



Payments Service

Conditions

These Terms and Conditions are effective from, and including, 10 September 2007.

1 Service specific Conditions

1.1 The following Service Specific Conditions apply to the Payments Service and shall apply in addition to the General Conditions.

2 Payments Service

2.1 The Payments Service achieves greater control and security for the Customer's payments.

3 Operating hours for the Payments Service

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

- 3.1.1 The Customer may submit instructions to the Payments Service at any time via the Corporate Markets website;
- 3.1.2 The Bank will act on the Customer's instructions during the operating hours for the Payments Service as notified by the Bank to the Customer from time-to-time;
- 3.1.3 The Bank can only submit such instructions to a Payments System during the operating hours for that Payments System.

3.2 The Bank may change or suspend the operating hours of the Payments Service without notice, but in such event the Bank will endeavour to inform the Customer as soon as reasonably practicable.

4 Instructions and transactions via the Payments Service

4.1 As soon as reasonably practicable following receipt of instructions from the Customer during the operating hours of the Payments Service the Bank will submit the Customer's instructions to a Payments System (unless otherwise instructed by the Customer). The Bank does not undertake to check the Customer's instructions other than as set out in the Payments Service User Guide and to confirm that User(s) are currently authorised and the account details stated are valid.

4.2 Subject to the provisions of this agreement the Bank will settle payments instructed to be made through the Payments Service on the Customer's behalf where the account from which the Customer has specified payment to be made is held by the Customer 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).

4.3 The Bank may settle payments through such Payments System as it may in its absolute discretion think fit.

4.4 If the designated account is held with the Bank, the Bank shall (subject always to the provisions of this Agreement) debit the sum specified in the instruction from the Customer's account identified therein or, (if the Customer is acting on behalf of an Affiliate), the Affiliate's account identified therein, whether the relevant account is in credit or already overdrawn or becomes overdrawn as a result of the payment.

4.5 Notwithstanding anything to the contrary in the agreement express or implied, the Bank will be under no obligation to make a payment in accordance with an instruction received through the Payments Service:

- 4.5.1 if the Bank reasonably considers such payment to be unlawful;
- 4.5.2 unless the instruction from the Customer is irrevocable and unconditional;
- 4.5.3 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; or
- 4.5.4 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.

4.6 Notwithstanding anything to the contrary in the agreement express or implied, if the Customer:

- 4.6.1 submits an instruction through the Payments Service for a payment to be settled on a particular date; and
 - 4.6.2 the agreement terminates, or the Customer's use of the Payments Service is suspended, before that date,
- the Bank will not be obliged to settle the payment.

4.7 The Customer acknowledges and accepts that it is not possible for the Bank to ensure that payment to another financial institution can be made by any particular time or within any particular period. Any indication given as to the time of a payment is an estimate only and not binding on the Bank.

4.8 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 Service. For example, if the Customer uses the Payments 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 loss of interest will apply.

4.9 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 by the Customer 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 Service User Guide.

5 Multibank Money mover

5.1 The following provisions of this clause shall apply to the Customer's instructions to the Bank if it has elected to use Multibank Money mover.

5.2 The Bank may provide to the Customer's Other Bank any information relating to the Customer or its accounts with the Bank which the Bank considers relevant to the Customer's instructions and may discuss with the Other Bank any query relating to an instruction.

5.3 The Customer agrees that confidential information relating to it or its accounts with the Bank may be disclosed to the relevant Other Bank under this agreement.

5.4 The Bank may provide the Customer with information relating to its account with its Other Bank but the Bank shall not be liable if the information received from the Customer's Other Bank is inaccurate.

6 Cross-Border Credit Transfers Regulations 1999

6.1 The Cross-Border Credit Transfers Regulations 1999 will apply to most payments up to €50,000 or equivalent made between any of the member countries of the European Economic Area in the currency of one of those countries.

6.2 The said regulations provide that compensation must be paid for late or failed payments in certain circumstances. Nothing in this agreement shall be construed to exclude the entitlement to compensation according to the said regulations.

