

The **co-operative** bank  
good with money

# Business Account

Terms and conditions

# Terms and conditions

## – Business Account

Please read and keep your business account terms and conditions (conditions) in a safe place.

These conditions (including those conditions relating to the online banking services and Business Debit Card use, where applicable) together with your account Welcome Guide, the application form, the international business banking tariff and your account tariff form the agreement between you, the account holder, and us, The Co-operative Bank p.l.c. Altogether, they set out the features of the business account, they tell you how your business account works and what your and our responsibilities are once you open a business account with us.

We, us, our or the bank means The Co-operative Bank p.l.c., P.O. Box 101, 1 Balloon Street, Manchester M60 4EP. You can contact us on 08457 213 213 (Business Banking accounts) or 08457 654 654 (Corporate Banking accounts) or by writing to Customer Services, The Co-operative Bank p.l.c., Delf House, Skelmersdale WN8 6GH. You, your, or the customer means the person, persons incorporated or unincorporated body in whose name the account is opened.

Where there is reference in these conditions to business day, that means any day other than Saturday, Sunday or a Bank Holiday in England and Wales.

Where there is reference in these conditions to close of business, details can be found in your welcome guide, from any Co-operative Bank Branch, via Telephone banking or on the Internet.

Where there is reference in these conditions to the Regulations, this means the Payment Services Regulations 2009 as amended by the Payment Services (Amendment) Regulations 2009 and any future changes to those regulations.

Where there is reference in these conditions to micro-enterprise and charity, such words shall have the meanings set out in Regulation 2 of the Payment Services Regulations 2009, which in the case of a micro-enterprise means those organisations with less than 10 employees and an annual turnover and/or balance sheet total of less than €2 million and in the case of a charity means having an annual income of less than £1 million. Please note, if you are not a micro-enterprise or charity some of these conditions do not apply to your business account and are replaced with the additional conditions set out at condition 24 below.

Where there is reference in these conditions to unique identifier, that means the required information to identify a bank account. For accounts in the United Kingdom this is the account number and sort code. For overseas accounts this is the International Bank Account Number (IBAN) and Bank Identifier Code (BIC).

You may ask us at any time during the life of this agreement to provide you with the information contained in this agreement.

As required by law, please note any terms and conditions of your account and all information, statements and notifications will be in English and we will communicate with you in English.

The Co-operative Bank is authorised and regulated by the Financial Services Authority (No. 121885).

### 1. Your account

- 1.1 Any person opening an account on the customer's behalf must be at least 16.
- 1.2 We can refuse to accept an application to open an account from you or a deposit.
- 1.3 The bank reserves the right to require you to provide references and to complete mandates at account opening and from time to time.
- 1.4 If your account requires the payment of a monthly fee then you must ensure there are sufficient funds in to meet payment of the first two monthly fees. If there are insufficient funds at the time to pay the fee in each of the first two months of opening your account, then we reserve the right to close your account in accordance with condition 18.
- 1.5 The currency of the account will be Sterling.

### 2. Cheques

#### Payng a cheque into your account

- 2.1 When you pay a cheque into your account before 4.30pm on a business day you will have to wait a maximum of four business days after the business day it has been paid in before you can withdraw the money. If you pay a cheque into your account via a Post Office® the payment into your account will be delayed by up to two business days and, therefore, you will have to wait a maximum of six business days after the business day it has been paid in before you can withdraw the money.
- 2.2 You will start to earn interest on cheque deposits a maximum of two business days after the business day it has been paid in. For cheques paid in after 4.30pm or paid into your account via a Post Office® the interest earned will be delayed by up to one business day.
- 2.3 A cheque paid into your account may be returned unpaid. If this happens we will tell you and the amount may be taken from your account. This will usually happen four business days after it has been received by us but could be later. We may ask for payment again from the bank of the person who issued the cheque or return it to you. If you withdraw some or all of the amount of a cheque which is later returned unpaid and this withdrawal or the unpaid cheque causes your account to go overdrawn or over any formal overdraft limit this will be considered an unplanned request to access our overdraft services in accordance with condition 13. You can assume that at the

end of six business days, the cheque is cleared. After this time you are protected from any loss if the cheque is subsequently returned unpaid, unless it is found to be fraudulent or you are a knowing party to fraud.

## Payments by cheque

- 2.4 If you issue a cheque the money will be taken from your account three business days after the person being paid pays it into their bank account, unless it is paid into a building society, a bank outside the United Kingdom or a Post Office®, where it may take longer.
- 2.5 You may issue a cheque which is “specially presented”. This means payment is assured upon presentation of the cheque. The amount of the cheque will be deducted from your account the business day it is received by us.
- 2.6 When you write a cheque it is important to take all reasonable precautions to prevent anyone else altering it. For example, clearly write the name of the person being paid and their account name or number, e.g. HMRC (account AN Other). Always draw a line through unused space on the cheque, to prevent extra numbers or names being added. Do not write a future (or post) date on a cheque as it may not prevent the person being paid from paying it into their bank before that date and payment being made.
- 2.7 If you cash a cheque at one of our branches the amount will be deducted from your account the same day, provided it is a business day.
- 2.8 You can tell us to stop a cheque by telephoning us on 08457 213 213 (Business Banking accounts) or 08457 654 654 (Corporate Banking accounts) or via online banking. The charge for stopping a cheque is set out in your account tariff. Any stop cheque payment instructions given to the bank must specify:
- the account number
  - the payee
  - the date and the cheque number
  - the amount of the cheque.
- 2.9 If we receive one of your cheques for payment and it is more than six months old we may, but we do not have to, pay it.
- 2.10 For security and fraud prevention purposes, if your cheque book or any cheques are lost or stolen or have been used by someone else, please tell us immediately you are aware by telephoning us on 0845 600 6000.

## 3. Cash

- 3.1 When you pay cash into your account before 4.30pm on a business day at any of our branch counters the money will be available immediately. Cash paid in after 4.30pm will be treated as received the next business

day. Please note if you are not a micro-enterprise or charity please see condition 24.3.

- 3.2 When you pay cash into your account at a Post Office® the money will be available immediately after we receive the deposit as cleared funds in your account. This will usually happen three business days after it has been paid into the Post Office® but may take longer.
- 3.3 You may withdraw cash from your account by using your card at a cash machine or by cashing a cheque. If you use your card to withdraw cash from some cash machines you may be charged a cash withdrawal fee as follows:
- a fee for any cash withdrawn as set out in your account tariff
  - a fee for any cash withdrawn from any cash machine outside the UK as set out in our international business banking tariff and notified to you. The amount you withdraw will be converted into Sterling using an exchange rate set by Visa which is available at [www.visaeurope.com/fxcalculator](http://www.visaeurope.com/fxcalculator) (The conversion rate may not be the same as when the cash was withdrawn as rates may vary.)
  - some cash machines operated by other financial organisations may apply an additional charge for use of their machine. If this is the case you will be told the charge before you make a withdrawal.

You may cash a cheque at any of our branches or by prior arrangement at a Post Office®. You may be charged a fee for cashing a cheque as set out in your account tariff.

- 3.4 We will not be responsible if you cannot use your card in a cash machine operated by another financial organisation.
- 3.5 You may withdraw cash from your account by using your card at any other bank branch which is authorised by VISA (e.g. another high street bank showing the VISA sign). If you do you will be charged a cash withdrawal fee. Please see your account tariff.

## 4. Electronic Payments into your Account

- 4.1 We accept the following electronic payments into your account:
- BACS, Direct Debits and standing orders
  - Faster Payments
  - CHAPS
  - overseas payments.
- 4.2 Payments will be credited to your account immediately after we receive them provided they are received by us before close of business otherwise they will be dealt

with the next business day. This will affect when you can withdraw the money, please see condition 5 for details.

4.3 To enable money to be sent to your account you must provide the sender with your unique identifier (account number and sort code for UK payments or IBAN and BIC for overseas payments).

All this information is available to you by accessing your account online or on request through telephone banking.

4.4 In deciding which account is to be credited with monies we receive, we will use and rely on ONLY the unique identifier. It is your responsibility to ensure that the sender has the correct information. If the unique identifier is wrong we will not be responsible to you or the sender for failure to credit your account or any resulting loss of funds. This applies even if the sender also supplies other information such as your account name.

4.5 If a payment is fraudulently or mistakenly paid into your account, the amount of the payment may subsequently be removed from your account. This may be the case even if you have used all or part of the money. If removal of the payment from your account would either make your account go overdrawn or over a formal overdraft limit this will be considered an unplanned request to access our overdraft services in accordance with condition 13.

4.6 If you or the sender ask us to assist in recovering funds where an incorrect unique identifier has been used, we will use our reasonable efforts to do so and may charge you our reasonable costs for this.

