, we need to be able to make changes to the agreement for the reasons set out below or for reasons we cannot predict now, as long as it is fair for us to make a change where those reasons apply.

We may also need to make a change without giving a particular reason but, if we do this, we'll always tell you in advance, explain how the change will affect you and you will be able to end the agreement without cost if you don't want to accept the change.

15. Changes

When we can make changes

15.1 We can:

- (a) increase or decrease interest rates and charges to take account of an actual, or reasonably expected, change in the interest rates we have to pay for example as a result of a change to the Bank of England Base Rate; or
- (b) increase or decrease our interest rates and charges and change any other terms (including the availability of account services) to reflect an actual, or reasonably expected, change in:
 - (i) our underlying costs; or
 - (ii) law or regulation, codes of practice or industry guidance that applies to us, a ruling of a court, ombudsman or similar body or undertaking given to a regulator; or
 - (iii) our way of doing business, including the introduction of new technology; or
- (c) make a change to our interest rates, charges or any other term, that is for your benefit, for example we might make these conditions fairer or easier to understand, correct mistakes or reflect changes in technology; or
- (d) make changes to our interest rates, charges or any other terms to reflect any other actual or reasonably expected change that affects us if it is reasonable for us to pass the impact of the change on to you.

Any change we make will be reasonably proportionate to the impact of the underlying change on us. We won't make changes to cover the same cost twice.

15.2 We may also make changes to our interest rates, charges or any other terms without a particular reason (for example, increased competition may require us to change how we provide our services and what we charge for them) but, if we do this, we'll always explain how the change will affect you and you will be able to end this agreement without extra cost if you don't want to accept the change.

15.3 We can change our standard exchange rates at any time.

How we can make changes

15.4 If we increase interest rates we pay you, or decrease interest rates you pay on informal overdrafts:

- (a) the new rate will apply immediately; and

- (b) within the next 30 days we'll tell you about the change on our website, by branch notices, national press advertisements, statement messages or inserts or by writing to you (this can include email) or by any combination of these methods.
- 15.5 We'll give you at least two months' notice before we make any other changes.
- 15.6 The new terms will apply to your account automatically at the end of the notice period, but if you do not want to agree to the change, you can switch your account or close it without paying any extra charges or interest, at any time until the change takes effect. If you do not switch or close your account we'll assume you've accepted the change.



Remember, you can close your account at any time without any extra charge.

Changes to additional benefits provided as part of a packaged account



What do we mean by packaged account?

This is an account that has additional benefits for which you pay a monthly subscription fee, for example the Privilege Account.

- 15.7 We may also change the services and benefits included in any packaged account and the provider of any service or benefit. If we do so, we'll give you two months' advance notice and you can close your account if you do not want to accept the change. The terms of any service or benefit provided by a third party can be changed by them. The notice period they give you will be set out in the terms and conditions for the benefit product.

16. Ending services and closing your account

Converting your account, including student accounts

- 16.1 If you have a packaged account, you can ask us, at any time, to convert it to a current account which doesn't have a fee. If you do this, any linked savings account will be automatically converted to a savings account which is not linked to your new current account.
- 16.2 If you have a student account, it will convert automatically to a standard current account one year after you end your course. We may also convert your account if you don't pay your student loan or other funding into your account.
- 16.3 If we convert your account, we'll tell you at least two months before the change takes effect.

Closing your account by giving notice

- 16.4 You can end this agreement and close your account at any time by telling us.
- 16.5 We may end this agreement, close your account and stop all account services (including payment devices, Telephone, Mobile and Online Banking services), at any time by giving you at least two months' notice in writing. For example, we may do this if you're no longer eligible for an account or service.
- 16.6 Any benefits or services linked to your account will stop on the date we close your account, unless we tell you they'll end earlier.

Immediate closure of your account

- 16.7 We may end this agreement and close your account immediately, without notice, and stop all account services if we reasonably decide that:
- (a) you are seriously or repeatedly in breach of these terms and conditions;
 - (b) you or any other authorised signatory or joint account holder are made bankrupt or enter into an Individual Voluntary Arrangement after you open an account; or
 - (c) you or any other authorised signatory or joint account holder on the account:
 - (i) has carried out or tried to carry out fraudulent or illegal activity on the account or any other service we operate, or we have reason to think you or they may do so in the future;
 - (ii) has caused or may cause us to breach any law, regulation, code of practice or other duty which applies to us as a bank;

- (iii) has behaved improperly towards us or anyone providing services to us (for example, if you have threatened, abused or harassed a member of staff);
- (iv) has given false or materially incomplete information when applying to open the account or to use any service, or at any time thereafter; or
- (v) has allowed a person who is not an authorised signatory to use the account or any other service we provide.

