



**Close Brothers Limited**

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# **Customer Agreement**

Terms & Conditions





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# CLOSE BROTHERS LIMITED

## CUSTOMER AGREEMENT

### 1. THIS AGREEMENT

1.1 This agreement applies to the bank accounts and banking related services we provide in the United Kingdom. It sets out the obligations we have to you, and the obligations you have to us. It is made up of the general conditions set out below, and additional conditions which we will give you.

1.2 Examples of the additional conditions are the notice periods, minimum or maximum balances and other terms which only apply to a particular account or service, such as interest rates and charges. We will tell you what the additional conditions are when you open an account or apply for a new service. They may be set out in the application form for the product, on our website or in leaflets (such as leaflets we give you that explain our charges). If the additional conditions conflict with the general conditions, the additional conditions will apply.

1.3 In this agreement:

- (a) "we", "us" and "our" mean Close Brothers Limited, and "Close Group" means us, our parent company and any companies we or our parent company totally or partly own at any time;
- (b) "working day" means Monday's to Friday's (excluding public holidays);
- (c) "you" and "your" means each and all person(s) operating an account with us under this agreement and
  - (i) in the case of a partnership includes the firm and the individual partners of the firm (in their separate capacities as individuals and partners); and
  - (ii) in the case of a trust includes the trust and each individual trustee (in their separate capacities as individuals and trustees).

If you authorise another person to operate your accounts for you (for example under a power of attorney), we will deal with that person as if he or she were you for the purposes of this agreement but we will only be permitted to use information about you, not that person, under this agreement.

1.4 Other words that have a special meaning are listed below. We put these words in quotation marks when we first use them. Where possible we have explained them where we use them, but there are others that we explain below:

- (a) "bank" usually means a financial institution which is authorised to take deposits but includes other financial institutions we can make payments to. However, "Bank" is used when referring to us specifically;
- (b) "Close Group" is explained in condition 1.3(a);
- (c) "cut-off time" means the time, towards the end of the working day, by which we must receive all payment orders and payments into the account if they are to be processed that day. We will tell you the cut-off times that apply to different payments;
- (d) "EEA" means the European Economic Area which is all the countries in the European Union and Iceland, Norway and Liechtenstein;
- (e) "EEA Currency" means sterling, euro and the currency of any other country in the EEA;
- (f) "electronically" or "electronic" is explained in condition 2.1;
- (g) "fixed rate" is explained in condition 14.2;
- (h) "funds available" is explained in condition 5.9;
- (i) "Large Enterprise" means a sole trader, partnership, company or other organisation who, when the account was opened, had 10 or more employees or an annual turnover of more than €2,000,000 (or sterling equivalent);
- (j) "managed rate" is explained in condition 14.2;
- (k) "nominated account" means a current account in your name held with a UK clearing bank and nominated by you as the account that will be linked to accounts with the Bank for the purposes of making and receiving payments (you may ask us to change this account at any time);
- (l) "payment instrument" is explained in condition 3.5;

- (m) "payment order" is explained in condition 3.1(a);
  - (n) "personal notice" is explained in condition 14.1(a);
  - (o) "reference interest rate" is explained in condition 14.1(b);
  - (p) "regulatory requirement" is explained in condition 14.1(c);
  - (q) "set off" is explained in condition 9.1;
  - (r) "tracker rate" is explained in condition 14.2;
  - (s) "we", "us" and "our" is explained in condition 1.3(a);
  - (t) "working day" is explained in condition 1.3(b); and
  - (u) "you" and "your" is explained in condition 1.3(c).
- 1.5 If you are a "Large Enterprise", you agree that we can, in certain circumstances, operate your accounts differently to the way prescribed by the Payment Services Regulations 2009, and that certain regulations will not apply to you. The provisions that set out where you agree that a different approach will apply are:
- (a) 5.26 - refunds for non-execution or defective payments;
  - (b) 6.2 - notice of interest and charges;
  - (c) 12.1 - refunds for unauthorised payments;
  - (d) 12.4 and 12.6 - liability for losses;
  - (e) 14.13 - notifying changes to this agreement; and
  - (f) 16.2 - ending the agreement.
- 1.6 You can ask us for a copy of this agreement or any additional conditions at any time.

## **GENERAL CONDITIONS**

### **2. CONTACTING EACH OTHER**

- 2.1 We will contact you by post, telephone or "electronically" using the details you have given us (electronically or "electronic" in this agreement means any form of non-verbal message made by any type of telecommunication or digital device (such as email or SMS)).
- 2.2 You must ensure that we always have up to date contact details for you. By law we have to send information to the most recent address we have for you. If you do not tell us promptly about any change to your details, the security of your information could be at risk. You may also not receive important notices or information, including notices about changes to this agreement.
- 2.3 You can contact us by post, telephone or electronically using the details we give you. We will tell you if our details change.
- 2.4 We may record or monitor telephone calls and monitor electronic communications between us (including emails) for training purposes and so that we can check instructions and make sure that we are meeting our service standards.

### **3. GIVING US INSTRUCTIONS**

- 3.1 To run your relationship with us under this agreement you will need to give us a range of different instructions. For example, you may instruct us to:
- (a) make payments, e.g. by direct transfer (we call this a "payment order");
  - (b) give you information about your accounts;
  - (c) open new accounts or close existing accounts; or
  - (d) take any other action on your accounts.

This condition explains how you can give us instructions and the steps we will take before we act on any instruction. condition 5 sets out some additional terms that apply only to payment orders.