4.7 If we receive monies for your account in a currency other than Sterling, we will:

- convert the amount received into Sterling using a rate of exchange based upon the interbank dealing rate applicable to the market from time to time. The rate is available by contacting us on 08457 558 888 (The conversion rate may not be the same as when the monies were sent, as rates may vary.)
- take from the Sterling amount the charges for this service as set out in our international business banking tariff and notified to you
- credit the Sterling amount (less applicable charges) to your account immediately after we receive them (Please see condition 4.2).

## 5. Electronic Payments out of your Account

5.1 We will make a payment out of your account if:

- you authorise us in accordance with these conditions

- there is available money in your account by way of cleared funds, a formal overdraft or we consider the payment request an unplanned request to access our overdraft services in accordance with condition 13.

5.2 We can make the following electronic payments out of your account:

- BACS, Direct Debits and standing orders
- Faster Payments
- CHAPS
- overseas payments.

When you tell us to make a payment in Sterling to a recipient in the United Kingdom, and provided you tell us before the close of business, the maximum time it will take to reach the recipient's bank will be as follows:

- until 31 December 2011, three business days following the day the instruction was received
- from 1 January 2012, the next business day following the day the instruction was received.

If possible we will use the Faster Payments system, meaning the funds will, in most cases, be available in the recipient's account within two hours.

The Faster Payments system depends on the recipient's account being able to receive the monies and to financial limits. Please contact us on 08457 213 213 (Business Banking accounts) or 08457 654 654 (Corporate Banking accounts) for further details.

You can tell us to make a payment in Sterling to a recipient in the United Kingdom and provided you tell us before close of business the funds can be sent to the recipient bank the same day by the CHAPS system. There is a charge for this service, details of which are set in your account tariff.

5.3 Except for Direct Debits, if you request a payment to be made at a future date (for example by standing order) the date you request that the payment be made (or, if it is not a business day, the next business day) will be treated as the date on which you give us instructions to make the payment.

5.4 The payment will be deducted from your account immediately but can be reversed, for example, if we suspect error or fraud.

5.5 Funds transfers between accounts held with us instructed either by telephone or online banking will be available to draw on the same business day provided the instruction is before 9pm. Transfers can be reversed, if we suspect the transfer to be fraudulent, as part of our monitoring for fraud prevention.

5.6 Our charges for electronic payments are set out in your account tariff.

- 5.7 To make a payment in the United Kingdom you must provide us with the correct unique identifier (account number and sort code) of the recipient's account.
- 5.8 In making the payment we use ONLY the unique identifier. It is your responsibility to ensure that you give us the correct information. If the unique identifier is wrong we will not be responsible to you or the intended recipient for failure to credit the intended recipient's account or any resulting loss of funds. This applies even if you also supply other information such as the intended recipient's name.
- 5.9 If you or the intended recipient ask us to assist in tracking or recovering funds sent using an incorrect unique identifier, we will use our reasonable efforts to do so and may charge you our reasonable costs for this.
- 5.10 Instructions can be given to us in writing or by using telephone or online banking (for those services available via these methods), complying with the security requirements at conditions 11 and 17 and providing to us the required information. By doing so you will have given to us your consent for making the payment which may only be withdrawn in accordance with conditions 5.13 and 5.14.
- 5.11 For your protection there may be a delay in us carrying out your payment instructions while monitoring and/or fraud prevention checks take place.
- 5.12 Unless you have requested a payment to be made on a future date, or you have given us your payment instruction after close of business on a business day, the payment instruction will be regarded as having been received by us at the time you give it, and therefore you will not be able to cancel it after that time.
- 5.13 If you make a payment instruction after the close of business on a business day, or on a day that is not a business day, the time of receipt will be the next business day or, for future dated payments, the date stated for the payment to be made. You may cancel such payments at any time before 8pm the business day before payment is due to be made. Please note if you are not a micro-enterprise or charity please see condition 24.4.
- 5.14 In exceptional circumstances it may be possible for us to stop or cancel a payment even after the time of receipt provided:
- the amount has not already been deducted from your account
  - we have not told the payee or their bank that it will be paid
  - it is not a cash or card payment.
- 5.15 We may be compelled by law to make payments to a third party (e.g. a Child Support Agency deduction order) or take other action in relation to your account (e.g. freezing funds). Where possible we will tell you when this happens.

## 6. Sending Payments Overseas

- 6.1 You may send payments to an account within the European Economic Area (EEA) in Sterling, Euro or the currency of the state where the account is held. When you tell us before close of business to send a payment the maximum time it will take to reach the recipient bank will be as follows:
- for payments in Euro, until 31 December 2011, three business days following the day we receive your instructions. After this date the next business day following the day we receive your instructions
  - for payments in other EEA currency, four business days following the day we receive your instructions
  - for payments in other non-EEA currencies (e.g. dollars) please contact us for clearing times on 08457 558 888.
- 6.2 Instructions for overseas payments that are not in Sterling can be made by contacting us on 08457 558 888 for further details.
- 6.3 If you ask us to make a payment in a currency other than Sterling when the payment is processed and taken from your account, we will:
- convert the payment into the required currency using a rate of exchange based upon the interbank dealing rate applicable to the market from time to time. The rate is available by contacting us on 08457 558 888. (The conversion rate may not be the same as when the payment was made as rates may vary)
  - apply a charge for this service as set out in our international business banking tariff and notified to you
  - take the Sterling amount and the applicable charges from your account.
- If you have instructed us to make a payment overseas and we have agreed a rate of conversion please ensure there is available money in your account 48 hours before the overseas payment is due to leave your account. If you decide to cancel your overseas payment during this time please tell us as soon as possible on 08457 558 888. You may be responsible for and have to repay all losses we incur due to movements in the conversion rate before cancellation.

6.4 To make an overseas payment you must provide us with the correct unique identifier for the recipient's account (IBAN and BIC). In making the payment we use only the unique identifier. It is your responsibility to ensure that you give us the correct information. Please see conditions 5.8 and 5.9.

## 7. Card payments, Regular Card Payments and Direct Debits

7.1 You irrevocably authorise us to deduct from your account each business day (in priority to all drawings or debits) whether by electronic transfer or otherwise:

- the amount of any payment carried out by use of your card, with or without using the PIN, or card details
- the amount of any payments authorised by the bank for a prospective card transaction (whether or not such payments are made).

7.2 You may use your card for regular card payments without having to use your card on each occasion that payment is to be made, e.g. monthly payment to a retailer.

7.3 In addition to regular card payments, you may authorise Direct Debits to be made from your account. These regular payments are made at the request of another person who either directly or through their bank participates in the Direct Debit scheme. To use this service you will be asked to provide a Direct Debit mandate in that person's favour.

7.4 You agree we may pay the amount requested under Direct Debit or regular card payments even though the amount was not known or specified at the time you gave the authorisation and the amount of each payment varies.

7.5 Each time a payment is due to be made under a Direct Debit or regular card payment you agree that it will be a payment instruction to make the payment on the relevant future date referred to in the Direct Debit mandate or specified to us by the retailer, but if that date is not a business day, the date for payment will be the next business day. The time of receipt of the payment instruction will be the business day prior to the day on which the payment is to be made.

7.6 If you want to cancel a Direct Debit tell us by telephoning us on 08457 213 213 (Business Banking accounts) or 08457 654 654 (Corporate Banking accounts) before 8pm the business day before the payment is due to be paid. You must also tell the person or organisation that collects the payment that you have cancelled it. If you want to cancel a regular card payment you must first contact the person or organisation that collects the payment and then tell us. You may not be able to cancel any particular payment after the time of receipt of the payment instruction.

7.7 The maximum time for Direct Debit and regular card payments to reach the recipient bank will be one business day following receipt of the payment instruction.

## 8. Our Right to refuse to make a payment

8.1 We may refuse to make a payment out of your account if:

- a payment exceeds a particular value or we suspect fraudulent activity as part of our monitoring for fraud prevention purposes, a breach of security or misuse of your account or security details. We will tell you when we do this. This may include access to your account, including telephone and online banking, being blocked
- you do not have available money (by way of cleared funds or formal overdraft) in your account at 9pm the business day before to cover payments. We may consider any due payments made, agreed or authorised from your account regardless of whether or not they have yet been deducted
- any relevant condition(s) of this agreement are not satisfied.

If we refuse to make a payment we will notify you and may make a charge for refusing to make the payment as set out in your account tariff.

## 9. Unauthorised or Incorrectly Executed Payments

9.1 You must tell us without undue delay and in any event within 13 months after the date the transaction was taken from your account on becoming aware of any unauthorised or incorrectly executed payment transaction by telephoning us on 08457 213 213 (Business Banking accounts) or 08457 654 654 (Corporate Banking accounts).