What happens when you or we close your account?

- 16.8 When you or we close your account we'll pay you any money in your account and you must repay any money you owe us. Until you pay us, the terms of this agreement will continue to apply and we'll continue to apply interest and charges until the date the account is closed.
- 16.9 Any payment devices or other devices (such as card readers to access Online Banking) that we have given you remain our property. You must return them to us when this agreement ends.
- 16.10 If you have a packaged account which you close or convert to another current account part way through the month, you'll only pay fees to cover the part of the month for which you held the packaged account.
- 16.11 If a sole account holder dies, we may require a grant of probate or letters of administration before releasing any money in your account to your executors or personal representatives.

What happens if you stop using your account?

- 16.12 If you don't make any payments and there is no other activity on your account (other than a linked savings account) for six months, we may treat your account as inactive. This means we'll stop sending statements and letters about your account. Once we have treated your account as inactive, you won't be able to access any funds you may have had in the account until you've contacted us. Please call us for further advice. At that stage you'll need to satisfy our standard security requirements.

Chapter F. What happens if something goes wrong?

In this chapter, we explain:

- when we won't be liable to you for losses you suffer;
- how we can use money we hold in other accounts you have with us to reduce amounts you owe us (known as our right of set-off); and
- what to do if you have a complaint.

17. Liability for losses

- 17.1 We won't be responsible for any losses you may suffer if we cannot perform our obligations under this agreement as a result of:
 - (a) any legal or regulatory requirements;
 - (b) the failure or lack of availability of any benefit associated with a packaged account; or
 - (c) abnormal or unforeseeable circumstances which are outside our (or our agents' and/or subcontractors') control and which we could not have avoided despite all efforts to the contrary, such as industrial action or mechanical failure.

18. Set-off

- 18.1 If you have money in one of your accounts we may set it off against any amount you owe us which is due for payment, so that it reduces or repays the amount you owe us. We'll do this if we think it is reasonable to do so, taking into account your circumstances (including making sure that you will still have enough money to meet essential living expenses) and any regulatory requirements.



'we' and 'us', for these purposes, includes our smile and Britannia brands.

Amounts owed to us and due for payment include, for example, amounts owed under a loan, credit card, mortgage or overdraft.

- 18.2 We can use our set-off right, where you have accounts which are only in your name as well as joint accounts you hold with another person (X) as shown below:

Money in account for:	Set-off against money owed by:
You only	You
You only	You and X
You and X	You and X
You and X	X
You and X	You

- 18.3 We can use money you have in your account even if there is a court decision against you or you are fined (including interest arising after the date of the final decision or fine), unless the court instructs us otherwise, or we are otherwise prevented by law.
- 18.4 Occasionally we receive legal instructions or notices to hold a customer's money for someone else, or to pay it to someone else. If this happens, the money we hold for the other person will be what is left after we have used our right of set-off, including any interest arising after the legal instruction or notice (unless we decide otherwise or we are prevented by law or regulation).
- 18.5 We will write to you 14 days before we make any set-off between your accounts to let you know the date and details of the action we'll take.
- 18.6 If we use money from an interest-bearing account, interest will be applied to the money in that account up to the date of set-off. After the date of set-off, interest will only be payable on any credit balance remaining in your accounts as applicable. We won't use balances on any Individual Savings Accounts (ISAs), children's savings or fixed-term deposit accounts before maturity to set-off amounts you owe.

19. Complaints

- 19.1 If you have a complaint, please contact us using the details at the front of this booklet. We'll send you a written acknowledgement within five business days and keep you informed of our progress until your complaint has been resolved. We'll do everything we can to sort out the problem.
- 19.2 If you still remain dissatisfied you may be entitled to refer your complaint to the Financial Ombudsman Service, by writing to them at: Financial Ombudsman Service, Exchange Tower, London E14 9SR, calling them on: 0800 023 4567 or 0300 123 9123, by email at complaint.info@financial-ombudsman.org.uk or visiting their website at www.financial-ombudsman.org.uk.
- 19.3 If you purchased your account online you may also have the option to refer your complaint to the Financial Ombudsman Service using the Online Dispute Resolution platform. The platform has been established by the European Commission to provide an online tool for consumers to resolve disputes about goods and services purchased online. The platform can be found at <http://ec.europa.eu/consumers/odr>

In this chapter we explain other important information about this agreement, including:

- your right to withdraw from this agreement within the first 14 days;
- important tax information;
- what happens if your account becomes dormant; and
- some recommended security precautions.