7 International payments (including international drafts)

7.1 The currency of the country of destination is regarded as local currency (e.g. US dollars to USA). Other currencies (e.g. sterling and US dollars to France) are regarded as non-local currency. The Customer acknowledges that payments in non-local currency can result in delays and extra charges in obtaining the funds.

7.2 If the Customer requests a payment to be made in a currency other than sterling the name of the currency and the amount should be specified. If the Customer requests a payment to be made in a currency other than sterling but for the equivalent of a fixed amount in sterling, the sterling amount and the name of the currency should be specified.

7.3 Where possible the exchange rate will be determined in the United Kingdom before the payment is made. Where a rate of exchange for a particular currency is not available in the United Kingdom the Bank may make the payment in sterling or in a currency other than sterling and in the latter case the Bank may debit all or part of the cost to the Customer's account with the Bank subsequently, under advice.

- 7.4 If the Customer requests a payment to be made in sterling the amount should be specified. If the recipient of the payment subsequently requires payment in a currency other than sterling, the rate of exchange will be fixed by the bank overseas at the time the payment is made.
- 7.5 If a draft is requested in sterling, the Customer must also select the country where the draft is to be drawn. "United Kingdom" should not be selected, without prior agreement with the Bank. Drafts in a currency other than sterling are normally drawn on the country of the currency concerned, e.g. US dollars drawn on the United States of America or Swiss Francs drawn on Switzerland. Drafts in euros can only be drawn on a European single currency zone country (United Kingdom excepted).
- 7.6 The Customer agrees that if a draft is unpaid (other than as a result of fraud, negligence or wilful default on the part of the Bank) and that if the draft has been the subject of a currency conversion, the Customer's claim for a refund shall be limited to the sterling value of the draft at the exchange rate (buying rate) applicable on the day when the refund takes place. A refund cannot be made until the draft has been returned to the Bank and until the Bank has received confirmation from its correspondent bank that the draft remains unpaid and the original instructions have been cancelled. Where local exchange control regulations apply there may be a delay in the return of funds. If the Bank is requested to replace a lost draft the Bank shall be entitled to require that the Customer execute a separate indemnity as a condition for the replacement.
- 8 Security**
- 8.1 If Self-Approval has been selected, a User is able both to create and approve a payment. This removes the security provided by the default setting that requires payments to be approved by a separate User. For security reasons, the Bank recommends that, wherever possible, the Customer applies the default setting. Self-Approval is likely to be appropriate if the Customer has very few members of staff, making multi-user approval difficult. The Payments Service User Guide contains further information on Self-Approval and Permissions.
- 8.2 From time-to-time the Customer may wish to:
- 8.2.1 add an additional User;
 - 8.2.2 remove an existing User; and/or
 - 8.2.3 amend the Permissions applicable to a User.
- In any such case the Customer must follow the relevant instructions set out in the Payments Service User Guide.
- 8.3 Any Permissions and/or limits allocated to Users will, in relation to the Payments Service supersede any authorised limits set-out in the Customer's existing Bank Mandate. Any changes made to the Customer's Bank Mandate will not affect the Permissions or limits allocated to Users of the Payments Service.
- 9 Charges**
- 9.1 The Charges payable by the Customer shall be those agreed with the Customer at the start of this agreement, or any revised or additional charges introduced by the Bank from time-to-time in accordance with the provisions of this agreement.
- 9.2 The Bank will invoice the Customer in respect of the Charges at such times as shall have been agreed with the Bank.
- 9.3 The Customer authorises the Bank to debit the amount of the Charges shown on each invoice from the account identified in the Payments 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 invoice.
- 9.4 If a Direct Debit Authority to the Bank referred to in Clause 9.3 above is cancelled or if no new Direct Debit Authority is set up in its place, the Bank shall be entitled to suspend the Payments Service or terminate the agreement.
- 10 Liabilities**
- 10.1 Where a payment is being made 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 Service to the Other Bank 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 fail to act in accordance with the Customer's instructions.
- 10.2 In pursuance of Clause 14.5 of the General Conditions the total liability of the Bank to the Customer arising out of or in connection with any single claim or series of related claims shall be limited to the monetary amount of the relevant transaction in relation to the account in respect of which the liability of the Bank has arisen.