9.2 Please inform us as soon as possible (in any event within eight weeks from the date the payment was taken) if there is a payment you have authorised but the amount differs to that which you expected to pay. We will investigate and within 10 business days confirm to you the action we will take to correct it or whether we need further information from you to investigate the error. Please note if you are not a micro-enterprise or charity please see condition 24.5.

9.3 Additionally you may be entitled to a refund of a direct debit (under the Direct Debit Guarantee Scheme) or regular card payment if the following conditions are satisfied:

- the authorisation did not specify the amount of each payment

- the amount paid exceeded what you could reasonably expect taking into account your previous spending pattern, our agreement with you and the circumstances of the case.

Please note if you are not a micro-enterprise or charity please see condition 24.5.

- 9.4 Your right to a refund will not apply if you gave your consent to the payment transaction directly to us and the recipient notified you of the amount in writing or by email or other manner agreed by you four weeks before the due date for payment. Please note if you are not a micro-enterprise or charity please see condition 24.5.

## 10. Business Debit Card

These debit card conditions of use will apply to you, any cardholder or any signatories if a card has, or cards have, been issued to you. Use of the card or cards remains subject to these business account terms and conditions.

### Card Issue and PIN

- 10.1 A card will automatically be issued to all account signatories nominated by you (cardholders) to use as part of the account. Any such person who does not wish to receive a card must notify the bank at the time of account opening or as soon as practicable thereafter. If a card or cards have already been issued, such card or cards must be returned to the bank cut into pieces.

- 10.2 We will issue each cardholder with a PIN (Personal Identification Number) which can be used with the card to:

- withdraw cash from a cash machine
- purchase goods or services from a retailer or other supplier who will usually ask you to input your PIN into a screened key pad or, use your signature.

- 10.3 For security and fraud prevention we may impose spending limits on the use of your card for cash withdrawals, irrespective of funds available for drawing on your account.

- 10.4 You must not use your card:

- after the end of the month it expires
- after we have asked you to return it to us in accordance with these conditions
- after its use is blocked or suspended or your account is closed in accordance with these conditions.

- 10.5 You will be responsible for all losses and/or amounts arising from the use of your card and/or PIN by the cardholder if you or the cardholder have acted without reasonable care, including not complying with condition 11 or you have acted fraudulently.

- 10.6 You may use your card to pay for goods and services through a number of different channels, e.g. online, telephone, television and mail order. You must not disclose your PIN to anyone.

- 10.7 You may use your card for regular card payments without you having to use your card on each occasion that payment is to be made, e.g. a monthly payment to a retailer. These regular card payments will be treated as described in condition 7.

- 10.8 You will be charged a fee when you purchase travellers cheques or foreign currency with your card and for some cash withdrawals at cash machines (see condition 3.3 for details). Details are explained and set out in your account tariff.

- 10.9 We will not be responsible if any person, bank (or cash machine), retailer or other supplier refuses to accept your card or if you cannot use your card to make a payment. If this happens please telephone us on 08457 213 213 (Business Banking accounts) or 08457 654 654 (Corporate Banking accounts) and we will explain the reasons for the refusal and what action you may be able to take to correct this.

- 10.10 You cannot stop a card payment. You may get a refund from the retailer. We will credit your account with the amount of the refund from the date the refund was made if we receive instructions or a refund voucher from a retailer.

- 10.11 We may refuse to make or authorise a card payment arising from an unplanned request for our overdraft services in accordance with condition 13. If this happens please telephone us on 08457 213 213 (Business Banking accounts) or 08457 654 654 (Corporate Banking accounts) and we will explain the reasons for the refusal and what action you may be able to take to correct this.

- 10.12 We may refuse to authorise a payment if we consider that your card or account has been or is likely to be misused, or for fraud prevention. For decision making and card misuse purposes we may refer an authorisation request back to the retailer or supplier for further information. This may require you to provide further identification. This may also be done on a random basis for fraud prevention purposes. If this happens please telephone us on 08457 213 213 (Business Banking accounts) or 08457 654 654 (Corporate Banking accounts) and we will explain the reasons for the refusal and what action you may be able to take to correct this.

- 10.13 We may stop or suspend your use of your card for the following reasons:
- where you go over any formal overdraft limit

- when you make excessive unplanned overdraft requests
- if you seriously or repeatedly break this agreement
- where we have good reason to suspect there may be fraudulent activity on your account.

We will give you prior notice, by telephone or letter, unless we have a good reason for not doing so, e.g. we consider your card or account has been or is likely to be misused. We may deduct from your account any card payment (and any charges) made by you, but not paid by us until after return or suspension of your card.

- 10.14 We will cancel any card at any time if:
- you request in writing signed in accordance with your mandate or
  - any such card is surrendered to the bank.

## Use of the Card

- 10.15 The card must be signed by the cardholder immediately on receipt and may only be used:
- by that cardholder
  - subject to the terms of this Agreement
  - subject to condition 13 (overdraft services)
  - to obtain the facilities and benefits from time to time made available by us in respect of the use of the card
  - during the validity period (if any) embossed on the card
  - subject to our right in our absolute discretion to withdraw your right to use the card in accordance with these conditions or to refuse any request for authorisation of any particular card transaction. In deciding whether to authorise any outstanding card transaction, any authorisation already given for a prospective card transaction and any funds which we in our discretion may deem to have credited or debited to the account will be taken into account
  - by the cardholder solely as your agent.
- 10.16 You undertake to procure that the card shall not be used in a manner prohibited by law including, in particular, the provisions of Section 197 of the Companies Act 2006 or any subsequent statutory modification or re-enactment.

## Customer name and address

- 10.17 On the production of the card, the name of the cardholder nominated by you to hold a card will be embossed on the face of the card. As the card name may be longer than the number of characters which can be embossed on the face of the card, the bank reserves the right to abbreviate the name which is embossed on the card.

- 10.18 You will immediately notify the bank in writing of any change of name or address of you or of an individual cardholder. You undertake that the cardholder will so notify the bank. In the event of failure to notify, the bank may charge to your account the reasonable cost of tracing you and/or the cardholder.

## 11. Security

- 11.1 You and each cardholder must take all reasonable security precautions to prevent misuse of your account, any cards and your customer security details (this can include PINs, account and card details, and other security details which can include security codes, passwords, unique online user IDs, online security token or secure personal information which allow you to access your account, including online and telephone banking). Failure to take reasonable security precautions may result in access to your account, or additional services such as telephone or online banking, being blocked.

Reasonable security precautions can include:

- the cardholder signing the card as soon as it is received
- keeping your card apart from your cheques and PIN
- keeping your card and cheques safe and not allowing anyone else to use your card, PIN or other security details
- not disclosing your cards or security details except when using your card or making payments or registering or resetting your security details to use online services or telephone banking
- destroying the PIN advice immediately
- never disclosing or writing down your PIN or security details in any way that can be understood by someone else, including another account signatory or cardholder
- not choosing a PIN or security details which may be easy to guess
- ensuring no one hears or sees you when you are using your security details or PIN
- keeping receipts and statements safe and destroying them safely, e.g. by shredding
- complying with all reasonable instructions we issue regarding keeping your card, cheques, PIN, online security token and security details safe
- the cardholder telling us as soon as possible of a change of name, address or other contact details so that correspondence or replacement cards do not get into the wrong hands
- exiting online banking when leaving a computer terminal unattended.

- 11.2 If your cards, cheques, PIN, online security token or security details are lost or stolen or you think someone knows them or has used or tried to use them you must tell us immediately you are aware by telephoning us on 0845 600 6000.
- 11.3 We will ask you to co-operate with us by providing information or other assistance in connection with the loss or misuse of your card, cheques, PIN, online security token or security details. We may also give the police information about you or your account which we consider relevant to assist with any investigation of criminal activity. In some instances we may ask you to contact the police in connection with suspicious or criminal activity on your account.
- 11.4 If you find your card or cheques after having 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 as appropriate, by cutting them into pieces and/or returning them to us at The Co-operative Bank p.l.c., Delf House, Skelmersdale WN8 6GH.

## 12. Liability

- 12.1 The maximum you will have to pay us if your card, cheques, PIN or security details are used without your permission is £50. If they are used with your permission or as a result of your acting fraudulently or without reasonable security precautions (see condition 11.1), or if you have deliberately or with gross negligence failed to inform us without undue delay of the loss, theft, misuse or suspected misuse of your card or any of your personal security details you may have to repay all losses.
- 12.2 You will not be responsible for any losses for use of your card or your secure personal information after you have informed us, in the manner set out in condition 11.2, of their loss, theft, misuse or suspected misuse.
- 12.3 We are responsible to you for the correct execution of your payment instructions unless we can show that the recipient bank did receive the funds. On your request we will make immediate efforts to trace the funds and tell you of the outcome. If we have made an error we will without undue delay restore your account to the state it would have been had the error not taken place. Please note if you are not a micro-enterprise or charity please see condition 24.6.
- 12.4 If we fail to credit your account with funds intended to be paid to you and which we receive with the correct unique identifier we will immediately make the amount available to you including, where applicable, crediting your account with the amount of those funds. Please note if you are not a micro-enterprise or charity please see condition 24.6.