- 3.2 You can normally give us instructions in writing, by telephone, or by any electronic method we agree with you. But there may be limits on the way that you can give us instructions in relation to specific accounts. We will make clear when you apply for an account or in any additional conditions if any limits apply.
- 3.3 Before we will act on an instruction, we will carry out steps which are designed to check whether the instruction is genuine (in other words given by you) and clear.
- 3.4 We will treat an instruction as genuine if the document in which it is given has a signature on it which we reasonably believe is your signature or, where relevant, the "payment instrument" we have given you or agreed with you has been used.
- 3.5 A payment instrument is personal to you and can be either a physical device or a set of procedures involving, for example, the use of a password, personal identifier(s) or codes, or a physical device used with a set of procedures. We may introduce new or different payment instruments in the future. Where the change does not affect the terms of this agreement and is to your advantage we can do this without telling you in advance.
- 3.6 You must do all that you reasonably can to make sure that nobody else can use any payment instrument you have, including following any instructions we give you when we provide you with or agree with you your payment instrument. This includes not storing any details in a mobile phone, personal organiser, browser or on other software that would allow anyone using the same equipment to see the stored details. You must try to remember any personal identifiers such as a code or password, destroy the written details we send you and never record them in a way that might be recognised by someone else.
- 3.7 If you think someone else may be able to use, or has used, your payment instrument (because, for example, they have found out your password), you must tell us as soon as you can by telephoning the number displayed on your statements or on our website or advised to you from time to time. If we ask, you must give us any information you know about the misuse of the payment instrument, which we will pass to the police if we think that will be useful.
- 3.8 We may stop or suspend the use of a payment instrument, if we have reason to believe that there may be unauthorised or fraudulent use of the payment instrument, or if it is reasonably necessary in order to protect the security of the payment instrument. If we do this we may require you to return payment instruments we have given you or change payment instruments we have agreed with you.
- 3.9 We can refuse to act on any instruction if condition 3.8 or 3.10 applies or if we reasonably believe that:
- by carrying out the instruction we might break a law, regulation, code or other duty which applies to us;
  - any of the conditions set out in condition 3.4 will not be met; or
  - the instruction has not come from you or is not clear.

Unless the law prevents us from doing so, we will try to contact you to tell you our decision, the reasons for it and what you can do to correct any errors in the instructions. We will do this as soon as possible and, in the case of a payment order, before the payment should have reached the "bank" you asked us to make the payment to. You can also contact us to find out why we have not carried out your instruction.

- 3.10 Before carrying out an instruction, we will consider whether doing so is likely to damage our reputation. If we reasonably believe that it may damage our reputation we will refuse to act on the instruction. We may also refuse to make a payment to some countries.
- 3.11 We may assume that the information given in an instruction is correct, unless we are aware of an obvious error.
- 3.12 All documentation provided to us must be originals, although we may at our discretion agree to accept certified copies of those originals. Copy documents must be certified as true copies by a solicitor, a bank official, an accountant or by a member of Close Brothers' staff who has had sight of the originals, or by anybody else that we tell you can do this.
- 3.13 Instructions given on fixed term deposits denominated in sterling, euro or US dollars must be received by the "Bank" by no later than noon on the date of maturity. Instructions on fixed deposits in any other currency must be received by the Bank at least two working days before the maturity date. In the absence of clear instructions, the balance of any fixed deposit will be held on overnight deposit at the prevailing rates at that time. Details of rates can be found by calling us on 020 7247 3994.

#### **4. ACCOUNT OPENING**

- 4.1 New accounts will be opened by us only upon receipt of an initial deposit of an amount acceptable to us and upon satisfactory receipt of such documentation relating to your identity and other details, including verification of clearing bank details, as we may reasonably request.

- 4.2 In order to confirm your identity and address, we may use the services of electronic data registers including fraud prevention agencies. If, as part of your application to open an account with us, you provide the Bank with information about another person or persons, you must have their permission to share that information with us, and you must inform them that we may also need to verify their identity and address. In the event that these requirements are not satisfied and funds have already been deposited with us, we may, at our discretion, suspend access to funds until such time as identity has been satisfactorily established, or repay the funds to the clearing bank account from which they came, and may also, at our discretion, close the account.
- 4.3 The Bank accepts no liability whatsoever for any financial penalty (whether criminal or civil) for any damages, or for any costs or charges, incurred by you as a result of the falsification of, or inaccuracies in, information provided by you or your agent to us concerning your identity, or any resultant delay caused by such falsification or inaccuracies.

## 5. PAYMENT ORDERS AND PAYMENTS INTO YOUR ACCOUNT

### *Payments into your account*

- 5.1 Unless otherwise agreed with you, deposits must be made by cheque drawn on a UK clearing bank account in your name, or by electronic bank transfer from a UK clearing bank account in your name. No cash deposits will be accepted.
- 5.2 Cheques will only be accepted if made out in favour of you or the Bank. A cheque should not be submitted to us before the date entered on that cheque. However, we will not be liable for any consequences as a result of accepting for deposit a cheque before the date entered on that cheque.
- 5.3 We may at our discretion accept or return a cheque if the cheque is dated more than six months prior to the date of presentation. We will not be liable for any consequences of so doing.
- 5.4 Funds received by electronic bank transfer must quote the name of your account with the paying bank. In respect of sterling, euro and US dollar deposits, please notify us of the prospective transfer by no later than 12:00 noon on the proposed date of transfer. For all other deposits, please give us at least two working days' notice.
- 5.5 We will refuse to accept payments into an account if we reasonably believe that by receiving the payment we might break a law, regulation, code or other duty which applies to us.
- 5.6 We will refuse to accept payments into an account if we reasonably believe that receiving the payment may damage our reputation.
- 5.7 The timing of payments into your accounts depends on how the payment is made and where it has come from.

**(a) Cheques (and other paper-based payments) payable in sterling and drawn on a UK bank (which includes banks in the Isle of Man, Gibraltar and the Channel Islands)**

We pay interest on funds received by cheque from two working days after we receive the cheque, and funds will be cleared and available for you to use eight working days after we receive the cheque.

**(b) Cheques (and other paper-based payments) not payable in sterling**

Funds will be available for you to use, and we will pay interest on them, when we receive the cleared funds from the paying bank.

