



# Payments BACS Service

## Conditions

These Terms and Conditions are for products supplied by Corporate Markets to customers with an annual turnover of £15m or more. If you have any queries please contact your relationship manager.

### 1 Service Specific Conditions

1.1 The following Service Specific Conditions apply to the Payments BACS Service and shall apply in addition to the General Conditions. A detailed description of the Payments BACS Service can be found in the Payment BACS User Guide.

### 2 Payments BACS Service

2.1 The Payments BACS Service facilitates the making of one-off or regular payments by the Customer and the more effective management of cashflow. The Bank will use reasonable efforts to provide the Payment BACS Service subject to compliance by the Customer with its obligations hereunder and under the General Conditions.

### 3 Operating hours for the Payments BACS Service

3.1 Except as otherwise stated in this agreement, the operating hours of the Payments BACS Service will be as follows:

- 3.1.1 The Customer may submit instructions to the Payments BACS Service at any time via the Corporate Markets website;
- 3.1.2 The Bank will act on the Customer's instructions received on Business Days during the operating hours for the Payments BACS Service specified in the Payment BACS User Guide or as otherwise notified by the Bank to the Customer from time to time provided that those instructions are received prior to the cut-off times referred to in the schedule of cut-off times available on the Corporate Markets website (as may be amended from time to time);
- 3.1.3 Instructions received by the Bank after the relevant cut-off time referred to in Clause 3.1.2 above will be deemed to have been received on the first Business day thereafter; and
- 3.1.4 The Customer acknowledges that BACS will only process the submissions the Bank makes to it, and provide reports to the Bank in its normal way and in accordance with its normal timetable for dealing with such matters under the BACS System.

3.2 The Customer acknowledges that BACS may change or suspend the operating hours of the BACS System referred to in Clauses 3.1.2 and 3.1.4, without notice. In either of such events the Bank will endeavour to inform the Customer of any change as soon as reasonably practicable.

### 4 Instructions and transactions via Payments BACS authentication procedures

4.1 The Customer's use of the Payments BACS Service shall be limited to the following activities on its own account and on account of its Affiliates for which it acts:

- 4.1.1 the submission of debit or credit instructions for transmission by the Bank to the BACS System;
- 4.1.2 the submission of instructions for the supply of reports by the Bank relating to the Customer's use of the Payment BACS Service; and
- 4.1.3 the submission of instructions for the access by the Customer to reports from the BACS System direct of the activities of the Customer and/or its Affiliates of their respective use of the BACS System.

4.2 Payment instructions given by the Customer via the Payments BACS Service shall be limited to:

- 4.2.1 Direct Credit payments from an account held by the Customer with the Bank or the Customer's Other Bank, or (if the Customer is acting on behalf of an Affiliate), from an account held by the Affiliate with the Bank or its Other Bank; or
- 4.2.2 Direct Debit payments into an account held by the Customer or the Customer's Other Bank, or (if the Customer is acting on behalf of an Affiliate), into an account held by the Affiliate with the Bank or its Other Bank, provided that such payments are permitted to be made through the BACS System.

### 5 Acting on instructions

- 5.1 Following receipt of instructions from the Customer during the operating hours of the Payment BACS Service and subject to the abovementioned cut-off times the Bank will submit the Customer's instructions to the BACS System. The Bank will reformat the Customer's instructions in order that they may be accepted by the BACS System. The Bank will not check the Customer's instructions except to confirm that the User(s) are currently authorised and that the account details stated are valid.
- 5.2 Subject to the provisions of the agreement the Bank will settle payments instructed to be made through the Payments BACS Service on behalf of the Customer where the account from which the Customer has specified payment to be made, is held by the Customer with the Bank or, (if the Customer is acting on behalf of an Affiliate), the account held by the Affiliate with the Bank and to pass instructions to the Customer's Other Bank or the Affiliate's Other Bank where the account is held with the Customer's Other Bank or the Affiliate's Other Bank (as the case may be).
- 5.3 If the designated account is held with the Bank, the Bank may debit the sum specified in the Customer's instruction from that account or, at the Bank's discretion, from any other account with the Bank in the name of the Customer and in the same right, or (if the Customer is acting on behalf of an Affiliate) the account identified in the instruction or any other account in the name of the Affiliate and in the same right whether the relevant account is in credit or already overdrawn or becomes overdrawn as a result of the payment.
- 5.4 Notwithstanding anything to the contrary in the agreement express or implied, the Bank will be under no obligation to make a credit payment or to collect a direct debit payment in accordance with an instruction received through the Payments BACS Service:
  - 5.4.1 if the Bank reasonably considers that such transaction is unlawful;
  - 5.4.2 unless the instruction by the Customer is irrevocable and unconditional;
  - 5.4.3 unless in the case of an instruction for payment from an account held with the Bank, there are already sufficient cleared funds in the account in question;
  - 5.4.4 unless in the case of an instruction for payment from an account held by the Customer with the Bank or, (if the Customer is acting on behalf of an Affiliate), the Affiliate holds with the Bank, the Customer or the Affiliate (as the case may be) has already been authorised by the Bank to overdraw money from the account in question sufficient to make the payment.
- 5.5 Notwithstanding anything to the contrary in the agreement express or implied, if the Customer:
  - 5.5.1 submits an instruction through the Payments BACS Service for a transaction to be settled on a particular date; and
  - 5.5.2 the agreement terminates or the Customer's use of the Payments BACS Service is suspended, before that date, the Bank will not be obliged to settle the transaction.
- 5.6 If the Bank elects to treat an instruction as ineffective, unless such notification would be unlawful, it shall promptly notify the Customer and/or the User either in writing or by telephone giving reasons therefor and, if appropriate, the procedure for rectifying errors.
- 5.7 If the Customer wishes to cancel or modify an instruction for payment it must do so by sending notice to the Bank via the Payments BACS Service to be received by the Bank during the operating hours of the Payments BACS Service no later than on the Business Day immediately before the Business Day when the payment is to be made.
- 5.8 If the Bank has acted on an instruction for payment but the instruction is found not to have been correct the Bank will not be liable for any loss, damage or expense whatsoever incurred as a consequence thereof. If the Bank is notified promptly of any incorrect instruction the Bank will make reasonable efforts to recover the funds and shall be entitled to make a charge for such activity.

