

Client Account Online

Terms & Conditions (1 April 2022)

1 Definitions

- 1.1 In these terms and conditions, unless the context otherwise requires:
- "client" means the person for whom the solicitor acts;
 - "client account" has the meaning given in the Solicitors (Scotland) Act 1980 as amended by the Solicitors (Scotland) Account Rules 2001;
 - "client money" has the meaning given in the Solicitors (Scotland) Act 1980 as amended by the Solicitors (Scotland) Account Rules 2001;
 - "firm" means a partnership of solicitors, or limited liability partnership, engaged in a legal practice in Scotland, all of whose partners or members hold Practising Certificates in terms of the Solicitors (Scotland) Act 1980, or a body corporate recognised by the Council of the Law Society of Scotland as being suitable to undertake the provision of professional service such as may be provided by solicitors.
 - "nominated client bank account" means an account held at the Bank of England, the National Savings Bank, or at a bank (which may include an EEA firm) or building society that has permission under the Financial Services and Markets Act 2000 to accept deposits, and the details of which have been advised to us;
 - "nominated person" is a person employed by the firm and who has been authorised to operate the account on behalf of the principal;
 - "password" will be the alpha/numeric text that each nominated person supplies to us which enables us to authenticate their identity before we implement the transaction;
 - "principal" has the meaning subscribed in the Solicitors (Scotland) Act 1980 as amended by the Solicitors (Scotland) Account Rules 2001;
 - "Rules of the Society" means the Rules of the Society, as amended from time to time;
 - "Society" means Scottish Building Society whose Head Office is at SBS House, 193 Dalry Road, Edinburgh EH11 2EF;
 - "user id" data, which we will supply to you, which you must use in order to access the account;
 - "you" means a Principal or a nominated person and "your" has a corresponding meaning;
 - "we" and "us" refers to Scottish Building Society and "our" has a corresponding meaning.

- 1.2 In these terms and conditions, unless the context requires otherwise:
- words importing the singular shall include the plural and vice versa;
 - the feminine will also include the masculine and vice versa; and
 - reference to any statute, statutory provision and the Solicitors (Scotland) Account Rules includes a reference to that statute, statutory provision or the Solicitors (Scotland) Account Rules as from time to time amended, extended or re-enacted, provided that such amendment, extension or re-enactment does not in the case of a defined word or meaning alter the substance of the definition.

2 Identification

- 2.1 Identification for Solicitors firms: If your firm is regulated by the Law Society of Scotland, details of your registration will be sufficient for identification. Solicitors must hold valid practising certificates and practice in Scotland.

3 The Account

- 3.1 You will not be issued with a passbook and, subject to paragraph 12.7, this account will be operated through the Internet via our website.
- 3.2 It is your responsibility to take all prudent steps to ensure that your computer equipment remains malware and virus free and is not vulnerable to hacking.
- 3.3 You can nominate up to a maximum of five nominated persons who may operate the account. The account can be operated at any one time by one nominated person only. You must nominate a client bank account and complete a direct debit mandate to enable us to act on your instruction to request payments from (and to make payments to) your nominated client bank account. It is your responsibility to ensure that your nominated client bank will accept a payment request originated by us via the 'Faster Payment' system.
- 3.4 The account is a client account and does not constitute a Share (as defined in the Rules of the Society) or entitle any person to become a Shareholding Member (as also defined in the Rules of the Society). This means that neither you nor your clients (whether bodies corporate or individuals) will be eligible for membership of the Society or have any voting rights associated with membership by virtue of opening the account.
- 3.5 In opening this account you agree:
- 3.5.1 to the extent applicable, to be bound by the Rules of the Society;
 - 3.5.2 that the nominated persons will be authorised in writing on your headed notepaper; such authorities are to be signed by at least two principals (except for sole practitioners);
 - 3.5.3 that any changes in respect of nominated persons must be authorised as in 3.5.2 above;
 - 3.5.4 that such notification will only be effective and binding on us when we have issued the newly appointed nominated person with a new user id and password or confirmed in writing that a nominated person has been removed;
 - 3.5.5 that the minimum balance required to keep a designated client account open is £1.00;

- 3.5.6 the maximum balance on each designated client account is £2,000,000. The maximum aggregate balance of the Client Account Online facility you hold with us is £10,000,000.
- 3.7 The account will be in the name of the firm and marked as a client account. You can open individual accounts for each client for whom you hold client money (a "designated client account").

4 Deposits

- 4.1 The initial account opening is instigated with a nil balance and then funds will be collected by direct debit. Please remember it takes up to 10 working days to process your Direct Debit Mandate in the first instance.
- 4.2 Deposits into the account can be either on a regular or irregular basis. Transfers from existing Scottish Building Society accounts can only be made subject to the terms and conditions that apply to that account.
- 4.3 If your bank recalls a direct debit being made from your account and we have already acted upon your instructions to make a payment in respect of the same monies, then you agree to indemnify us immediately in full, in respect of any shortfall of funds in the account.