**(c) Electronic payments into sterling or euro accounts and made in sterling or euro (for example direct sterling credits into a sterling account)**

An electronic payment received by us in sterling or euro before the "cut-off time" on a working day will be available for you to use as soon as we receive it.

**(d) Other electronic payments (for example payments made in other currencies)**

If you ask us, we will tell you when payments other than those listed above will be available for you to use.

### *General terms for payment orders*

- 5.8 When you give us a payment order you must:
- (a) if the payment order is for making a payment to another account, tell us the account name, account number, the sort-code for the account (for payments in the UK) and any other information we ask for so that we can make the payment; and
  - (b) have "funds available" to make the payment at the end of the working day before it is due to be made.

If you try to make any payment from your account when you do not have funds available for it we will refuse to make the payment.

- 5.9 In deciding whether you have funds available to make the payment, we deduct from the cleared balance of the account the total amount of any payments you have asked us to make from the account which have not yet been paid. We do not have to take account of regular credits or any amounts received after we have decided not to make the payment.
- 5.10 If on any day you ask us to make two or more payments from an account but you do not have funds available to make all of them, then we will decide which payments to make and which to refuse but we will try to refuse as few as possible. We cannot however guarantee to do this and we cannot guarantee that this will result in us making the payments that are most important to you.
- 5.11 Sometimes a payment is recalled by the bank that made it because that bank's customer did not have enough money for the payment and sometimes a payment is made into your account by mistake. If this happens, we will take the payment out of your account, even if we allowed you to make a payment on the assumption that the payment would not be recalled.
- 5.12 To make an international payment, we may have to route it through other banks. If this is the case, we will use a bank that is either chosen:
- by us; or
  - by a bank in the country the payment is being sent to; and/or
  - where you have asked us to make the payment in a foreign currency, by a bank in the country where that currency is the national currency.
- 5.13 In making an international payment you must ensure that both you and the person receiving the payment comply with any local laws in relation to the payment. If you do not do this and, as a result, we have to pay any costs or expenses, you must reimburse us for them, and for any losses or costs we reasonably incur, and take any steps necessary to put us in the position we would have been in had we not made the payment for you.
- 5.14 Unless otherwise agreed, or unless we have provided you with a foreign exchange dealing facility under which third party payments are permitted, no third party payments will be made by us. Withdrawals will be repaid to you by bank transfer to your nominated account.
- 5.15 You may only withdraw funds from a notice account by giving us the required period of notice for that account. You may not withdraw funds from a fixed term deposit before the maturity date.

#### *Payment orders*

- 5.16 If we receive a payment order before the relevant cut-off time on any working day, we will process it on that day unless you have asked us to make it on a future date specified in your payment order, in which case we will process it on that date. Payment orders and payments received after the cut-off time or on (or for) a non-working day will be processed on the next working day.
- 5.17 If you are making a payment in an "EEA Currency" to an account at a bank in the "EEA", we will make sure that the amount of each payment you ask us to make will reach that bank no later than:
- (a) 3 working days after we received your payment order, if the payment is to an account:
    - (i) at a bank in the UK, and the payment is in sterling or euro, or
    - (ii) at a bank in another country within the EEA, and the payment is in euro; or
  - (b) 4 working days after we received your payment order, in all other cases.

These are maximum times and the payment will often reach the other bank sooner than this.

- 5.18 If you are making a payment to a person with an account at a bank not in the EEA or in a currency which is not an EEA Currency, we will give you an indication of the date on which the payment should be received by that bank. This does not mean that the person the payment is being sent to will receive the payment that day. This will depend on the banking practice of the country concerned.
- 5.19 If you ask us to make an international payment we will convert it into the currency of the country the payment is being sent to before we send it unless you tell us otherwise. (Please see condition 7.1 for information about exchange rates and charges for foreign currency transactions.)
- 5.20 We may apply financial and other limits to payment orders given using a payment instrument. We will tell you what these limits are and may change them as long as we give you notice under condition 14.
- 5.21 To manage our risk, we also apply internal controls, including limits, to certain types of payment. We change these as necessary but, for security purposes, we do not disclose them.

5.22 If we receive any payment order and:

- (a) we are reasonably concerned that it may not have come from you; or
- (b) it is for more than a limit we set for security purposes; or
- (c) for some other reason, such as suspected fraud, we want to check the payment order with you,

we can ask you to confirm it (either in writing or verbally) and will not act on it until you have confirmed it. In this case, you must confirm the payment order as soon as possible to avoid any delay by us in acting on it. We will not make the payment until that information is provided.

#### *When we can change or cancel payment orders*

- 5.23 We cannot change or cancel a payment order given by telephone or electronically because we start processing it when we receive it.
- 5.24 You can cancel future payments you have instructed us to make on or before the last working day before the date on which the payment was due to be made.
- 5.25 We cannot change or cancel a foreign exchange transaction once we have received the instruction from you.

#### *Refunds for some payments made within the EEA*

- 5.26 Unless you are a Large Enterprise, if you ask us to make a payment to an account at another bank in the EEA and that bank says that it did not receive the payment, we will refund the amount of the payment and return your account to the position it would have been in if the payment had not been made, except in the following cases:
- (a) There was a mistake in any of the details contained in the payment order you gave us. If this is the case, we will make reasonable efforts to recover the funds. We will charge you a reasonable amount to cover our costs in doing so. We will tell you the amount of the additional charge before we take the action.
  - (b) We can show that the payment was received by the other person's bank. In this case, that bank is required by law to make the payment immediately to that person.

If you are a Large Enterprise, the above will not apply and we will agree with you any steps that should be taken to recover a payment and may charge you any costs we incur in tracing the payment and trying to rectify the position.