- 12.5 Provided you have notified us as required by condition 9.1 and we cannot show that the payment transaction was authorised, we will immediately refund the amount of the payment transaction to you and, if applicable, restore the account to the state it would have been in had the unauthorised payment transaction not taken place. Please note if you are not a micro-enterprise or charity please see condition 24.7.

## 13. Overdraft Services

- 13.1 Please contact us on 08457 213 213 (Business Banking accounts) or 08457 654 654 (Corporate Banking accounts) to arrange an overdraft. If you require an overdraft or an increase to a formal overdraft, it would be in your interests to contact us to discuss your borrowing requirements as it will be cheaper for you to have a formal overdraft rather than make several requests for an unplanned overdraft. If we agree to your request we will tell you your formal overdraft limit and confirm the terms of your overdraft in writing.
- 13.2 If you seek to make a payment or withdrawal from your account which would cause you to become overdrawn and there is no formal overdraft limit in place, or the payment or withdrawal would cause you to exceed a formal overdraft limit, this will be treated as a request for an unplanned overdraft. It is within our discretion whether to accept and pay it. If we pay it and allow an unplanned overdraft, this will not mean that your formal overdraft limit, if you have one, has changed, nor that we are bound to make any other payment which would have similar effect.
- 13.3 If you use unplanned overdraft services, especially on a frequent basis, it can be a cause for concern to us regarding your business.
- 13.4 In the case of multiple account holders, in applying for this account you agree that an application by one of you for an overdraft on the account we may provide oral precontractual information to one of you only prior to the overdraft being agreed. In this case any overdraft terms will be sent to joint account holders after the overdraft is agreed and available for use.
- 13.5 It is your responsibility to make sure you have available funds in your account to cover any payments you have requested. If we do not agree to your request for an unplanned overdraft, or to an increase in your formal overdraft limit, the payment will not be made and we will charge you an unpaid item fee as set out in your account tariff.
- 13.6 Where we agree to make any payment you have requested under condition 13.2, you agree to immediately pay into your account enough money to bring your account into credit or within any formal overdraft limit.

- 13.7 We may at any time amend any formal overdraft limit on your account, subject to these conditions and to giving you notice. Where you have an overdraft which is repayable on demand we will not give you notice.
- 13.8 You agree to repay all amounts owed to us at the end of any formal overdraft term or immediately on our written demand. Any written demand will be sent by first class post to the address you last notified to us and will be treated as having been received by you two days after posting. We will normally give you warning that your overdraft must be repaid or its limit reduced, but we may ask for repayment or reduction immediately, if your overdraft is repayable on demand. Until repayment, you will continue to pay interest and charges both before and after any court order in our favour for repayment.
- 13.9 Interest on an overdraft is calculated on the uncleared balance each day and deducted on the 5th of each month or the nearest business day before; or on the appropriate charging day, if charged quarterly or at different times agreed with us. We will give you at least 16 days' notice of any debit interest which has accumulated on the account before deducting it from your account.
- 13.10 If any accounts you hold with us are in credit, we may use them to reduce or repay any amounts you owe on other accounts you hold with us in the same name (including any charge card, loan or other amounts). This is called set off and we will advise you as soon as possible afterwards when we have done this.
- 13.11 The charges for our overdraft services may be varied under condition 23 and are explained and set out in your account tariff which forms part of these conditions.
- 13.12 You are responsible for any money you owe us, whether this is as a result of your own actions or someone authorised by you.
- 13.13 Once we have agreed to provide you with a formal overdraft you have a right to cancel it within 14 days. If you wish to do so please write to us at Customer Services, The Co-operative Bank p.l.c., Delf House, Skelmersdale WN8 6GH or telephone us on 08457 213 213 (Business Banking Accounts) or 08457 654 654 (Corporate Banking Accounts). If you decide to cancel you must immediately repay us the full amount you owe us including any interest or charges. If you do not cancel you are still free to end your overdraft at any time by repaying all amounts owed to us.
- 13.14 Each partner within a partnership will be jointly and severally responsible to us for any debts which may arise on the account. This means you are all responsible individually as well as together for the full amount due to us. This includes amounts you did not know about or disapproved of.

## 14. Charges

- 14.1 When you open an account, we will give you your account tariff, which forms part of these conditions. This includes details of interest rates and the charges for our services. You can also find out about these charges on our website or by telephoning us on 08457 213 213 (Business Banking accounts) or 08457 654 654 (Corporate Banking accounts).
- 14.2 The charges will be debited to the account on the 5th day of each month or the nearest business day before the 5th; or on the appropriate charging day if you are charged quarterly, or at different times agreed with us. We will give you at least 16 days' notice of any charges which have accumulated on the account before deducting them from your account unless they relate to a special service fee as set out in your account tariff, where they will be deducted immediately.
- 14.3 Where deposits are made through other banks, the bank reserves the right to deduct from the account the amount of any inter-bank charges which may be incurred by the bank in respect of these transactions.
- 14.4 We may vary our charges or introduce any new fees or charges in accordance with condition 23. Please note if you are not a micro-enterprise or charity please see condition 24.8.

## 15. Interest

- 15.1 Unless otherwise stated in these conditions, if your account is interest bearing, interest will be calculated from the day we receive cleared funds for payment into your account. We will calculate interest on a daily basis on available money in your account.
- 15.2 Debit interest is calculated daily on the uncleared debit balance on the account.
- 15.3 The bank will give you at least 16 days' notice of any debit interest which has accumulated on the account before deducting it from your account.
- 15.4 Interest rate details are available in your account tariff, or on the internet or via telephone banking.
- 15.5 We may vary interest rates in accordance with condition 23.

## 16. Statements

- 16.1 We will send you regular statements showing the balance of your account, details to enable you to identify each transaction and any charges. These details are also available via telephone and online banking.
- 16.2 Please ensure you check your statement and tell us as soon as possible if there is an item you do not recognise. We will investigate in the manner set out in condition 9.

- 16.3 We can make available to you any further information which we hold in relation to any transaction on your account and this can be requested by you contacting us via telephone banking.
- 16.4 We may charge you for copy, duplicate and frequent statements or other information, unless prevented from doing so by law. Our charges are set out in your account tariff.
- 16.5 We reserve the right to suspend statements where there have been no transactions on the account for the previous six months.
- 16.6 You consent to communication with the bank by whatever means including, but not limited to, fax, email (and any signed attachments in whatever format), internet and telephone, in connection with the account.

## 17. Telephone and Online Banking Service

- 17.1 You can use telephone and online banking to transact upon your account or the account of someone which you have been authorised by the account holder to operate, e.g. because they have signed a third party mandate or you have been granted a power of attorney. Use of telephone and the business online banking service is in accordance with these conditions and you will need to register a pass-number, security code and secure personal information to use these services.

### Telephone Banking

- 17.2 You can contact us via telephone banking:
- for Business Banking accounts on 08457 213 213, lines are open 24 hours a day, 7 days a week, apart from Christmas Day. Our automated service is available 24 hours a day
  - for Corporate Banking accounts on 08457 654 654, lines are open Monday to Friday 8am to 5pm.

Calls may be recorded and/or monitored to enhance security, resolve complaints, improve customer service and for staff training purposes.

### Pass-number

- 17.3 You must select a four-digit pass-number for use when telephoning the bank.
- 17.4 At the beginning of any telephone conversation between the bank and you, whether incoming to the bank or outgoing from the bank, you must confirm part of your pass-number when asked to do so for customer security purposes. The bank cannot discuss or receive any instructions in relation to your account until the pass-number has been correctly confirmed.
- 17.5 You must ensure that the pass-number is kept confidential at all times to prevent an unauthorised person from using telephone banking.

- 17.6 If you or an authorised person knows or suspects that someone else knows your pass-number, you should immediately contact the bank. The bank will then be able to allocate a new pass-number on completion by you of a new registration form.
- 17.7 If you fail to contact the bank as required under Condition 17.6, you will indemnify the bank from and against all actions, proceedings, claims and demands which may be brought against the bank and all losses, costs, charges, damages and expenses which the bank may incur or for which it may become liable by reason of your failing to notify the bank as required under condition 17.6. You will also indemnify the bank on a full indemnity basis for legal fees and all other collection costs and expenses incurred in the enforcement of this indemnity.
- 17.8 If there is a change in authorised persons your pass-number may be deleted for security reasons, and a new one issued.

