



## **BANK OF LONDON AND THE MIDDLE EAST PLC**

### **Terms and Conditions**

**Effective from November 2011**

## Contents

|   |    |
|---|----|
| The Agreement between you and us  | 4  |
| Section A – Instructions and other Communications                                 | 5  |
| 1. Providing instructions to us   | 5  |
| 2. Steps you need to follow when providing us with instructions                   | 5  |
| 3. Receiving your instructions  | 6  |
| 4. Refusing to act on your instructions   | 6  |
| 5. Communicating with you   | 6  |
| 6. Electronic communication   | 7  |
| Section B – Accounts  | 9  |
| 7. Opening an Account   | 9  |
| 8. Your Account details   | 9  |
| 9. Depositing funds in your Account   | 9  |
| 10. General terms for Payment Orders  | 10 |
| 11. International payments  | 11 |
| 12. Processing of Payment Orders, and when we can change or cancel Payment Orders | 12 |
| 13. Refunds for incorrect payments  | 12 |
| 14. Direct debit refunds  | 13 |
| 15. Charges, profit, and payments to or from you                                  | 13 |
| 16. Depositing cheques drawn on an international (non-UK) bank                    | 13 |
| 17. Indebtedness  | 14 |
| 18. Statements  | 14 |
| Section C – General   | 15 |
| 19. Protecting your Personal Security Information                                 | 15 |
| 20. Your obligations and liability  | 15 |
| 21. Our liability to you  | 16 |
| 22. Legal and tax   | 16 |
| 23. Variations  | 17 |
| 24. Joint accounts and trustees   | 18 |
| 25. Your information  | 18 |
| 26. In the event of your death  | 20 |
| 27. Set off   | 21 |
| 28. Suspension and termination  | 21 |
| 29. Contacting us   | 22 |

|   |    |
|---|----|
| 30. Assignment  | 22 |
| 31. Delegation  | 22 |
| 32. Governing Law and Sharia'a Compliance                     | 22 |
| 33. Severability  | 23 |
| 34. Third party rights  | 23 |
| 35. Entire agreement  | 23 |
| 36. Miscellaneous   | 23 |
| 37. Complaints and the Financial Services Compensation Scheme | 23 |
| Section D – Definitions and Interpretation                    | 25 |
| 38. Definitions   | 25 |
| 39. Interpretation  | 26 |

## The Agreement between you and us

These Terms and Conditions (“Terms”) form the basis upon which we Bank of London and The Middle East plc (“BLME”) provide you with Accounts (as more particularly described below) and, from time to time, other products and services. Upon signing an Application Form, you will be entering into a legal agreement with BLME.

Such agreement will be made up of:

- (a) these Terms;
- (b) each Application Form signed by you; and
- (c) any information on our Charges and profit share, or equivalent, that apply to any of your Accounts, products or services.

in each case, as amended from time to time in accordance with these Terms (see Paragraph 23) (the “Agreement”).

Where these Terms are inconsistent with any terms in any other documents that comprise the Agreement, the terms contained in those documents will apply.

Where these Terms only apply to a particular type of Account we will clearly indicate this to you.

You can ask us at any time for a copy of the documents setting out the Agreement between you and us.

These Terms will apply to all new and existing BLME customers from November 2011 (the “Effective Date”).

The Agreement shall come into effect when we start providing the Account, product or service and the Agreement will continue until it is terminated (see Paragraph 28).

Since BLME is established as a Sharia’a compliant bank, there may be instances when Sharia’a and its interpretation by our Sharia’a Supervisory Board preclude us from providing identical or similar products or services to those offered by other commercial or investment banks.

Subject to the Agreement with you, and Financial Services Regulations, BLME may decline to accept any deposit of money by you, and any application by you to open or renew an Account, for any/no reason, and will not be required to provide you with a reason.

### ***Meaning of words and expressions***

Paragraph 38, sets out the meaning of certain words used in these Terms. Also in these Terms:

- (a) “Account(s)” means any Current Account, Transaction Account, Deposit Account or any other type of account that you have with us, and shall include any additional Account related products or services that we agree with you. A reference to Accounts is a reference to all accounts, including any accounts held jointly, that you have with us;
- (b) “we”, “us” and “our(s)” means BLME which provides the Account, products or services to you; and
- (c) “you(r)(s)” means any person agreeing to the Agreement and opening of an Account with us and/or the taking up of a product or service, and where applicable, their duly authorised representatives, legal personal representatives and successors.