#### *Refunds generally*

- 5.27 If you ask us to make a payment to an account at another bank outside the EEA and the payment is not received by that bank as a result of an error we made, we will refund the amount of the payment and return your account to the position it would have been in if the payment had not been made. If we can show that we carried out your payment order correctly or that there was a mistake in any of the details contained in the payment order you gave us, we will make reasonable efforts to recover the funds. We will charge you a reasonable amount to cover our costs in doing so. We will tell you the amount of the additional charge before we take the action.

## **6. INTEREST AND CHARGES**

#### *General provisions relating to interest and charges*

- 6.1 We generally work out interest each day on the amount we owe you or you owe us at the end of that day, taking into account payment orders we have carried out that day for you and payments received into your account. If we work out interest differently on a particular product, we will tell you in the additional conditions for that product.
- 6.2 We add interest we owe you to your account (or another account we agree with you) and take interest and charges you owe us out of your account (or another account we agree with you). Unless you are a Large Enterprise, we will give you 14 days' notice of charges that we take from your account except where the charge is for a service that you specifically request and the amount of the charge is agreed in advance (for example in our charges leaflet), which we will normally take from your account within 5 working days of the charge being incurred. If you are a Large Enterprise, we will normally take all interest and charges from your account within 5 working days of the charge being incurred.

#### *When interest is payable on interest-bearing accounts*

- 6.3 When we start to pay interest on payments made into the account depends on how the payment is made and the account you are paying it into. Provided the payment is received before the cut-off time on a working day, interest will be payable as follows:
- (a) Cheques payable in sterling: from the second working day after we receive the cheque from you;

- (b) Electronic payments in euro or sterling: from the day received;
  - (c) Cheque not payable in sterling or drawn on a non-UK bank: from the day we receive or pay the amount of the cheque; and
  - (d) Electronic payments in a currency other than euro or sterling: from the day received.
- 6.4 Because we treat payments as added to your account for the purpose of working out interest before we have actually received the amount of the payment, the amount shown on your statement is not always the same as the amount which is available for you to use under condition 5.
- 6.5 Interest on all fixed term deposits of £50,000 and above will be paid without deduction of tax unless we agree otherwise. If you are an individual, or a partnership made up of individuals, interest on other deposits will be paid subject to the deduction of tax at the appropriate rate unless we are permitted by law to pay interest without deducting tax. Interest will generally be paid gross to customers who are not individuals or partnerships made up of individuals.
- 6.6 Where applicable, an annual tax certificate will normally be sent to you shortly after the tax year end.

### *Charges*

6.7 We will charge for services you use, for example copies of statements, as set out in our charges leaflet (including transaction charges on some types of payment). We may vary the interest rates and charges for our services under condition 14.

6.8 There may be other taxes or costs that are not paid through us or imposed by us that you have to pay in connection with your account.

## **7. FOREIGN CURRENCY TRANSACTIONS**

7.1 If you ask us to make a payment in a foreign currency, we will agree the exchange rate with you in advance. If there are any additional charges, we will set them out in our charges leaflet or tell you what they are when you ask us to make the payment. We are not obliged to accept a foreign currency transaction request.

7.2 You may only ask us to convert cleared funds held on deposit with us. If you have insufficient cleared funds at the time of the exchange transaction, we will not carry out the transaction.

7.3 If you require the converted funds more than 7 days after the instruction, we will require you to place with us, until the exchange is completed, a proportion of the amount to be converted (in cleared funds) on a blocked basis as cash cover. We will agree the amount of cash cover with you at the time.

7.4 If we agree to convert funds for you, you may ask us to:

- (a) pay the converted funds into an account in your name held with us in the currency of the converted funds. If you do not already have an account in that currency we will open one for you; or
- (b) pay the converted funds to an account (either with us or another bank) not held in your name, on receipt of a written instruction from you detailing the beneficiary, their full name and address and banking details, the specific purpose of the requested payment and documentation to support the purpose of the payment; or
- (c) pay the converted funds to an account in your name that is held with another bank. We will require an original or a certified copy of a statement from that account before payment can be made.

7.5 To provide certainty of price and execution, we will only offer either a quote driven or a specific instruction forward foreign exchange order service. Accordingly, we will only act in accordance with your direct specific instructions, and any resultant forward foreign exchange transactions will be agreed between you and us. Any forward foreign exchange orders must only be for commercial purposes.

7.6 We will not charge a fee (or pass on our paying bank's charges) for making payments in foreign currency of £5,000 foreign currency equivalent and above, from the proceeds of your FX deals with the Bank, where the payments are made by SWIFT to your "nominated account" for that currency. Your nominated bank (or their correspondent bank) may charge a fee to receive the payment.

7.7 Payments of £5,000 foreign currency equivalent and above will normally be made by same day value payment. Payments of less than £5,000 foreign currency equivalent will be made in accordance with conditions 5.17 and 5.18.

7.8 Payments in foreign currency of less than £5,000 foreign currency equivalent will be subject to a charge of £10 or foreign currency equivalent for each such payment.

- 7.9 A charge of £10, or foreign currency equivalent, will be applied to an account you hold with us for each and every third party payment made by us on your behalf.
- 7.10 Where a foreign exchange transaction is contingent on a payment being made thereafter to a third party, you must notify us of the details relating to the requested payment, and obtain our agreement to make the proposed payment, before asking us to make the payment. We are not liable for failure to make a payment where it was not agreed by us in advance.
- 7.11 You may not cancel orders to purchase foreign currency (although you can cancel any instruction to pay that currency to another account, up to the end of the working day before the day on which you have asked us to make the payment).
- 7.12 We provide an execution only service and all transactions you make are made at your own risk. We will not provide advice to you on the merits of a proposed currency transaction or provide advice on tax or any other matters.