### Instructions

- 17.9 You irrevocably authorise the bank to accept telephone instructions received from any one of your authorised representatives, provided the correct pass-number is used.
- This condition will continue to apply during any period of notice to terminate the account given by either you or the bank.
- 17.10 The bank reserves the right to refuse instructions if the bank believes there are valid security reasons for such a refusal.

### Online Banking Service

- 17.11 These additional terms and conditions will apply to you if you use the business online banking service, if offered.

### The Service

- 17.12 The online banking service is provided on request subject to these business account terms and conditions and the reference materials available through the online help facility.
- 17.13 The financial information made available by the service is for reference purposes only and while the bank shall endeavour to ensure that the financial information made available to you via the service will be accurate and in accordance with the online help facility, the bank shall not be liable for any loss incurred or damage suffered by you by reason of or in consequence of any such financial information not being complete, accurate, up to date or available at any time.
- 17.14 Without prejudice to these terms and conditions, the bank reserves the right to reverse any entry and make any necessary adjustments to the account but if it does so the bank will notify you by system notice or other means of communication at the bank's discretion.

- 17.15 The bank does not warrant or guarantee the speed, resolution of or access to the service or that the service will be free from interruption.
- 17.16 The minimum specification to run the service which the bank recommends can be found in the User Guide or as notified to you from time to time.
- 17.17 The bank will use reasonable endeavours to effect instructions received from you as soon as reasonably practical.
- 17.18 The bank will use reasonable endeavours to provide the service but the bank will not be responsible for any loss suffered by any party should the service be interfered with or be unavailable by reason of industrial action, failure of your equipment or any other circumstances not reasonably within the bank's control.
- 17.25 You shall be responsible for any loss which may be incurred by any party as a consequence of any breach by you of these terms and conditions and you will indemnify the bank against any claims made against the bank for recompense for such loss and any loss incurred by the bank in connection with such claim. You will also indemnify the bank on a full indemnity basis for legal fees and all other collection costs and expenses incurred in the enforcement of this indemnity.

## Your obligations

- 17.19 You irrevocably authorise the bank to act on all instructions received via the service in respect of your account and to debit and/or credit your account with the amount of all transactions initiated through the service in accordance with the procedures set out in the online facility. In all cases, the bank will only accept instructions when the right to use the service has not been withdrawn or suspended. This irrevocable mandate shall survive any termination of the service by the bank or by you in relation to all such instructions received by the bank prior to the expiry of any period of notice of termination. The bank reserves the right to refuse to action or implement any instruction but in such cases will notify you of the reason for doing so.
- 17.20 The irrevocable authority given by the customer to the bank under condition 17.19 shall also include those received by the bank from any nominated user of yours acting alone regardless of any different signing instructions or authority on your account mandate held by the bank.
- 17.21 You will at your own expense provide and maintain facilities suitable for gaining access to the service and shall be responsible for ensuring that these meet any requirements specified by the bank from time to time (including those referred to in condition 17.16).
- 17.22 You agree to take all reasonable precautions to prevent the use of the service by anyone not nominated by you. In the event that your security details have or are suspected to have been breached you must notify the bank in accordance with Condition 17.34. You must take all reasonable precautions to ensure that only nominated users have access to such facilities.
- 17.23 Provision or use of the service will not confer any right on you to overdraw the account(s) except in accordance with condition 13.
- 17.24 The bank shall be entitled to continue to act on the instructions it receives from you in connection with the use of the online banking service, until the bank receives actual notice of the revocation or variation of your written authority.
- 17.26 You must not make or allow or cause others to make or allow any unauthorised copy or copies of any software or part of any software used by the bank in providing the service or supplied by the bank to you in order to use the service or the online help material and shall not disassemble, reverse engineer, modify, decompile or otherwise use the software or part of it or allow others to do likewise except as agreed with the bank.
- 17.27 You will not acquire title to any programmes, software, specifications, techniques or other information supplied to you for the purposes of the service (or to any intellectual property rights in respect of the foregoing).
- 17.28 The bank undertakes, at its own expense, to defend or, at its own option, to settle, any claim or action (together "a claim") brought against you concerning the infringement of any patent, design right, trade mark, trade secret, copyright or similar right in the software. The bank further undertakes to indemnify you against any judgment made against you in respect of such a claim.
- 17.29 You will be responsible for advising us which nominated user(s) should use the service.
- 17.30 You may terminate your use of the service by giving the bank not less than 30 days' written notice of termination. Time will start to run once such notice is received and processed by the bank and not from the date of posting by you. Upon termination access to the service shall cease.

## Customer Security Details

- 17.31 When registering for the use of the service, each person nominated by you to use the service will be issued with a Customer ID and a unique User ID and security token. Access to the service will be dependent upon the use of the Customer ID, User ID and security token. You and all persons authorised by you to use the service must take all necessary and reasonable precautions to prevent the disclosure and unauthorised use of the Customer ID, User ID and security token. A nominated user must not allow any other nominated user or anyone else to access

- or use his/her unique User ID or security token which each authorised user must keep secret/safe at all times.
- 17.32 For some Internet instructions you may be asked to use your security token, if you do not use your security token we will not be able to carry out your instructions.
- 17.33 You must notify the bank immediately if any nominated user ceases to be so authorised and must notify us of any new or additional persons to be authorised to use the service. You must not permit any User ID or security token to be passed from any nominated user who is to cease or ceases to be authorised to one who is or is to become a nominated user.
- 17.34 If you know or suspect that your customer security details have been breached, the bank must be notified immediately. Upon notification, your liability will cease subject to condition 12.1.
- 17.35 If the unauthorised use of your customer security details is due to your fraud or gross negligence, you will remain liable for all directly resulting losses.
- 17.36 You will assist the bank in its efforts to recover any loss resulting from the unauthorised use of your customer security details, if it asks you to do so.
- 17.37 For your protection, the bank reserves the right to suspend your access to the service without notice if:
- incorrect customer security details are used to attempt access to the service
  - the bank has reason to suspect an unauthorised person is attempting to access the service.
  - the bank suspects fraud or other inappropriate use, is required to suspend or withdraw the service by court order or by law, or in the event of a dispute between the bank and you or between you and another customer where this could have a legal impact on our relationship.
- 17.38 The use of customer security details as part of the service may vary over time. The bank may vary, amend, suspend or terminate any services available in accordance with condition 23.
- 17.39 The security token remains the property of the bank, the bank reserves the right to charge for replacement security tokens and we will notify you of the cost of replacement.
- 17.40 In addition to the reasonable security precautions in condition 11, when using online banking, we recommend:
- you purchase anti-virus software and take regular updates
  - you purchase personal firewall software
  - you do not access your account from a computer in a public place
  - you log off using the exit link on screen
  - you log back in and then log off correctly if you are disconnected from your internet service provider during an online banking session
  - you do not open emails from unknown sources
  - you install any new security updates from your browser supplier
  - you do not send any account details to us by a message which is not encrypted
  - you (or any nominated user) must exit the service when leaving the computer terminal unattended.
- 17.41 If you subscribe to FD Online you will be responsible for payment of any fees agreed with you (in writing), such fees will be debited monthly in arrears to an account nominated by you.

## **18. Duration/Closing or Cancelling your Account**

- 18.1 This agreement does not have a fixed or minimum duration.
- 18.2 You can end this agreement and close your account by writing to us at The Co-operative Bank p.l.c., P.O. Box 200, Delf House, Skelmersdale WN8 6GH.
- 18.3 We can end this agreement and close your account at any time but we will give you at least two months' notice unless there are serious circumstances (e.g. fraud investigation or where you seriously or repeatedly break this agreement) which justify us closing your account with less notice. Please note if you are not a micro-enterprise or charity please see condition 24.9.
- 18.4 When you or we close your account we will pay to you any money credited to your account and you must repay us any money owed to us including payments we have made after closure and any interest and charges you have incurred.
- 18.5 For 14 calendar days after the date you have received your welcome letter or the account is opened, whichever is the latter, you have a right to cancel and close your account without giving any reason. You can do this by writing to us at The Co-operative Bank p.l.c., P.O. Box 200, Delf House, Skelmersdale WN8 6GH.
- 18.6 When you cancel your account:
- we will pay to you any money credited to your account and if applicable any interest earned within 30 calendar days of cancellation
  - where applicable we will refund any account subscription charge
  - you must repay to us any money owed to us for any other services and interest charges you have incurred
  - you must repay to us any money owed to us including payments we have had to pay after cancellation.


## 19. Personal Data

19.1 We may use the contact details you have provided, including address and telephone numbers, to contact you. You must phone us on 08457 213 213 (Business Banking accounts) or 08457 654 654 (Corporate Banking accounts) or write to us at The Co-operative Bank p.l.c., Delf House, Skelmersdale WN8 6GH at your earliest convenience on any change of name, address or other contact details. If you do not do this, we may charge your account with the reasonable costs of locating you.