If you enter the Agreement as a joint account holder, it is important that you understand the legal consequences. Paragraph 24 of these Terms concerns joint accounts. If you have any doubts in relation to joint accounts or any aspect of the Agreement, you should take legal advice.

**The law favours written agreements, it is therefore important that you read carefully the documents setting out the Agreement, to ensure they contain everything you want, and nothing you are not prepared to agree. You should ensure you keep the documents setting out the Agreement or copies of such documents in a safe place for future reference. If you have any queries or concerns, please contact your usual BLME contact.**

## **Section A – Instructions and other Communications**

### **1. Providing instructions to us**

- 1.1 You can normally give us instructions in person, in writing by post, by telephone, or by any other means that we agree with you.
- 1.2 We will accept instructions by Electronic Communication (for example by fax and email) if you request this in your Application Form and in respect of those methods of Electronic Communication indicated in such Application Form. Otherwise before you can give instructions by Electronic Communication or by a different form of Electronic Communication than previously selected it must be agreed with us in writing and you may be required to complete an indemnity form.
- 1.3 Before we act on an instruction we may take steps to check that the instruction is genuine (in other words given by you) and clear.
- 1.4 We will treat an instruction as genuine if:
  - (a) it is given in a document that has a signature on it that we reasonably believe is your signature, or that of your Authorised Representative;
  - (b) we are satisfied or reasonably believe that you, or your Authorised Representative, are who you or they say you or they are when you or they give us instructions in person;
  - (c) where necessary, you will provide us with your Personal Security Information, which we have agreed with you; or
  - (d) where you have not set up with us a security procedure involving Personal Security Information, we believe in good faith that the instruction is from you or your Authorised Representative, and there are no circumstances we are, or should reasonably be aware of that cast doubt on the identity of the person giving the instruction.

In order to access your Account and ensure your privacy we may request that you provide certain information that is personal to you (“Personal Security Information”). From time to time, we may ask you to confirm the Personal Security Information that you have provided to us before we accept an instruction in order to verify your identity.

- 1.5 We retain the right not to act on an instruction even when you have provided us with your Personal Security Information if we are still in doubt as to your identity.
- 1.6 If you notify us that a person is your Authorised Representative you will be responsible for all instructions received from that person, even if they do something which makes you breach the Agreement. You understand that we cannot control how an Authorised Representative uses your Account.

### **2. Steps you need to follow when providing us with instructions**

- 2.1 We may ask you to set up procedures to authenticate instructions you give. We recommend establishing security procedures involving Personal Security Information; if you do not establish this security procedure with us, it is difficult for us to know the identity of the person giving instructions.
- 2.2 Safeguarding security information and keeping it secret is essential to help prevent fraud and protect your Account. You must keep your Personal Security Information which is specifically provided to us solely as security information for the purposes of validating your instructions secret at all times and must not disclose this information to anyone. You must take all reasonable care to prevent unauthorised or fraudulent use of such Personal Security Information by others (see Paragraph 19). If you know or suspect that someone knows your Personal Security Information which has been specifically provided to us solely as security information for the purposes of validating your instructions, or is impersonating you, you must contact us without undue delay using the contact details provided at Paragraph 29. Until you contact us you will be liable for all instructions given in relation to your Account, as long as the instructions satisfied the conditions detailed in Paragraph 1.4.
- 2.3 We will normally give you at least 14 days' notice of any change to the security procedures that would affect the operation of your Account but may make changes immediately if we consider this necessary to prevent security being compromised.
- 2.4 Where instructions are given by your Authorised Representative, we will continue to act on their instructions until we receive written notice from you that they are no longer authorised to give instructions on your behalf.
- 2.5 If we receive any instruction to make a Payment Order from your Account and:
  - (a) we are reasonably concerned that it may not have come from you, contains incorrect information, or is illegible; or

(b) for some other reason, such as suspected fraud, we want to check the instruction with you.

we can ask you to confirm the Payment Order (either in writing or verbally) and may not act on the instruction until you have confirmed it. In this case, you must confirm the instruction as soon as possible to avoid any delay by us in acting on it. We may not make any payment under a Payment Order or otherwise carry out the instruction until that confirmation is provided.