## **8. INFORMATION WE MUST GIVE YOU AND YOU MUST GIVE US**

- 8.1 We will make information about individual payments paid into and out of your account available by telephone or by providing or making available regular statements or transaction confirmations. If you ask us for information about a transaction by telephone, we will also give you the details we provide in writing if you ask us to. The information will include details of any interest payable, and details of any charges made or exchange rates used in relation to the transaction.
- 8.2 You are responsible for checking the information we give you and must tell us as soon as you can if it includes something which appears to you to be wrong or if a payment was not made in accordance with your instructions.
- 8.3 You must tell us if anyone else has a right to amounts paid into any of your accounts. For example, if you are operating an account for a child.

## **9. SET OFF**

- 9.1 If:
- (a) we owe you money on any account under this agreement or another agreement with us; and
  - (b) you have failed to pay us any amount you owe us under any agreement with us,

we may use the money we owe you to reduce or repay the amount you owe us. This is called a right of "set off". We can use our set off right without telling you in advance if we reasonably think you will do something to prevent us from obtaining repayment by set off. If you have told us under condition 8.3 that money you hold on an account in your name is not yours, but someone else's, we will not use the set off rights we have under this agreement against the money in that account.

- 9.2 We can use our set off right where you have accounts which are only in your name as well as joint accounts.
- 9.3 We can also set off amounts we owe you against amounts you owe other companies in the Close Group, and set off amounts other companies in the Close Group owe you against amounts you owe us.
- 9.4 If we are legally required to hold money in an account in your name for someone else, or pay it to someone else, then unless otherwise required by law we will only hold for, or pay to, that person the amount that is left after we have used our set off rights to repay what you owe us.

## **10. JOINT ACCOUNTS**

10.1 Where you have a joint account with us, the following conditions will apply:

- (a) Each of you is separately responsible for complying with the terms of the agreement and you are separately and jointly liable for money owed to us. This means that we have the right to demand repayment of the full amount owed to us, and not just a share of it, from all or any of you.
- (b) We can accept instructions from any one of you in relation to your joint accounts, including giving payment orders, or applying for new products or services. Any instruction given by one of you will commit the rest of you.
- (c) We may insist that both or all of you authorise instructions to us. Any of you can also ask us to accept only instructions that are authorised by both or all of you.
- (d) We will contact only one of you unless there is a specific legal requirement to contact all of you or paragraph (c) above applies. You can tell us which of you to contact, but if you do not do so, we will usually contact the first person listed on our records. The person we contact is responsible for sharing the information we send with the other account holders.
- (e) If one of you dies, the survivor(s) may continue to operate the account, and if there is more than one survivor, the provisions of this condition 10 will continue to apply to the account.

## 11. HOW WE USE YOUR INFORMATION

- 11.1 So that we can provide you with products and services, we need to collect, use, share and store personal and financial information about you (your information). This includes information which we:
- obtain from you or from third parties, such as employers, joint account holders, credit reference agencies (who may check the information against any particulars on the Electoral Register and any other database (public or private) which they have access to), fraud prevention agencies or other organisations, when you apply for an account or any other product or service, or which you or they give to us at any other time; or
  - learn from the way you use and manage your account(s), from the transactions you make such as the date, amount, currency and the name and type of supplier and from the payments which are made to/from your account.
- 11.2 We and other companies in the Close Group will use your information to manage your account(s), give you statements and provide our services, for assessment and analysis (including credit and/or behaviour scoring, market and product analysis and market research), to prevent and detect fraud, money laundering and other crime, carry out regulatory checks and meet our obligations to any relevant regulatory authority, and to develop and improve our services to you and other customers and protect our interests.
- 11.3 We and other companies in the Close Group will use your information to inform you by letter, telephone, text (or similar) messages, email and other electronic methods, about products and services (including those of others) which may be of interest to you. You may tell us at any time if you do not wish to receive marketing communications from us and/or other companies in the Close Group by writing to us and providing your full name, address and account details and the types of communication that you no longer wish to receive (e.g. mail, telephone or email).
- 11.4 Where you provide personal and financial information relating to others (e.g. dependants, joint account holders) for the purpose of opening or administering your account you confirm that you have their consent or are otherwise entitled to provide this information to us and for us to use it in accordance with this agreement.
- 11.5 We and credit reference and fraud prevention agencies will share your information. We and other organisations may access and use this information to make credit assessments and to prevent and detect fraud, money laundering and other crimes. Examples of circumstances when your information or information relating to your partner or other members of your household may be accessed and/or shared include:
- checking details on applications for products and services;
  - managing credit and credit related accounts or facilities;
  - recovering debt;
  - checking details on proposals and claims for all types of insurance; and
  - checking details of job applicants and employees.
- In addition, if you borrow from us we will share information about you and how you manage your borrowing with credit reference agencies.
- 11.6 Information held about you by the credit reference agencies may already be linked to records relating to your partner or members of your household where a financial association has been created. Any enquiry we make at a credit reference agency may be assessed with reference to any associated records. Another person's record will be associated with yours when:
- you make a joint application;
  - you advise us of a financial association with another person; or
  - if the credit reference agencies have existing, linked or associated records. This association will be taken into account in all future applications by either or both of you and shall continue until one of you applies to the credit reference agencies and is successful in filing a 'disassociation'.
- 11.7 Credit reference agencies keep a record of our enquiries and may record, use and give out information we give them to other lenders, insurers and other organisations. If false or inaccurate information is provided or fraud is suspected, details may be passed to fraud prevention and credit reference agencies. Law enforcement agencies may access and use this information. The information recorded by fraud prevention agencies may be accessed and used by organisations in the UK and in other countries. Please contact us if you want to receive details of the relevant fraud prevention agencies.
- 11.8 We may give information about you and how you manage your account to the following:
- (a) Other companies in the Close Group and our relationship partners.