### Using and sharing your information

19.2 In this condition 19, the following words shall have the special meaning given below:

- “The Co-operative Group” means us, The Co-operative Group (Co-operative Group), Co-operative Insurance Society Limited and any companies or organisations the bank, The Co-operative Group wholly or partly own or are owned by us at any time and any other independent UK Co-operative Societies
- “information” includes any information about you or anyone associated with you, which we or The Co-operative Group hold now or in the future as a result of the application process or other dealings with us or The Co-operative Group, searches or checks at credit reference or fraud prevention agencies, products or services you hold within The Co-operative Group and any transactions for goods or services arising out of your account (including the supplier and the type of goods or services), and such information may include sensitive information as defined in the Data Protection Act 1998.

 Your information may be held by us in any form and on any Co-operative Group database and used by us and The Co-operative Group for the purposes set out below.

We and The Co-operative Group may use, analyse and access your information to maintain and develop our relationships with you.

Information shared with the credit reference and fraud prevention agencies may be accessed by other organisations and used by us and them to prevent fraud and money laundering.

This may include the following purposes:

- checking details on applications for credit and credit-related facilities
- to make credit decisions about you and anyone to whom you are linked financially
- managing credit and credit-related facilities

- to consider and implement business, products and technology developments
- to undertake statistical analysis, financial risk assessment, money laundering checks (which may include telephoning you), compliance and regulatory reporting, fraud prevention and recovering debt
- checking details on insurance proposals and claims, such as motor, household, credit, life and other insurance proposals and insurance claims for you and anyone else linked to your insurance proposal or claim
- to help us identify products and services which may be of interest to you (unless you have asked us not to)
- meeting any obligations we may have under the card scheme your card is issued under
- checking details of job applicants and employees.

We may link your information between your account(s) and other products and services you have with us or The Co-operative Group and with information about others with whom you have a financial link.

We and The Co-operative Group may identify and tell you by letter, telephone, fax, including automated dialling, email or any other means of communication about products and services which may be of interest to you and which are offered by us, The Co-operative Group or other carefully selected organisations or companies (if you do not wish to receive such information please write to us at Customer Services, The Co-operative Bank p.l.c, P.O. Box 250, Skelmersdale WN8 6WT for more details, but please note this may mean you will not receive information about business product or service developments which may be of benefit to you). You do agree that we can forward any newsletter, statement message, new terms and conditions or information about any changes to the way your account(s) operate or provide information on card carriers.

We will disclose information outside The Co-operative Group only:

- where you have provided your agreement
- to our agents or subcontractors for operational reasons
- to our affinity partner(s) if you have an affinity product(s)
- to any persons, including, but not limited to, insurers, who provide a service or benefits to you or for us in connection with your account(s)
- to licensed credit reference agencies as set out below
- to fraud prevention and other agencies to help prevent crime or where we suspect fraud
- if compelled to do so by law
- for the purpose of compliance and regulatory reporting and to confirm your identity for money laundering purposes, which may include checking the electoral register

- to any person we will or intend to transfer our rights or obligations to
- if your card or PIN are lost or stolen, or to meet any obligations we may have under any card scheme your card is issued under.

We may disclose your information and, where applicable, your business partners' and anyone whom you are linked financially to credit reference and/or fraud prevention agencies to help make financial or insurance proposals and claims decisions (this will be during the application process and on an ongoing and/or periodic basis, to decide whether to continue to make products or services available to you or adjust any level of credit) for you and anyone with whom you are linked financially – our enquiries or searches may be recorded and credit reference agencies will place a search footprint on your personal credit file and, where applicable, your business credit file. This may be seen by other lenders.

Credit reference agencies supply us with both public (including the electoral register) and shared credit and fraud prevention information.

If you are a director, we will seek confirmation from credit reference agencies that the residential address that you provide is the same as that shown on the restricted register of directors' usual addresses at Companies House.

Information on applications will be sent to credit reference agencies and will be recorded by them including, where applicable, information on your business and its proprietors. The credit reference agencies may create a record of the name and address of your business and its proprietors if there is not one already.

We may also disclose information to credit reference agencies about how you conduct your account(s) and this information may be shared with other financial institutions to help make financial decisions about you and anyone with whom you are linked financially.

If you borrow and do not repay in full and on time, we may tell credit reference agencies who will record the outstanding debt. This information may be supplied to other organisations by credit reference agencies and fraud prevention agencies to perform similar checks and trace your whereabouts and recover debts that you owe. Records remain on file for six years after they are closed, whether settled by you or defaulted.

If you have borrowed from us and do not make payments that you owe us we will trace your whereabouts and recover debts.

A link between joint applicants and/or any individual identified as your financial partner will be created at

credit reference agencies, which will link your financial records. You and anyone else with whom you have a financial link understand that each other's information will be taken into account in all future applications by either or both of you. This linking will continue until one of you successfully files a disassociation at the credit reference agencies.

You agree that your information may be transmitted to, from and/or through any country as a result of your use of your account(s) and any services which form part of your account(s) irrespective of the levels of data protection provided in any particular country and at your own risk. If we transfer your information to an agent or subcontractor who provides a service to us in another country outside the European Economic Area we will ensure they agree to treat your information with the same level of protection as us.

If you write to us and pay a fee you have the right of access to your information held by us. Write to us at Customer Feedback, The Co-operative Bank p.l.c., P.O. Box 101, 1 Balloon Street, Manchester M60 4EP.

You have a right of access to your information held by credit reference and fraud prevention agencies on payment of a fee. If you ask we will tell you the name and address of the credit reference and fraud prevention agencies we may use.

We and other organisations may access and use from other countries the information recorded by fraud prevention agencies.

Law enforcement agencies may access and use this information.

We may record and/or monitor telephone calls to enhance security, sort out complaints, improve our customer service and for staff training purposes.

## 20. Customer Responsibilities

20.1 You shall provide to the bank all such financial and accounting information as the bank shall request and failure to do so may be regarded as a serious breach of these conditions.

20.2 You must notify the bank immediately of any change in:

- business/email address and telephone number
- directors/members or designated members/committee members/trustees/governors/secretaries/partnerships
- authorised signatories
- nominated online banking users or cardholders and such notification must be validly signed in accordance

with the bank's existing mandate. Where in law, the legal status of the customer's business (for example, a limited company) requires a resolution to effect such changes, a copy of this resolution (or other appropriate authority) must accompany the written notification.

- 20.3 If you ask the bank to accept instructions by fax (including with a facsimile or lithograph signature), email (and any signed attachments in whatever format) or telephone, then in consideration of the bank agreeing to accept instructions in this way, you agree to indemnify the bank from and against all actions, proceedings, claims and demands which may be brought against the bank and all losses, costs, charges, damages and expenses which the bank may incur, or for which it may become liable by reason of its having acted on any such instruction from you, or an authorised signatory (notwithstanding that any such instruction may not have been duly authorised by you). You will also indemnify the bank on a full indemnity basis for legal fees and all other collection costs and expenses incurred in the enforcement of this indemnity.

## 21. Ethical Policy

- 21.1 The bank's Ethical Policy means the policy as to how its customers' money should and should not be invested and has been formulated by the bank following extensive consultation with its customers. The policy is subject to change by the bank from time to time. Full details are available on our website.
- 21.2 As the Ethical Policy is one of the guiding principles which determines how the bank conducts its business, it is a condition of the account that you, as the customer, conduct your business in a way that complies with the Ethical Policy.
- 21.3 You must notify us in the event of any proposed or effected change(s) in your circumstances or working practices which may impact upon the bank's Ethical Policy.
- 21.4 The bank reserves the right:
- to reject any application which reveals information which conflicts with the Ethical Policy, or
  - to give notice to you of closure of your account at its sole discretion if it believes that you are no longer acting or conducting your business in a way that complies with the bank's Ethical Policy.

## 22. Additional Conditions applying to Partnerships only

- 22.1 In the event that you are a partnership, the partners will be jointly and severally liable for all monies due and owing to the bank.
- 22.2 If any partner within a partnership tells us of a dispute

between any of you, we may block or suspend the account and any cheques, payments or withdrawals made before we are told of the dispute may still be paid. Any further payments or withdrawals will need the authority of all partners. Use of additional services, such as telephone or online banking, may be suspended. We may also ask for the return of your cards and unused cheques.

- 22.3 In the event of the death of any of you, the account will be amended to reflect the requirements included in your Partnership Deed which you must provide to us as soon as reasonably possible following notification. In the absence of a Partnership Deed the Partnership Act will apply. We may also require you to provide to us details of Probate.

## 23. Changes

Please note if you are not a micro-enterprise or charity please see condition 24.10 in respect of changes to your account.