2.6 We may assume that information given in an instruction from you or your Authorised Representative is correct, unless we are aware of an obvious error. In particular, we may assume the Account number quoted in any instruction is the correct Account number.

### **3. *Receiving your instructions***

3.1 Subject to the conditions detailed in Paragraph 2, your instructions are deemed to be effective when we receive them. Where you provide verbal instructions we will acknowledge them verbally. Otherwise, we will acknowledge instructions by acting on them. When providing us with instructions you should allow us reasonable time to process your instructions and communicate them in order to meet any relevant deadlines. We will not be liable for any failure to meet a deadline where clear instructions are not received from you or not received in time for us to reasonably process them. Additionally, we reserve the right to require instructions in writing from you where we request it. In relation specifically to any instructions for Payment Orders from your Account, we set a Cut-Off Time that instructions for Payment Orders must be received by us, on a Banking Day, in order for us to process them on the same day.

3.2 We may be able to change or stop a Payment Order but we cannot generally change or stop other instructions you give by telephone or by Electronic Communication, because we start processing instructions when we receive them. If we are able to cancel your Payment Order, we may impose a Charge; if a Charge is payable this will be detailed in our tariff sheet or we shall inform you of this at the time you request we change or cancel your Payment Order.

### **4. *Refusing to act on your instructions***

4.1 We can refuse to act on any instruction (including a Payment Order) or accept a payment into your Account if we reasonably believe that:

- (a) by carrying out the instruction we might break a law, regulation, code or other duty which applies to us; or
- (b) any of the conditions set out in Paragraphs 1.3 or 1.4 will not be met.

4.2 We can also refuse to act on any instruction (including a Payment Order) or accept a payment into your Account if we reasonably believe that doing so might expose us to action or censure from any government, regulator or law enforcement agency.

4.3 Unless the law prevents us from doing so, we will try to contact you to tell you if we refuse to act on any instruction, the reasons for refusing it, and what you can do to put right any errors in the instruction. We will do this as soon as reasonably practicable. You can also contact us to find out why we have refused to carry out your instruction.

4.4 We may refuse to act on your instructions and withdraw your Personal Security Information and/or suspend or terminate electronic or postal services to you if we believe that this is necessary for security reasons to prevent misuse of your Account, for example where there have been too many unsuccessful attempts to gain access to your Account using your Personal Security Information. If we do this, we will tell you what you need to do to register new Personal Security Information.

4.5 We will not be liable for any refusal of, or failure to act on, your instructions, except where we have been manifestly fraudulent or grossly negligent in failing to act on any instruction or accept a payment into your Account.

### **5. *Communicating with you***

5.1 We will contact you by post, by telephone, or by Electronic Communication using the details you have provided us with. Certain forms of communication are not completely secure and you must take adequate precautions to ensure that others do not access, read or use your information without your consent. Personal Security Information which has been specifically provided to us solely as security information for the purposes of validating your instructions must not be disclosed (See paragraphs 2.2).

5.2 It is your responsibility to ensure that we have your current contact details, including any address(es) to which you would like us to send correspondence or statements (where different). Where we are required to send information to you, by law we have to send it 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 and you may not receive communications which could be important, including any notices about changes to the Agreement which affect you.