- (b) The bank providing clearing services to us and companies and organisations that assist us in processing transactions you make.
- (c) Companies and organisations who provide a service to us or are acting as our agents (including their sub-contractors), on the understanding that they will keep the information confidential.
- (d) Your advisers (including but not limited to accountants, lawyers, financial advisers or other professional advisers) where authorised by you and to any other person notified by you as authorised to give instructions or to use the account or products or services on your behalf.
- (e) Anyone to whom we transfer or may transfer our rights and duties under this agreement.
- (f) Any third party as a result of any restructure, sale or acquisition of any company within the Close Group, provided that any recipient uses your information for the same purposes as it was originally supplied to us and/or used by us.

Otherwise we will keep information about you confidential unless we have a duty to disclose it or law or regulation allows us to do so for legitimate business purposes.

- 11.9 In order to make or receive some payments, the details of the payment (including information relating to those involved in the payment) may be received from or sent abroad, where it could be accessible by overseas regulators and authorities in connection with their legitimate duties (e.g. the prevention of crime). In instructing us to make payments you agree to this on behalf of yourself and others involved in your payments.
- 11.10 If we transfer your information in accordance with condition 11.8(a), (c) or (e) to a person, office, branch or organisation located in another country, we will make sure that they agree to apply the same levels of protection as we are required to apply to your information and, where appropriate, to use your information strictly in accordance with our instructions.
- 11.11 We will keep information about you after the closure of your account, or if your application is declined or abandoned, for as long as permitted for legal, regulatory, fraud and other financial crime prevention and legitimate business purposes.
- 11.12 You can ask for a copy of the information we hold about you by writing to us. A fee will be charged for this service.

## **12. OUR LIABILITY TO YOU AND YOUR LIABILITY TO US**

### *Unauthorised payments*

- 12.1 Unless you are a Large Enterprise, if you tell us that a payment out of your account was unauthorised, we will investigate that payment. Once we are reasonably satisfied that the payment was not authorised and that you are not liable, we will refund to you the amount of the payment and any charges or interest you paid as a result of it, and pay you any interest we would have paid you on that amount, and will not have any further liability to you. If someone else uses your payment instrument without your permission:
- (a) Generally, you will only be liable for any withdrawals made before you notify us under condition 3.7.
  - (b) However, where you were fraudulent you will be fully liable for all withdrawals even if you have notified us of them.
  - (c) Otherwise, the most you will be liable for before you notify us under condition 3.7 is £50, unless you deliberately or very carelessly:
    - do not tell us as soon as you suspect someone has discovered your passwords (or similar) or is misusing your payment instrument; or
    - break your obligations in conditions 3.6 or 3.7.

If you are a Large Enterprise, this condition 12.1 does not apply.

### *Authorised payments from your account*

- 12.2 We will not be liable to you for any losses you suffer or costs you incur because:
- we do not act on a payment order for any reason under conditions 3.8 to 3.10;
  - the details contained in the payment order were not correct; or
  - we cannot carry out our responsibilities under this agreement as a result of anything that we cannot reasonably control. This may include, among other things, industrial disputes and any machine or electronic device failing to work.

## *Limitations on liability*

12.3 If we break this agreement:

- (a) we will not be liable for losses or costs caused by abnormal and unforeseeable circumstances outside our reasonable control, which would have been unavoidable despite all efforts to the contrary, for example delays or failures caused by industrial action, problems with another system or network, mechanical breakdown or data-processing failures; or
- (b) because of our obligations under UK or European Community law, we will not be liable.

12.4 Unless you are a Large Enterprise, or conditions 12.1 or 12.2 apply, or a different level of liability is imposed by law, we will be liable to you for any loss, injury or damage caused to you as a result of any failure or delay in carrying out your payment order (however caused), subject to condition 12.5. If you are a Large Enterprise, this condition 12.4 does not apply.

12.5 We will not be liable to you in any circumstances for:

- loss of business, loss of goodwill, loss of opportunity, loss of profit;
- any losses or costs caused by abnormal and unforeseeable circumstances outside our reasonable control, which would have been unavoidable despite all efforts to the contrary, for example delays or failures caused by industrial action, problems with another system or network, mechanical breakdown or data-processing failures; or
- any loss to you if we break this agreement because of our obligations under UK or European Community law.

12.6 If you are a Large Enterprise, we will not be liable to you for any claim, loss, liability, fine, penalty, damage, tax, cost or expense caused to you as a result of any failure or delay in carrying out your payment order (however caused), except as provided by condition 12.7.

12.7 Nothing in this agreement will exclude or limit any liability we have as a result of acting fraudulently or with extreme carelessness or any duty or liability we may have to you under applicable law or any liability that cannot lawfully be excluded.

## **13. BREACH OF THESE CONDITIONS**

13.1 If you break any of the conditions of this agreement, we can claim from you any losses or costs that we reasonably incur as a result of your breach. These include, but are not limited to, the costs of tracing you, telling you about, and taking steps to deal with the breach, communicating with you about the breach and enforcing payment of any amount due to us. We can claim these amounts as well as recover from you all amounts that you already owe us (such as any charges for our services that you have not yet paid).

## **14. CHANGING THE TERMS OF THIS AGREEMENT**

14.1 In this Condition 14:

- (a) a "personal notice" means any notice sent to you by post or electronically;
- (b) a "reference interest rate" is a rate which is not set by us and is publicly available so that you can find out what it is and check it independently, examples are the Bank of England Base Rate and a rate which is based on a basket of rates offered by other banks or lenders;
- (c) a "regulatory requirement" is any obligation (i) we have to comply with under any law or regulation (including any rules made by the Financial Services Authority, Office of Fair Trading or other regulatory body), or as result of a decision by a court, ombudsman or similar body, or (ii) under any industry guidance or codes of practice which we follow.

14.2 We will tell you when you apply for a product, or in the additional conditions for your account, if you have a "tracker rate" or a "fixed rate" and what it is. A tracker rate is a rate which moves in line with changes to a reference interest rate. A fixed rate is a rate that we will not change or which we will not change for an agreed period. If we do not tell you that you have a tracker rate or a fixed rate on an account, you will have a "managed rate". A managed rate is a rate we set and can change.