Depositor protection

We are covered by the Financial Services Compensation Scheme (FSCS), which would pay compensation to eligible depositors in the event of the bank becoming insolvent.

Communication

As required by law, any terms and conditions of your account and all information, statements and notifications will be in English. We'll communicate with you only in English.

Copy of the agreement

If you ask us at any time during the life of this agreement we'll provide you with a copy of this document, the Account Charges Leaflet relevant to your account and any additional terms.

Tax

You may be responsible for other taxes or costs that are not paid by or via us, e.g. higher-rate tax.

Cancellation

For 14 calendar days after the date you have received your welcome letter or the account is opened, whichever is the later, you have a right to cancel and close your account without giving any reason.

You can do this by calling us on 03457 212 212 or writing to us at The Co-operative Bank p.l.c., P.O. Box 222, Unit 550, Metroplex Business Park, Broadway, Salford Quays, Manchester M50 2UE, or in a Co-operative Bank branch.

When you cancel your account:

- we'll pay to you any money credited to your account and if applicable, any interest earned within 30 calendar days of cancellation;
- we'll refund any account charge unless you've already received the benefit or services that it covered;
- you must repay to us any money owed to us for any other services and interest charges you have incurred; and
- you must repay to us any money owed to us including payments we've had to pay after cancellation.

Dormant balances

We participate in the unclaimed assets scheme established under the Dormant Bank and Building Society Accounts Act 2008, which enables money in dormant accounts (i.e. accounts that have been inactive for 15 years or more) to be distributed for the benefit of the community whilst allowing customers to reclaim their money.

Under the scheme, we may transfer balances of dormant accounts to Reclaim Fund Ltd (RFL), a not-for-profit reclaim fund authorised and regulated by the Financial Conduct Authority.

If we transfer the balance of your account to RFL, you will have the same rights against RFL to reclaim your balance as you would have done against us. However, we remain responsible for managing the relationship with you and for handling all repayment claims on behalf of RFL. Therefore, you should continue to contact us in the usual way if you have any queries or complaints in relation to dormant accounts or balances.

Both we and RFL participate in the Financial Services Compensation Scheme (FSCS). Any transfer by us to RFL of your balance will not adversely affect any entitlement you have to compensation from the FSCS.

Keeping your account secure

Our terms and conditions require you to take reasonable security precautions to keep your security details safe. Reasonable security precautions can include steps such as:

- signing your card as soon as you receive it;
- keeping your card or any other type of payment device (such as a smart phone or electronic wallet that you can use to access your account or make payments, either on its own or in combination with your security details) and security details safe;
- not allowing anyone else (including a joint account holder) to use any payment device or security details;
- never telling anyone or writing down your security details in a way that could be understood by someone else;
- not choosing a PIN or other security details which may be easy to guess, such as your date of birth;
- taking care when using your card or any other payment device and security details so that they are not seen or heard by anyone else;
- keeping receipts and statements safe and destroying them safely, e.g. by shredding;
- complying with all reasonable instructions we issue to do with keeping your payment device and security details safe; and
- telling us as soon as possible of a change of name, address or other contact details so that correspondence or replacement cards do not fall into the wrong hands.

Additional security precautions for Online Banking

When you are using Online Banking, we recommend that, as well as the above steps, you:

- buy and keep updated anti-virus, firewall and any other security software;
- download Trusteer Rapport security software from our website;
- don't access your account from a computer in a public place;
- take care when logging out – for example we recommend that you log off securely by using the exit link on screen and, if you are disconnected during an Online Banking session, that you log back in and then log off correctly;
- don't open emails from unknown sources; and
- don't send any account details to us unless the message is encrypted.

Please call 03457 212 212* if you would like to receive this information in an alternative format such as large print, audio or Braille.

The Co-operative Bank p.l.c. is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (No.121885). The Co-operative Bank, Platform, smile and Britannia are trading names of The Co-operative Bank p.l.c., P.O. Box 101, 1 Balloon Street, Manchester M60 4EP. Registered in England and Wales No. 990937. Credit facilities are provided by The Co-operative Bank p.l.c. and are subject to status and our lending policy. The Bank reserves the right to decline any application for an account or credit facility. The Co-operative Bank p.l.c. subscribes to the Lending Code which is monitored by the Lending Standards Board.

*Calls may be monitored or recorded for security and training purposes. Calls to 0800 numbers are free from landlines. Calls from mobiles may vary and you may want to check this with your service provider. Calls to 03 numbers usually cost no more than calls to geographic numbers (01 or 02) and are usually included in inclusive minutes and discount schemes. Please check with your telephone service provider.