### Changes to our service or these conditions

- 23.1 We may make changes to the services or conditions of this account and we may introduce new services or conditions. Changes may be to the services or these conditions for the following reasons:
- to make these conditions easier to understand or fairer to you
  - to correct mistakes, ambiguities, inaccuracies or omissions where it is reasonable to do so or as a result of customer feedback
  - to make improvements to the services we provide which are of benefit to you
  - to reflect changes in security design or technology at no increased cost to you
  - to respond to changes in the law, codes of practice, industry-wide fraud prevention practices, court or ombudsman decisions or new regulatory requirements or practice
  - to respond to changes in the general retail practices of banks and other organisations offering similar services including the terms on which they offer similar products
  - to take account of any change in our ownership or to reflect a reorganisation of our business as a result of it being acquired or merging with another bank or organisation to make sure that our customers and the customers of the other organisation are treated in a similar way if they have a similar product
  - if we reasonably believe the change is necessary in the interests of our business as a whole, for example to protect our financial strength

- to respond to changes in your credit assessment or where your card or account has not been used for 12 months.

If we make changes to our payment services or conditions relating to those payment services (including conditions 3 to 12, 14 to 18, 23, 25.3, 25.7 and 25.8) for the reasons listed above we will tell you of any change by personal notice at least two months before we make the change. The new service or conditions will apply to your account automatically. However, if you do not agree to such a change you can, at any time up to two months from the date we tell you of the change switch your account or close it immediately without paying any extra charges or interest. If you do not switch or close your account you will be deemed to have accepted the change. Remember you can close your account at any time if you wish (see condition 18).

For all other changes to our services or conditions for the reasons listed above:

- where the change is more favourable to you we will tell you of any change within 30 days of the change being made in national press advertisements, statement messages or statement inserts. The change will apply to your account automatically from the date of the change
- where the change we make is not favourable to you we will tell you of any change by personal notice at least 30 days before we make the change. The new service or conditions will apply to your account automatically. However, if you do not agree to such a change you can, at any time up to 60 days from the date we tell you of the change, switch your account or close it without paying any extra charges or interest. If you do not switch or close your account you will be deemed to have accepted the change. Remember you can close your account at any time if you want (see condition 18).

## Changes to our charges

23.2 In addition to the reasons listed above we can make any changes to the charges applicable to the account or introduce new charges for the following additional reasons:

- to respond to reasonable cost increases or reductions associated with providing the particular services to you
- to respond to changes made in the charges applied by our competitors in the retail financial services market offering similar services to customers with similar products.

If we make changes to our payment services charges (including any charges detailed in conditions 3 to 12 and

14 to 18) for the reasons listed above or under condition 23.1 we will tell you about it by personal notice at least two months before we make the change. The change will apply to your account automatically. However, if you do not agree to such a change you can, at any time up to two months from the date we tell you of the change, switch your account or close it immediately without paying any extra charges or interest. If you do not switch or close your account you will be deemed to have accepted the change. Remember you can close your account at any time if you want (see condition 18).

For all other changes to charges (e.g. overdraft charges or account subscription fees) for the reasons listed above:

- where the change is more favourable to you we will tell you about the change on our website, by branch notice, statement message or statement insert
- where the change we make is not favourable to you we will tell you about the change by personal notice at least 30 days before we make the change. The change will apply to your account automatically. However, if you do not agree to such a change you can, at any time up to 30 days from the date we tell you of the change, switch or close your account without paying any extra charges or interest. If you do not switch or close your account you will be deemed to have accepted the change. Remember you can close your account at any time if you want (see condition 18).

## Changes to interest rates

23.3 We may change interest rates provided there is a valid reason for doing so. Changes may be made to interest rates for the following reasons:

- to respond to a change or changes in the bank rate (that is the rate set by the Bank of England (or any successor))
- to respond to a change in LIBOR (that is the London Inter Bank Offered Rate) or equivalent money market rate which impacts on the costs we incur in acquiring funding
- to respond to changes in the rates of interest which banks or other organisations offering similar services charge to customers with similar products
- to respond to changes in our credit assessment of you.

Where your account is interest bearing, we may make changes to our credit interest rates for the reasons listed above as follows:

- where the change to credit interest rates is more favourable to you we will tell you of any change at

the earliest opportunity after the rate is changed in national press advertisements, statement messages or statement inserts, or by writing to you (this can include email). The new rates will apply to your account automatically from the date the rate changes

- where the change to credit interest rates is not favourable to you we will tell you of any change by personal notice at least two months before we make the change. The new rates will apply to your account automatically. However, if you do not agree to such change you can, at any time up to two months from the date we tell you of the change switch your account or close it immediately without paying any extra charges or interest. If you do not switch or close your account you will be deemed to have accepted the change. Remember you can close your account at any time if you want (see condition 18).

For all other changes to interest rates (including changes to our debit interest rates (e.g. the overdraft interest rate)) for the reasons listed above we will tell you of any change by personal notice at least 30 days before we make the change. The new rates will apply to your account automatically. However, if you do not agree to such change you can, at any time up to 30 days from the date we tell you of the change switch your account or close it immediately without paying any extra charges or interest. If you do not switch or close your account you will be deemed to have accepted the change. Remember you can close your account at any time if you want (see condition 18).

- 23.4 Where we make a change for one or more of the reasons in conditions 23.1, 23.2, or 23.3, we will do so in a reasonable and proportionate manner.
- 23.5 If we make a number of changes or a major change to these conditions during any 12-month period, we will provide you with a summary of the changes and let you know where you can obtain an updated copy.

## **24 Additional conditions applying to organisations that are not micro-enterprises or charities (that is those businesses with 10 employees or more, or an annual turnover or balance sheet total of €2 million or more, or charities with an annual turnover of £1 million or more).**

- 24.1 Please inform us as soon as possible if at any time your status changes such that you become a micro-enterprise or charity.
- 24.2 You agree that Part 5 of the Regulations (which provide for certain information about payment service to be given to you unless you agree otherwise) do not apply.

- 24.3 Condition 3.1 (relating to paying cash into your account) shall not apply and shall be replaced with the following condition:

When you pay cash into your account at any of our branch counters before 4.30pm on a business day, the money will be available and value dated no later than the end of the next business day after receipt of the cash. Cash paid in after 4.30pm will be treated as received the next business day.

- 24.4 Condition 5.13 shall not apply and shall be replaced with the following condition:

If you make a payment instruction after the close of business on a business day, or on a day that is not a business day, the time of receipt will be the next business day or, for future dated payments, the date stated for the payment to be made. You may not cancel a payment, except with our agreement and for which we may levy a charge which will be notified to you when you make your request for cancellation.

- 24.5 As you are not a micro-enterprise or charity, Regulations 63 and 64 of the Regulations shall not apply and accordingly Conditions 9.2, 9.3 and 9.4 (relating to payment transactions for unspecified amounts) also shall not apply and shall be replaced by the following condition:

Where a payment authorised by you is to be initiated by a payee (such as a card payment) we may debit your account with the amount of the payment notwithstanding that your authorisation did not specify an exact amount and the amount of the payment was more than you could reasonably have expected. You will not be entitled to request a refund in such circumstances.

- 24.6 Conditions 12.3 and 12.4 shall not apply and shall be replaced with the following conditions:

As you are not a micro-enterprise or charity, Regulations 75 to 77 of the Payment Services Regulations do not apply.

We will only be liable to you:

- for the incorrect execution of your payment instructions where we cannot prove that the payment instruction was properly entered or
- if we fail to credit your account with funds intended to be paid to you and we cannot prove that the instructions received did not contain the correct unique identifier.

On your request we will make immediate efforts to trace the funds and tell you of the outcome. We may charge our costs in relation to this if we have made an error we will without undue delay restore your account to the state it would have been had the error not taken place.

24.7 Condition 12.5 (relating to our liability for unauthorised or incorrectly executed payment transactions) shall not apply and shall be replaced with the following condition:

As you are not a micro-enterprise or charity, Regulation 60 of the Regulations shall not apply. Where you deny having authorised a payment transaction or you claim that it was not correctly executed then provided you can properly substantiate this and provided you have notified us as required by condition 9.1, we will immediately refund the amount of the payment transaction to you and, if applicable, restore the account to the state it would have been in had the unauthorised payment transaction not taken place.

24.8 As you are not a micro-enterprise or charity, Regulation 54(1) of the Regulations shall not apply. You agree that we may charge for any aspects of the payment services and for any actions we take or for information which we provide in relation to the payment services. Our charges will be such amounts as we may agree with you from time to time and may not correspond to our actual costs of fulfilling our obligations in relation to the payment services. The provisions of condition 14 (relating to Charges) shall apply subject to this condition 24.8.