- 5.9 The Customer acknowledges and accepts that it is not possible for the Bank to ensure that payment to, or the receipt of money from, another financial institution is made by any particular time or within any particular period. Any indication given as to the time of a transfer is an estimate only and not binding on the Bank.
- 5.10 If the Customer instructs the Bank to make a payment from a particular account, the terms applicable to that account will apply to the transaction to the extent that those terms are consistent with the use of the Payments BACS Service. For example, if the Customer uses the Payments BACS Service to instruct the Bank to transfer money from an interest-bearing account held with the Bank without giving the appropriate withdrawal notice, the relevant terms for that account relating to the consequent loss of interest will apply.
- 5.11 All information and data provided to the Customer or the Customer's agent by the Bank or any third party operator the Bank may appoint, must be checked immediately on receipt. If there is any error in or omission from such information or data the Customer must follow the relevant instructions in the Payments BACS User Guide.
- 6 Direct Debits**
- 6.1 If the Customer uses the Payments BACS Service to originate Direct Debits, the Customer will:
- 6.1.1 comply with the Originators Guide and Rules to the Direct Debit Scheme a copy of which has been supplied to the Customer;
- 6.1.2 provide any copies of Paperless Direct Debit scripts related marketing literature, AUDDIS Direct Debit instructions and any Direct Debit related marketing literature to the Bank for approval before publication; and
- 6.1.3 establish and implement adequate internal controls with regard to originating Direct Debits and AUDDIS instructions.
- 7 Charges**
- 7.1 The Bank will invoice the Customer in respect of the Charges and the Customer hereby authorises the Bank to debit the amount of the Charges shown on the invoice from the account identified in the Payments BACS Service registration form. Where applicable the Customer will set up a Direct Debit Authority in favour of the Bank. The Bank will debit the account in the relevant amount not less than 14 days after the date of the invoice.
- 7.2 If a Direct Debit authority referred to in Clause 7.1 above is cancelled or if no new Direct Debit authority is set up in its place, the Bank will be entitled to suspend the Payments BACS Service or terminate the agreement.
- 8 Liabilities**
- 8.1 Where a payment is being made to or from an account at the Customer's Other Bank or the Affiliate's Other Bank, the Bank will pass the Customer's instructions received via the Payments BACS Service to the Other Bank via the BACS System but will not be responsible for the implementation of the Customer's instructions which will be the sole responsibility of the Customer's Other Bank or the Affiliate's Other Bank as the case may be. For the avoidance of doubt, the Bank will not be responsible for the failure or delay of the Other Bank to implement any such instruction in whole or in part or otherwise to act in accordance with the Customer's instructions.
- 8.2 Without prejudice to the General Conditions the Bank will not be liable for and expressly disclaims responsibility for:
- 8.2.1 any acts or omissions of any third party including, without limitation, BACS, any other Member (including, but not limited to, its settlement obligations) and the Bank of England;
- 8.2.2 the suitability, fitness for purpose or accuracy of any documents, data, information or other material received by the Bank from BACS that the Bank passes to the Customer; or
- 8.2.3 any loss or damage whatsoever and howsoever incurred by any customers or other persons for whom the Customer is acting arising out of or in connection with the Payments BACS Service or the BACS System.
- 8.3 In pursuance of Clause 14.5 of the General Conditions the entire liability of the Bank in contract, tort (including negligence or breach of statutory duty), misrepresentation or otherwise arising out of or in connection with the performance or contemplated performance of the agreement in any period of 12 months (or such lesser period the agreement has been in force) up to the date the liability was incurred shall not exceed (a) the amount (if any) necessary to reimburse the Customer in respect of any transaction as required by law, plus (b) the aggregate of the Charges actually paid by the Customer in respect of that period or the sum of £1,000 whichever shall be the greater.
- 9 Termination**
- 9.1 Without prejudice to the General Conditions, the Bank may without liability suspend or terminate, or withdraw or cease to permit the Customer to use the Payments BACS Service with immediate effect if:
- 9.1.1 BACS decides for any reason not to validate any instructions given by the Customer via the Payments BACS Service; or
- 9.1.2 BACS suspends or revokes the Bank's right to use the public key infrastructure service or any other security methods the Bank uses or provides in relation to the Payments BACS Service; or
- 9.1.3 the Bank's access to the BACS System is terminated or suspended for any reason.

## Please contact us if you would like this in Braille, large print or on audio tape.

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