### *Changes to tracker rates*

14.3 If you have a tracker rate on an account, that rate will change automatically on a change in the reference interest rate. This will happen either immediately after the reference rate has changed, or within a set number of days, or on a particular day in the month, for example the first day of the month, and we will tell you this in the additional conditions for the account. Whenever this changes, we will make the new rate available through our customer helpline.

### *Changes to managed rates*

14.4 If you have a managed rate, we may change that rate if at any time there is a change (or we reasonably expect that there will be a change):

- (a) in the costs we incur in providing the account (including funding costs if relevant); or
- (b) in regulatory requirements.

Where we make a change to comply with a regulatory requirement, the change will be a fair proportion of the cost of compliance on our banking business, as reasonably estimated by us. Other changes will respond proportionately to changes in our costs. We will not change the managed rate and our charges to cover the same cost twice.

14.5 We may also change a managed rate for a valid reason which is not set out in this condition 14.

14.6 Such changes may be made without notice if the change is favourable to you. We will make the new rate available through the customer helpline. Other changes to the managed rate will be notified in the usual way, as set out below.

### *Changes to our charges*

14.7 If we provide a new service or facility in connection with an account (including any benefits or services provided as part of an account package), we may introduce a new charge for providing you with that service or facility.

14.8 We may change our charges or introduce a new charge if there is a change in (or we reasonably expect that there will be a change in):

- (a) the costs we incur in carrying out the activity for which the charge is or will be made; or
- (b) regulatory requirements.

Any change or new charge will be a fair proportion, as reasonably estimated by us, of the impact of the underlying change on the costs we incur in our banking business.

14.9 We may also change our charges for a valid reason which is not set out in this condition 14.

### *Changes to other terms*

14.10 We may upgrade your account or enhance the services we provide to you if we reasonably consider this is to your advantage and there is no increased cost to you.

14.11 We may also change any of the other terms of this agreement for any of the following reasons:

- (a) where we reasonably consider that:
  - the change would make the terms easier to understand or fairer to you; or
  - the change would not be to your disadvantage; or
- (b) to cover:
  - the improvement of any service or facility we supply in connection with the account;
  - the introduction of a new service or facility;
  - the replacement of an existing service or facility with a new one; or
  - the withdrawal of a service or facility which has become obsolete, or has ceased to be widely used, or has not been used by you at any time in the previous year; or
- (c) to enable us to make reasonable changes to the way we look after your accounts as a result of changes in:
  - the banking or financial system;
  - technology; or
  - the systems we use to run our banking business; or
- (d) as a result of a regulatory requirement (or where we reasonably expect that there will be a change in a regulatory requirement).

### *Terms that apply to all changes*

- 14.12 As long as you are able to end the agreement without charge (or we agree to waive any charge that would otherwise apply), we may change any of the terms of this agreement (including a managed rate, the amount by which a tracker rate differs from a reference interest rate and our charges) for any reason not listed above, but we will not change a fixed or bonus rate on an account for as long as we have agreed to keep it fixed.

### *Notifying you of changes*

- 14.13 Unless you are a Large Enterprise (when we will give you one month's notice), we will give you at least two months' personal notice of all changes, except the changes to interest rates which we can make without notice as set out above. When we tell you about a change we will tell you the date it comes into effect. As long as notice of a change is given to you at the most recent address we have for you, you will be treated as accepting the change on that date unless, before then, you tell us that you want to terminate your agreement with us and not accept the change. We will not make any termination charge if you terminate your agreement in this case.

### *Changes for specific regulatory requirements*

- 14.14 Some of the terms of this agreement reflect our understanding of regulatory requirements that will not have been published when this document is printed. If we find that any term is inconsistent with a regulatory requirement which is published after this document is printed, we will not rely on that term but will treat it as if it did reflect the relevant regulatory requirement. If we need to make operational changes before we can fully comply with the new regulatory requirement, we will make those changes as soon as reasonably practicable. We will update our Customer Agreements to reflect the new regulatory requirement when they are next reprinted.

## **15. DORMANT ACCOUNTS**

- 15.1 If there is no activity on a transactional account for a period of at least 12 months we may make the account dormant and apply additional security procedures as a means of preventing fraud and protecting privacy. In advance of making an account dormant, we will write to the last address we have for you to ask whether the account should be kept open (unless mail has already been returned from that address or the balance of the account is less than £10). If we receive a response from you, the account will be kept open. Otherwise, the account will be made dormant.
- 15.2 The funds in the account remain in your beneficial ownership and will continue to attract interest on the same basis as before the account was made dormant. Any changes we subsequently make to interest rates on accounts of the same type will apply to the dormant account and we do not have to notify you personally of these changes.
- 15.3 You may contact us at any time if you believe you have funds in a dormant account. In the event of a valid claim we will advise you of: the balance of the account; the amount of interest that has accrued if the account is interest-bearing; and how you can access the funds.

## **16. ENDING THIS AGREEMENT AND CLOSING YOUR ACCOUNT**

- 16.1 You can close an account or end this agreement completely by telling us. We may ask you to confirm this in writing. If you end this agreement, you will not be able to make further use of your accounts but we will not close them until you have returned any payment instrument we have given you and you have repaid any money you owe us, including the amount of any payment orders you have made, which have not been taken out of your account.
- 16.2 We can close an account or end this agreement by telling you in writing. Any benefit or services we provide in relation to particular accounts will end as soon as your account is closed. If we decide to close an account or end this agreement, we will give you at least two months' notice (or one month's notice if you are a Large Enterprise) unless we can end the agreement immediately for any of the reasons set out below.
- 16.3 We may take action to end this agreement, and close your accounts, immediately if we reasonably believe that you have seriously or persistently broken any terms of this agreement or any additional conditions including by:
- giving us any false information at any time;
  - using (or allowing someone else to use) the account illegally or for criminal activity;
  - inappropriately authorising a person to give instructions on your account to operate it;
  - behaving in a manner (for example by abusing people who work for us) that makes it inappropriate for us to maintain your account; or
  - putting us in a position where we might break a law, regulation, code or other duty which applies to us if we maintain your account.
- 16.4 We may also end this agreement (and close your accounts) immediately if we reasonably believe that by maintaining your account we may damage our reputation.