5 Withdrawals

- 5.1 You can withdraw funds whenever you like without the requirement to give notice. We will process your instructions as soon as we can.
- 5.2 Withdrawals will be made via 'Faster Payments' (CHAPS for any transaction exceeding faster payment limits) and will be credited to your nominated bank account no later than the next working day.
- 5.3 Withdrawals can only be made if you have cleared funds in the account.
- 5.4 Withdrawals from your account will be made by you via the internet (and in no other manner) and are subject to the withdrawal limits applicable from time to time and to our verification of the security details and password of the nominated persons making the transaction request.
- 5.5 If we transfer funds from your account in response to a request that contains valid security data and passwords, then (subject to paragraph 7.3) you will be liable for any loss if it subsequently transpires that the instructions were fraudulent and your nominated person(s) have failed to keep their security details and password(s) secret.
- 5.6 Instructions to withdraw funds out from the account may not be cancelled after the payment has been authorised or transferred.
- 5.7 Instructions received after 14:00 hours will be processed the next working day.

6 Interest rate

- 6.1 Interest will be paid quarterly on 31 January, 30 April, 31 July and 31 October or on closure of the account if earlier.
- 6.2 The rate of interest payable on the account may be varied from time to time. Details of the current rate may be checked by selecting the 'Interest Rates' option from the statement screen on our website. We will only vary the applicable interest rate for a valid reason. Current interest rates are published on our website and are available by contacting our Head Office on 0333 207 4007.

- 6.3 All deposits will earn interest after receipt and once cleared until the date of withdrawal. The amount of interest is calculated on the daily balance and is credited to your account.
- 6.4 Interest is paid gross (subject to the required registration). For details and a registration form for payment gross, please see HM Revenue & Customs website (www.hmrc.gov.uk). It is the account holder's responsibility to declare the receipt of gross interest to HM Revenue & Customs.
- 6.5 Any outstanding interest will be credited directly to the individual account on the day of the closing withdrawal. Arrangements cannot be made to have it paid in any other way.

7 Security

- 7.1 Each time you contact us online we will check the identity of the nominated person from the security details and passwords given to us.
- 7.2 Each nominated person must keep their own security details and their individual password secret and secure. Security details and passwords should not be written down.
- 7.3 You must notify us as soon as possible if:
 - 7.3.1 you believe that someone other than a nominated person knows the security details and/or password of any nominated person;
 - 7.3.2 you believe that a nominated person knows another nominated person's security details or password;
 - 7.3.3 you discover that a nominated person has forgotten their password or security details;
 - 7.3.4 you think someone else who has not been authorised as a nominated person is trying to use the account;
 - 7.3.5 you have withdrawn a nominated person's authority to operate the account;
 - 7.3.6 a nominated person resigns from their employment with you, is suspended or dismissed from their employment with you;
- 7.4 Until such time as we receive written notification from you under paragraph 7.3, you will be responsible for any instruction which we receive (by whatever means) and act upon, even if it was not given by a nominated person.
- 7.5 We shall be entitled at any time to refuse to act on an instruction we receive if we think for any reason any aspect of the security details or passwords were not given by the nominated persons.
- 7.6 We shall refuse to act on your instructions if we believe that so doing so will bring us into conflict with or cause a breach of any law or contractual duty or we think that the account is not being used for client purposes.
- 7.7 Subject to you agreeing to comply with paragraph 7.3, we will do all that we reasonably can to prevent unauthorised access to the account and make sure that it is secure.
- 7.8 We have taken reasonable precautions to ensure that the Client Account Online facility is confidential and cannot be interfered with. We cannot guarantee completely the confidentiality or privacy of any information passing over the internet or that it will not be interfered with and by using this facility you are giving instructions to do so on this basis and understanding.

8 Commission

- 8.1 If we have agreed to pay you commission, this will be paid by bank transfer quarterly in arrears.

9 Financial Services Compensation Scheme

- 9.1 We are covered by the Financial Services Compensation Scheme (FSCS). The FSCS can pay compensation to depositors if a building society is unable to meet its financial obligations. Most depositors - including most individuals and small businesses - are covered by the scheme.
- 9.2 In respect of deposits, an eligible depositor is entitled to claim up to £85,000. For joint accounts each account holder is treated as having a claim in respect of their share so, for a joint account held by two eligible depositors, the maximum amount that could be claimed would be £85,000 each (making a total of £170,000).
- 9.3 The £85,000 limit relates to the combined amount in all the eligible depositor's accounts with the Society, including their share of any joint account, and not to each separate account.
- 9.4 FSCS guidance indicates that for solicitors' client funds designated in the name of a specified client, the 'eligible depositor' is the underlying client rather than the solicitor firm.
- 9.5 For further information about the scheme (including the amounts covered and eligibility to claim) please refer to the FSCS website www.fscs.org.uk or call the FSCS on 0800 678 1100.