24.9 Condition 18.3 shall not apply and shall be replaced with the following condition:

We will give you at least 30 days' notice unless there are serious circumstances (e.g. fraud investigation or where you seriously or repeatedly break this agreement) which justify us closing your account with less notice.

24.10 Condition 23 shall not apply and shall be replaced with the following conditions:

24.10.1 We may vary interest rates at any time. If we do so we will tell you within 30 days of the change by statement message or within three days of the change by branch notice.

24.10.2 We may vary our standard account charges, or introduce new ones by giving you at least 30 days' advance notice.

24.10.3 We reserve the right to change charges for special service charges without notice. We will tell you of the charge at the time you ask for the service or at the time we provide it.

24.10.4 The bank reserves the right to update, enhance, modify, vary, replace, suspend, or withdraw the online banking service or any part thereof but in the event that the bank does so the bank will notify the customer 30 days in advance if such changes are to your disadvantage. Otherwise you will be notified within 30 days of the change. Any notification will be effected by system notice, email or other means of communication at the bank's discretion.

24.10.5 Subject to conditions 24.10.4 and 24.10.7, we may

vary the services and facilities on your account (such as a feature of your business debit card, for example) by giving you as much notice as possible.

24.10.6 Subject to condition 24.10.7 we may vary the terms and conditions of this Agreement, or those which apply to any services or facilities, and notify you within a reasonable time.

24.10.7 Where a change to the terms and conditions, to any conditions applying to the services or facilities on your account, to any services or facilities themselves, or to any standard account charges is to your disadvantage: we will give you 30 days' personal advance notice and you will then have a further 30 days in which to accept the change, switch or close your account if you wish, without paying extra charges or interest.

## 25. General

25.1 It is our aim to ensure a complete service at all times, but we will not be responsible when failure is caused by abnormal and unforeseeable circumstances beyond our (or our agents' and/or subcontractors') control, the consequences of which would have been unavoidable despite our efforts to the contrary. The bank will endeavour to make alternative payment/deposit arrangements for you where this is feasible in the event of a postal strike.

25.2 The Co-operative Bank plc is covered by the Financial Services Compensation Scheme (FSCS), which would pay compensation of up to £85,000 to eligible depositors in the event of the bank becoming insolvent. **smile** and Britannia are trading names of The Co-operative Bank and, as such, protection provided to depositors by the FSCS is limited to £85,000 for the total amount of combined deposits held with The Co-operative Bank, **smile** and Britannia.

Certain customers are not covered by the FSCS. The exclusions include large businesses or organisations, large companies, large mutual associations and local authorities: visit [www.fscs.org.uk](http://www.fscs.org.uk) for further details.

25.3 We may transfer our rights and/or responsibilities under this agreement to any person if:

- that other person is authorised to accept deposits and writes to you and undertakes to carry out all our duties and obligations under this agreement. If it does so, you agree that we will be released from all those duties and obligations
- we reasonably believe such person is capable of performing our responsibilities.

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

25.4 Subject to any limitations imposed by statute, all amounts due under this Agreement will be immediately

payable in full by you if you enter into any form of insolvency arrangement whether there is any breach of the Agreement or the terms of the account by you or a cardholder, or whether you are in default in respect of any other monies or liability due or incurred to the bank. If you are a partnership and one or more of the partners dies, the bank will make arrangements with the surviving partners as to the partnership's continuing liabilities.

- 25.5 If at any time we decide not to exercise our rights under this Agreement this does not mean that we have waived our right to do so in future.
- 25.6 You agree that the bank may at all times disclose to its agents and subcontractors any information with respect to the account, the use of the card by a cardholder and your financial affairs and similarly that the bank's agents and subcontractors may at all times disclose any such information to the bank.
- 25.7 This agreement with you 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 UK, Isle of Man and Channel Islands which is able to hear the case.
- 25.8 If you have a complaint please telephone us on 08457 213 213 (Business Banking accounts) or 08457 654 654 (Corporate Banking accounts) or write to Customer Services Manager, The Co-operative Bank p.l.c., Miller Street, Manchester, M60 0AL.
- If you still remain unsatisfied you may be entitled to refer your complaint to the Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, Docklands, London E14 9SR or telephone 0845-080-1800.

## **26. Additional conditions applying to specific business accounts only**

### **Corporate Treasury and Public Sector Reserve account**

Interest paid under condition 15 will be calculated on a daily basis and paid monthly.

If the account becomes overdrawn, debit interest and associated charges will be payable, in accordance with condition 15.

### **Corporate Reserve account**

Statements will be issued every month.

### **Business Select Deposit accounts**

If you hold a 14-day deposit account you may make a withdrawal without giving the bank the required 14 days' notice, but if you do so, you will lose 14 days' interest on the amount withdrawn.

Deposits for this account must be paid into, and cleared through, the relevant current account before being transferred to the Business Select Deposit Account.

If the account becomes overdrawn, debit interest and associated charges will be payable, in accordance with conditions 13 and 15.

The bank will issue statements every six months.

### **Co-operatives Directplus account**

You must be at least 18 years of age to open a Co-operatives Directplus account and the customer must have a valid membership with Co-operativesUK paid up to date.

The Co-operatives Directplus account offers a number of benefits which are detailed in a User Guide. Such benefits may be varied or withdrawn at any time subject to the bank giving the customer notice in accordance with Condition 23.

If you do not renew your membership with Co-operativesUK when it is due for renewal, subject to the bank giving you 30 days' prior direct notice, you:

- will be transferred from the Co-operatives Directplus account to the CommunityDirectplus account and will lose entitlement to all other Co-operatives Directplus account specific benefits immediately except for any Business or Personal Loans which (by the due Co-operativesUK renewal date) have already been drawn down by you and are being, or are to be, repaid to the bank.

In the event that the Co-operativesUK membership is not renewed when due and the bank exercises its rights above, you may be entitled to reapply at any time in the future for a Co-operatives Directplus account (even if the Co-operativesUK membership is renewed or new membership taken out, at a later date).

## Business Directplus account

If the uncleared balance of the account falls below the required minimum balance set out in the Business Directplus account tariff, charges will be payable as set out in your account tariff.

## Federation of Small Businesses Business Banking account

You must have a valid membership with the Federation of Small Businesses ("FSB") and any fees payable to the FSB must be paid up to date.

The FSB account offers a number of benefits which are detailed in the User Guide that comes with the account. Such benefits may be varied or withdrawn at any time subject to the bank giving you notice in accordance with condition 23.

If you do not renew your FSB membership when it is due for renewal you will, subject to being given 30 days' advance notice by the bank:

- be transferred from an FSB account to a Business Directplus account. You will still be able to enjoy any remaining period of the free 18-month banking period, if applicable
- lose entitlement to all other FSB account specific benefits immediately, except for any Business or Personal loans which have already been drawn down by the FSB membership renewal date, and are being repaid, or will be repaid to the bank.

## Clarity Business Banking account

Certain benefits available with your account involve third party suppliers and any agreement for goods and/or services obtained from those suppliers is between you and the supplier(s). Any statement made by the supplier or by the bank on the supplier's behalf is not to be treated as a statement made by us. This does not affect your statutory rights.

If a benefit is insurance cover then the agreement is between you and the insurer and the agreement must be read with the insurance policy conditions which will take precedence if there is any inconsistency between the policy conditions and the Business account conditions.

In relation to any benefits made available with your account, the bank does not accept any liability for any error, omission, negligence and/or any other breach of duty by any of the suppliers, their agents, employees or representatives (including medical practitioners in the case of any health check service).

The supplier may vary or withdraw any service at any time without prior notice in accordance with the terms of any agreement between you and them for the provision of the benefits. Please refer to the terms and conditions and information in the welcome guide which is given to you when you open your account.

There is a cash deposit limit per monthly charging period and if this is exceeded an additional charge will be made. Please refer to your account tariff for details of the limit and charges.

# good with money

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Current accounts

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Accounts for children

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Student accounts

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Mortgages

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Loans

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Credit Cards

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Savings

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## **Business & community banking**

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Ethics as standard

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*Teenage Kicks – thinking about starting a youth group or project in your area? Get it up and running with a £1,000 grant from helpyourselfes.org.uk*

**Please call 08457 213 213 if you would like to receive this information in an alternative format such as large print, audio or Braille.**

**The Co-operative Bank is authorised and regulated by the Financial Services Authority (No. 121885), subscribes to the Lending Code, is a member of the Financial Ombudsman Service and is licensed by the Office of Fair Trading (No. 006110).**

**The Co-operative Bank p.l.c., P.O. Box 101, 1 Balloon Street, Manchester M60 4EP. Registered in England and Wales No. 990937.**

Co-operative Financial Services Limited, Registered Office: New Century House, Manchester M60 4ES. Registered Number IP29379R.

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