- 16.5 We may take action to close an account immediately, without terminating the agreement, if we discover, after opening it, that you are not eligible for that account.
- 16.6 When you close an account it is your responsibility to cancel any direct payments to or from your account. Where someone attempts to make a payment into an account which has been closed, we will take reasonable steps to return the payment to the sender.

## **17. GENERAL INFORMATION**

- 17.1 Unless we have made a different agreement with you, these conditions are governed by English law. Any banking terms and conditions implied by law will also apply to our relationship with you. The law that will apply to the establishment of our relationship will be the same as the law that governs these conditions.
- 17.2 This agreement is in English and we will only write and communicate with you in English.
- 17.3 If we choose not to exercise rights against you immediately we can still do so later.
- 17.4 Nothing on our website, nor in our promotional material nor in any verbal or written comments made by any of our directors, officers, employees or agents is intended to constitute investment advice, nor should it be construed as such. Any views expressed on, amongst other things, current or future interest rates, market movements, or on market conditions in general, are personal opinions of our directors, officers, employees or agents for which no responsibility is accepted by the Bank. Any such views should not be relied upon when making investment decisions.
- 17.5 We do not hold ourselves out as providing advice on the suitability of facilities for your particular circumstances, including circumstances relating to your legal, tax or regulatory position, and neither we nor our directors, officers or employees shall be liable for any loss arising whether directly or indirectly as a result of you making use of or failing to make use of any of the facilities offered by us. It is your responsibility to take independent advice from a suitably qualified advisor as to the suitability of the facilities for your particular circumstances.
- 17.6 We make every effort to ensure that the information contained in our correspondence, on our website, and given verbally by our directors, officers and staff is accurate to the best of our belief. However we cannot guarantee the accuracy of such information and no reliance should be placed on such information.

### *Conflicts of Interest*

- 17.7 From time to time, we may be asked to conduct a transaction for you where we or another of our customers has an involvement that may conflict with our duty of care to you. We will ensure that any such conflict does not in any material way affect the transaction conducted for you. Where we are unable to avoid or manage such a conflict, we will contact you before undertaking the transaction. For further information, please see our "Conflicts of Interest Policy", details of which are available on request.

## **18. OTHER INFORMATION**

### *Cooling Off*

- 18.1 Unless your account is a fixed rate product or we tell you otherwise in the additional conditions, you have a 14 day period in which to contact us to cancel your account or switch to another account if you are not happy with it. This period begins on the date your account is opened or the date you receive your Customer Agreement and other account information, whichever is the later. If you contact us within this period to cancel or switch your account, we will refund any account fees you may have paid. However, if you cancel or switch your account at a later date, you will not be refunded the account fees that you have paid. If you wish to cancel or switch your account, you should tell us by writing to Customer Administration, Close Brothers Limited, 10 Crown Place, London, EC2A 4FT.

### *Financial Services Compensation Scheme*

- 18.2 We are a member of the Financial Services Compensation Scheme (FSCS) established under the Financial Services and Markets Act 2000. Most depositors, including individuals and small firms, are covered. The Scheme covers deposits made with our offices within the EEA and deposits denominated in all currencies are treated alike. For further details of the Scheme, including the current compensation limits payable, please contact the FSCS on 020 7892 7300 or write to them at 7th Floor, Lloyds Chambers, Portsoken Street, London, E1 8BN.

### *Customer Complaints*

- 18.3 If you believe that we have made a mistake, or that we have not delivered the level of service you would expect from us, please let us know as soon as possible by telephoning Client Services on 020 7655 3566, sending an email to [clientservices@closebrothers.co.uk](mailto:clientservices@closebrothers.co.uk) or writing to Client Services, Close Brothers Limited, 10 Crown Place, London, EC2A 4FT. We will then investigate the situation and put matters right as quickly as possible. If we are not able to resolve the issue within 24 hours of receiving your notification, we will send you a written acknowledgement of your complaint, together with a copy of our complaints procedure.

- 18.4 If we do not resolve your complaint internally to your satisfaction, you may be able to refer it to the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London, E14 9SR (Tel: 0845 080 1800). The Financial Ombudsman Service is an organisation set up by law to give consumers and small businesses a free and independent service for resolving disputes with financial firms. Details of those who are eligible complainants can be obtained from the Financial Ombudsman Service.

*How we are regulated*

- 18.5 Close Brothers Limited is a subsidiary of Close Brothers Group plc and is authorised to accept deposits under the Financial Services and Markets Act 2000. Close Brothers Limited is authorised and regulated by the Financial Services Authority (FSA). Our FSA register reference number is 124750. Close Brothers Limited trades as Close Treasury and Close Savings. To find out more about us, see the FSA Register at [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or call the FSA on 0845 606 1234.
- 18.6 Close Brothers Limited is licensed to offer credit by the Office of Fair Trading (OFT). Our consumer credit licence number is 008075.

Terms & Conditions September 2009  
Close Brothers Limited,  
10 Crown Place, London, EC2A 4FT





**Close Brothers Limited**

Close Brothers Limited Registered office:  
10 Crown Place, London, EC2A 4FT.

Registered in England & Wales No: 195626.

Close Brothers Limited is authorised and regulated by the Financial Services Authority FSA No. 124750 and is a member of the Financial Services Compensation Scheme