10 Governing Law, Language and Availability

- 10.1 Our relationship with you will be governed by the Law of Scotland. We will communicate with you in English.

11 Termination

- 11.1 We will be entitled in our absolute discretion, to terminate or suspend the account immediately if we have reasonable grounds to believe that you:
- 11.1.1 are in breach of this agreement in any way; or
 - 11.1.2 have or will cause damage to the account;
 - 11.1.3 have or have attempted to obtain access to our files, and or details of other account holders;
 - 11.1.4 have attempted to introduce to the account any malware, virus or other harmful bugs or programs or you have advised any other person how to do so;
 - 11.1.5 have or will use the account in such a way as to unreasonably interfere with the operation of the account;
 - 11.1.6 have given instructions to transfer funds when there are insufficient funds to cover the transaction;
 - 11.1.7 have authorised a withdrawal wherein the underlying deposit transaction has been recalled by the paying bank;
 - 11.1.8 have exceeded the aggregate monetary limit for the account; or

- 11.1.9 where your conduct may cause you or us to breach any laws or regulations or other duty that applies to you or us.
- 11.2 If we close the account we will remit to your nominated clearing bank account any balance held on your Client Account Online facility.

12 General

- 12.1 These terms and conditions may be amended from time to time or supplemented by special conditions that will be notified to you in writing.
- 12.2 Communications between us may be made electronically in writing or by telephone. We will advise you if our contact details change. You should notify us in writing if your name, address, telephone, e-mail or any other details change. We may take appropriate steps to verify that any requests to change your details originate from you and are genuine.
- 12.3 If you send us an e-mail it is not safe to assume that it has reached us until we acknowledge receipt.
- 12.4 Our records of your instructions will be conclusive between us unless you can show there has been a clear mistake.
- 12.5 The Client Account Online facility is for use in the UK only. You shall not access your/any such account from any other country. The facility is to be used only by nominated persons who have their own individual PC accessed by them under strict password control in accordance with your own internal governance policies on information and cyber security.
- 12.6 You should notify us if you find any delay, failure or error in the account, especially in the sending or receiving of instructions. It is in your interest to notify us immediately of any discrepancy in the account details.
- 12.7 For technical reasons there may be times when you will not be able to access our website. We cannot guarantee its availability at all times. If the website is unavailable you should contact us by telephone to discuss an alternative way to process transactions.
- 12.8 If we fail to carry out your instructions or do so late, we will be liable for any resulting reasonable and properly incurred loss, injury or damage you suffer not exceeding the amount of any interest you did not receive or had to pay as a result of our failure, delay or error. We will not be liable for any indirect losses nor for any losses we could not reasonably have expected to occur. We will not be liable to you if we do not act on your instructions for any reason set out in these conditions or if we cannot carry out our responsibility to you because of something we cannot reasonably control. This would include for example computer failure or failure in the internet system not caused by us.
- 12.9 General correspondence concerning the account will be sent by us to your business address in the name of the person who has been duly authorised by you to receive written communication relating to the account. This provision will not apply to the sending of security information, which will be sent to the individual nominated persons and marked private and confidential to the business address of the firm.
- 12.10 We shall be entitled at any time to refuse to carry out a transaction we receive if for any reason we think it was not given by the required minimum number of nominated persons, or might cause us to breach a law or contractual duty, or we think the account is being used for an illegal purpose.

13 Agreement

13.1 This agreement comprises: -

- These terms and conditions;
- The application form signed by all of the principals of the firm and additionally all of the nominated persons who agree individually to be bound by and observe these terms and conditions having particular regard to the sections on password and security information;
- The Rules of the Society;
- Any other special conditions which may from time to time be agreed between us.

14 Declaration

14.1 By submitting and signing the application form you jointly and severally:

- 14.1.1 authorise withdrawals and transfers to be permitted against your nominated withdrawal instructions. These conditions and any special conditions apply to all of you together and any of you separately;
- 14.1.2 request that the account be opened in the name(s) specified in accordance with the terms of issue, and that the account should be operated according to your instructions;
- 14.1.3 agree, to the extent applicable, to be bound by the Rules of the Society and in signing this application you confirm you have either obtained or do not require a copy of the Rules of the Society currently in force;
- 14.1.4 undertake to comply with the all applicable money laundering and financial crime legislation and guidance in relation to the identification and verification of your clients whose funds are deposited by you in the account, including the source and provenance of those funds. Upon request you will supply us with (i) copies of your policies and procedures and (ii) evidence of such verification, which shall include information pertaining to your client and any beneficial owners or beneficiary of your client;
- 14.1.5 confirm you have read and understand these terms and conditions and are happy to proceed and open the account; and
- 14.1.6 acknowledge that your liability to us is joint and several where there are monies owing to us on a Client Account Online facility and that you will immediately upon demand indemnify us for any shortfall on the account.