- 5.3 Where we consider it appropriate to do so in the context of our relationship with you, we may also communicate with you by posting notices and information on our website, in accordance with Financial Services Regulations.
- 5.4 From time to time we may contact you by post, by telephone or by email with information about products and services (including those of third parties) which may be of interest to you. If you wish to opt out of such communication please inform us in writing, or if we provide a section in an Account application indicate which forms of communication you wish to opt out of.
- 5.5 Where Account statements and notices are sent by post they will be considered received by you no later than four Banking Days after posting if sent to an address within the UK, or ten Banking Days after posting if sent to an address outside the UK. Unless stated otherwise in these Terms, or agreed otherwise, we may send you Account statements and notices by email, in which case they will be considered received on the next Banking Day. We will notify you before we commence sending Account statements and notices by email.
- 5.6 We may leave messages for you to contact us on an answering machine or fax machine, or with a person answering the contact telephone number that you have provided us with, unless you tell us not to.
- 5.7 We may record or monitor telephone calls and monitor Electronic Communication between you and us for accuracy and training purposes, and so that we can check instructions and make sure that we are meeting our service standards.
- 5.8 We retain sole ownership of any telephone recordings, Electronic Communication or any other communication with you, and we may rely on any recording, Electronic Communication or other communication with you to confirm any instruction you have given and any action we have taken as a result of your instruction. The conditions set out in this Paragraph 5.8 do not affect your statutory rights, or our statutory duties, in respect of information about you that is held by us.
- 5.9 You can ask us not to contact you by post where there is a risk to the security or integrity of information in documents being sent to you. We can also refuse to send documents by post to certain countries for this reason. If we do this we will make letters or documents we need to send you available at our registered office (a summary of our contact details are set out at Paragraph 29) or at another secure location that you agree with us.
- 5.10 You should check any Account statements or transaction confirmation statements that we give you, and contact us without undue delay if there are any inaccuracies, or you think any details in the statements are not consistent with your instructions.
- 6. *Electronic communication***
- 6.1 There are no guarantees that communication by Electronic Communication will be secure, virus free or successfully delivered. You acknowledge that you are fully aware of the risks associated with the use of Electronic Communication and that we will not be liable if, due to circumstances beyond our reasonable control, any Electronic Communication is intercepted, delayed, corrupted, misunderstood, not received, or received by persons other than the intended addressee(s). However, where we reasonably think this has happened with an Electronic Communication sent from you, we may try to confirm the communication with you.
- 6.2 For security, legitimate business purposes, and to maintain service standards, we may monitor internet communication, including emails we send or receive, and any use of our website.
- 6.3 Where we agree to accept instructions from you by Electronic Communication:
- (a) we may treat any instruction received by Electronic Communication as being fully authorised by, and binding on you, irrespective of whether or not such instruction was in fact made in your knowledge, or issued by you or your Authorised Representative;
  - (b) we are not obliged to ask you for proof of identity or confirmation of your instructions when we receive your Electronic Communication, but we may do so by telephone call-back;
  - (c) where you give instructions from an email address that we do not recognise, or where instructions are given via email by an unknown third party, we may not act on these instructions until such time as we have carried out additional security measures and confirmed the instructions with you;
  - (d) we may not accept your instructions where we consider those instructions to be unusual, or where we believe the instructions have not come from you or are not sufficiently clear. We will take reasonable steps to notify you in such circumstances; and

- (e) we may, but are not bound to, acknowledge receipt of your instructions. You cannot assume that we have received or acted on an instruction by Electronic Communication until you have received an acknowledgement from us that we have done so. If your instruction or enquiry is urgent you should contact us by telephone rather than by Electronic Communication.
- 6.4 Should you wish to contact us by Electronic Communication you accept all the associated risks in doing so, including, but not limited to, the risk of delay, network overloads, transmission errors (including mutilated, illegible, duplicated, or incomplete instructions), and that messages/instructions may be intercepted, read or modified by a third party.
- 6.5 We will not be liable to you for accepting, relying, or acting upon or in connection with, instructions received from you by Electronic Communication, except where we have been manifestly fraudulent or grossly negligent in failing to take any action as a result of instructions you have sent to us by electronic means.
- 6.6 Subject to Paragraph 6.5 above, you agree to indemnify BLME and any BLME correspondent, director, employee or agent (each a "**BLME Related Party**") for all liabilities, obligations, actual loss, damages, penalties, actions, judgements, suits, costs, expenses, disbursement of any kind or nature whatsoever, and howsoever arising, or in any way related to it, which may be imposed upon, incurred by, or served against, BLME or any BLME Related Party by reason of BLME's acting on or failing to act on your Electronic Communications.



