

Client Account Online Terms & Conditions (12 May 2025)

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;
- "Data Protection Legislation" means all applicable data protection and privacy legislation in force from time to time in the UK including without limitation the UK retained version of the Regulation (EU) 2016/679 (UK GDPR); the Data Protection Act 2018 (and regulations made thereunder) (DPA 2018); and the Privacy and Electronic Communications Regulations 2003 (SI 2003/2426) as amended; and all other legislation and regulatory requirements in force from time to time which apply to a party relating to the use of personal data (including, without limitation, the privacy of electronic communications); and the guidance and codes of practice issued by the Commissioner or other relevant regulatory authority and which are applicable to a party;
- "Designated Client Account" has the meaning given to it in condition 3.5.5;
- "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 UK 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:

You can find information about what documentation is needed to open an account by visiting www.scottishbs.co.uk/savings/online-savings/client-account-online

3 The Account

- 3.1 You will not be issued with a passbook and, subject to condition 13.7, 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 UK 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 UK 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 for client monies and for no other purpose. It 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 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 (each a "Designated Client Account");
- 3.5.6 that the minimum balance required to keep a Designated Client Account open is £1.00;
- 3.5.7 the maximum balance on each Designated Client Account is £2,000,000 (unless agreed otherwise). The maximum aggregate balance of the Client Account Online facility you hold with us is £10,000,000 (unless agreed otherwise).
- 3.5.8 The money paid into your Designated Client Account belongs to the client of yours that you name in the Designated Client Account title that you provide to us when you open your Account.
- 3.5.9 You give us your explicit consent (or have obtained the explicit consent of the relevant individual nominated persons) for us to access, process and keep any personal information relating to nominated persons that you provide to us for the purposes of providing payment services to you. This won't affect your rights or the rights any nominated persons may have under Data Protection Legislation. You can withdraw your consent by ending your agreement with us.
- 3.5.10 You acknowledge that we rely ("Consent to Rely") on you having conducted Customer Due Diligence ("CDD") checks (in accordance with all relevant laws, rules, regulations and industry guidelines in the United Kingdom relating to anti-money laundering from time to time) in relation to each client on whose behalf a Designated Client Account is opened by you.
- 3.5.11 We carry out regular monitoring of firms to ensure that firms are carrying out the requisite (and regular) CDD checks on their clients for whom we hold a Designated Client Account. As part of our monitoring, we may ask for evidence that you have compliant CDD processes in place and that these are adhered to. We may also in our sole discretion require you to: verify any information provided to us (or complete any missing information) in relation to the opening of a Designated Client Account; and/or exhibit copies of verification data to us, and you shall provide us with all reasonable assistance to do so.
- 3.5.12 You can instruct a Third Party Provider to access the information and transact on your accounts as long as you have authorised the User(s) within the signed application form.

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. Withdrawals can only be made via electronic transfer to your nominated UK client bank account.
- 5.2 Withdrawals will be made via Faster Payments (CHAPS for any transaction exceeding Faster Payment limits) and will be credited to your nominated UK client bank account no later than the next working day. Visit www.scottishbs.co.uk/savings/online-savings/client-account-online for full details of cut-off times for making withdrawals.
- 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 condition 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.

6 Interest

- 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 Unless otherwise stated, all our interest rates are variable and may be changed at any time if we reasonably believe that the change is needed for any of the following reasons (which may relate to circumstances at the time of the change or those that are expected to apply in the near future):
- to respond to changes in the Bank of England Base Rate, or market interest rates generally.
 - to respond to changes in our costs for providing the service or in the way that we administer accounts.
 - to maintain our financial strength for the benefit of our customers, taking into account the interests of our membership as a whole.
 - to take account of changes in law, decisions of a regulator or Ombudsman, or any code of practice with which we intend to comply.

Any change to the interest rate under this condition will be proportionate to the reason that triggers the change.

- 6.3 Where the change is an increase in the interest rate, we will advise you either by:

- advertising the increase on our website and/or
 - contacting you in writing to confirm
- 6.4 To notify you of a reduction in the interest rate, we will contact you in writing at least 14 days before the rate change.
- 6.5 Details of the current rate may be checked by reviewing on our website www.scottishbs.co.uk/savings/online-savings/client-account-online or by contacting us on 0333 207 4007.
- Our lines are open 9am-5pm Monday to Friday (10am-5pm Wednesday)
- 6.6 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.
- 6.7 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.
- 6.8 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 condition 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 condition 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.
- 7.9 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 and must not be shared with others.
- 7.10 Each time you contact us online we will check the identity of the nominated person from the security details and passwords given to us.

8 Data Protection

- 8.1 For the purposes of this condition 8, the terms **commissioner, controller, processor, data subject, personal data, personal data breach** and **processing** shall have the meaning given to them in the Data Protection Legislation.
- 8.2 Both parties will comply with all applicable requirements of the Data Protection Legislation. This condition 8 is in addition to, and does not relieve, remove or replace, a party's obligations or rights under Data Protection Legislation.
- 8.3 Where you are providing your personal data to the Society for the purposes of opening a Client Online Account we explain how we collect and use your personal data in our privacy policy which you can access through our website here: www.scottishbs.co.uk/help-and-support/privacy-policy
- 8.4 Where you are providing the Society with personal data about your clients for the purposes of opening a Designated Client Account the Society shall process your client personal data as set out in this condition 8 as a processor on your behalf. Should the determination in condition 8.4 change, the parties shall use all reasonable endeavours to make any changes that are necessary to this condition 8.
- 8.5 Without prejudice to the generality of condition 8.2, the firm will ensure that it has all necessary appropriate consents and notices in place to enable lawful transfer of their clients personal data to the Society and lawful collection of the same by the Society for the duration and purposes of the services provided by the Society in terms of these Client Account Online Terms & Conditions.
- 8.6 In relation to the client personal data:
 - 8.6.1 The scope of processing personal data is all processing necessary for the Society to provide the Designated Client Account;
 - 8.6.2 The nature of the processing of client personal data is access, use, application, management and handling of personal data to enable the Society to provide the Designated Client Account;

- 8.6.3 The purpose of the processing of client personal data is to allow the Society to provide the Designated Client Account;
 - 8.6.4 The duration of the processing of personal data will be eight (8) years from our receipt of personal data;
 - 8.6.5 The Society will process the types of client personal data required in order to provide the Designated Client Account service under these Terms and Conditions including, but not limited to: name, address, date of birth and a description of the purpose of the Designated Client Account; and
 - 8.6.6 The category of data subject involved in the processing of personal data is the firm's clients.
- 8.7 Without prejudice to the generality of condition 8.2, the Society shall, in relation to client personal data:
- 8.7.1 process that client personal data only on your documented instructions, which shall be to process the client personal data for the purposes set out in condition 8.6.3 unless the Society is required by any law applicable in the UK (**UK Laws**) to otherwise process that client personal data (**Purpose**). Where the Society is relying on UK Laws as the basis for processing client personal data, the Society shall notify you of this before performing the processing required by UK Laws unless those UK Laws prohibit the Society from so notifying you on important grounds of public interest. The Society shall inform you if, in the opinion of the Society, your instructions infringe Data Protection Legislation;
 - 8.7.2 implement technical and organisational measures to protect against unauthorised or unlawful processing of client personal data and against accidental loss or destruction of, or damage to, client personal data, which you have the opportunity to review and confirm are appropriate to the harm that might result from the unauthorised or unlawful processing or accidental loss, destruction or damage and the nature of the data to be protected, having regard to the state of technological development and the cost of implementing any measures;
 - 8.7.3 check the completeness and accuracy of the client personal data with you as required to supply the Designated Client Account;
 - 8.7.4 ensure that any personnel engaged and authorised by the Society to process client personal data have committed themselves to confidentiality or are under an appropriate statutory or common law obligation of confidentiality;
 - 8.7.5 assist you insofar as this is possible (taking into account the nature of the processing and the information available to the Society), and at your cost and written request, in responding to any request from a data subject and in ensuring the your compliance with your obligations under Data Protection Legislation with respect to security, breach notifications, impact assessments and consultations with supervisory authorities or regulators;
 - 8.7.6 notify you without undue delay on becoming aware of a personal data breach involving client personal data
 - 8.7.7 at your written direction, delete or return client personal data and copies thereof to you on termination of the Designated Client Account

unless the Society is required by UK Laws or a government or regulatory body to continue to process that client personal data. For the purposes of this condition 8.7.7, client personal data shall be considered deleted where it is put beyond further use by the Society; and

8.7.8 maintain records to demonstrate its compliance with this condition 8.

8.8 You provide your prior, general authorisation for the Society to:

8.8.1 appoint sub-processors to process the client personal data, provided that the Society:

- shall ensure that the terms on which it appoints such processors comply with Data Protection Legislation, and are consistent with the obligations imposed on the Society as a processor in this condition 8;
- shall remain responsible for the acts and omission of any such processor as if they were the acts and omissions of the Society; and
- shall inform you of any intended changes concerning the addition or replacement of the processors, thereby giving you the opportunity to object to such changes provided that if you object to the changes and cannot demonstrate, to the Society's reasonable satisfaction, that the objection is due to an actual or likely breach of Data Protection Legislation, you shall indemnify the Society for any losses, damages, costs (including legal fees) and expenses suffered by the Society in accommodating the objection.

8.8.2 transfer client personal data outside of the UK as required for the Purpose, provided that the Society shall ensure that all such transfers are effected in accordance with Data Protection Legislation. For these purposes, you shall promptly comply with any reasonable request of the Society, including any request to enter into standard data protection clauses adopted by the EU Commission from time to time (where the EU GDPR applies to the transfer) or adopted by the commissioner from time to time (where the UK GDPR applies to the transfer).

8.9 Either party may, at any time on not less than thirty (30) days' notice, revise this condition 8 by replacing it with any applicable controller to processor standard clauses or similar terms forming part of an applicable certification scheme.

9 Commission

9.1 If we agree to pay you commission in relation to client monies deposited with the Society, you must provide us with a copy of your client Terms of Business showing how you treat any commission that you receive. Any such commission will be paid to you by bank transfer quarterly in arrears.

10 Financial Services Compensation Scheme

10.1 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.

- 10.2 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).
- 10.3 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.
- 10.4 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.
- 10.5 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.

11 Governing Law, Language and Availability

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

12 Termination

- 12.1 We will be entitled in our absolute discretion, to terminate or suspend the account immediately if we have reasonable grounds to believe that you:
- 12.1.1 are in breach of this agreement in any way; or
 - 12.1.2 have or will cause damage to the account;
 - 12.1.3 have or have attempted to obtain access to our files, and or details of other account holders;
 - 12.1.4 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;
 - 12.1.5 have or will use the account in such a way as to unreasonably interfere with the operation of the account;
 - 12.1.6 have given instructions to transfer funds when there are insufficient funds to cover the transaction;
 - 12.1.7 have authorised a withdrawal wherein the underlying deposit transaction has been recalled by the paying bank;
 - 12.1.8 have exceeded the aggregate monetary limit for the account; or
 - 12.1.9 where your conduct may cause you or us to breach any laws or regulations or other duty that applies to you or us.
- 12.2 You may close individual Designated Client Accounts whenever you like, without penalty. Please notify us if you wish to close your main account and we will do this for you.
- 12.3 If you or we close the account we will remit to your nominated UK client bank

account any balance held on your Client Account Online facility.

13 General

- 13.1 These terms and conditions may be amended from time to time or supplemented by special conditions that will be notified to you in writing.
- 13.2 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.
- 13.3 If you send us an e-mail it is not safe to assume that it has reached us until we acknowledge receipt.
- 13.4 Our records of your instructions will be conclusive between us unless you can show there has been a clear mistake.
- 13.5 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.
- 13.6 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.
- 13.7 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.
- 13.8 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.
- 13.9 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.
- 13.10 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.

14 Agreement

14.1 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.

15 Declaration

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

- 15.1.1 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;
- 15.1.2 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;
- 15.1.3 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;
- 15.1.4 undertake to comply with 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;
- 15.1.5 confirm you have read and understand these terms and conditions and are happy to proceed and open the account; and
- 15.1.6 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.