## **Section B – Accounts**

### **7. Opening an Account**

7.1 When you open an Account there may be certain additional terms and conditions that apply to the type of Account that you are opening, such as:

- (a) whether the Account requires an initial minimum deposit in order for it to be opened, and whether you need to maintain a minimum balance in the Account;
- (b) details of any Account profit sharing arrangements, and if profit is accrued when it will be credited to the Account; and
- (c) whether the Account can hold funds in currencies other than Sterling.

You will be advised of and provided with a copy of any additional terms and conditions specific to the type of Account that you are opening prior to your Account opening.

7.2 A Current Account will be opened for you automatically when you apply to open any other type of Account. Any Account opening authorisations you provide to us in relation to any other type of Account will apply to the Current Account.

7.3 All Accounts will be in Sterling unless we agree to open an Account for you in another currency.

7.4 Where you authorise us to do so, we will send copies of Account statements and disclose details of your Account to your Authorised Representatives.

7.5 If you are not happy about your choice of Account, subject to the particular terms applicable to the Account or any restrictions agreed in respect of such Account, within 14 days of making your first payment into the Account we will either: (i) help you switch to another type of Account we offer, if a more appropriate Account is available, or (ii) we will return the money deposited by you in the Account in full, unless you have made any Payment Orders or acting on your instructions you have incurred Account Charges. We may ignore any notice period and any extra Charges.

### **8. Your Account details**

8.1 You must let us know as soon as possible when you change your:

- (a) name;
- (b) address (your residential or correspondence address (where different));
- (c) contact telephone number;
- (d) email address; or
- (e) banking or standard settlement instructions.

If we believe we do not hold the correct details for you then we may suspend your Account in order to protect you and us.

### **9. Depositing funds in your Account**

9.1 You can deposit funds into your Account electronically, for example by setting up a Standing Order through the Bankers Automated Clearing Services (“BACS”) so that money is paid into your Account at regular intervals, or by using the Clearing House Automated Payment System (“CHAPS”) or Faster Payment Service (“FPS”). You can also deposit funds into your Account by sending us a cheque accompanied by details of the Account into which you would like the deposit to be made.

9.2 A cheque may only be presented for payment from the date upon which the cheque was drawn and for a period of 6 months following this date. You should therefore deposit cheques in your Account, during the period within which they are valid, so that they can be presented for payment. We will return any out of date cheques to you.

9.3 When making a deposit by cheque, the cheque must be made payable to the Account name for which it is destined and be accompanied by the number of the Account that the cheque is to be credited to. If any deposit by cheque is for a particular BLME product, that cheque should be made payable to Bank of London and The Middle East plc or as directed for that product by us. It must also be accompanied by the Account number as may be advised by us.

9.4 When making a deposit by BACS, CHAPS or FPS you must include the Account name and Account number that the deposit is destined for.

9.5 If you deposit funds with us without indicating which Account you want the funds to be credited to, we will either:

- (a) credit the funds by default to your Current Account; or
- (b) return the funds to you or to the originator of the deposit.

- 9.6 We reserve the right to refuse any deposit and, where possible, we will notify you promptly in such circumstances.
- 9.7 You must tell us if you are not the beneficial owner of an Account or if any third party has any rights to a deposit that is credited to your Account.
- 9.8 You agree that we may deduct any applicable Charges from a deposit before we credit it to your Account.
- 9.9 The method, and time of day that, you make a deposit influences when a deposit will be credited to your Account. If a deposit is made for your Account on a non-Banking Day it will not, generally, be processed by us until the following Banking Day.
- 9.10 You will only be able to draw upon a deposit once that deposit has been processed and cleared by us.
- 9.11 Unpaid Items
- (a) The balance shown on your Account may include cheques and other deposits that are still being processed, and we may refuse to allow you to draw against them.
  - (b) If a deposit is returned unpaid we will debit your Account for the deposit amount and for any realised profit paid to you in respect of that deposit. We will carry this out even if we have allowed you to draw against a deposit that is later returned unpaid.

**10. General terms for Payment Orders**

- 10.1 Your Account may be subject to conditions and limitations as to the number or value of Payment Orders that you can make in a particular period. Your Account may also be subject to a minimum balance requirement. If a minimum balance requirement applies to your Account and your balance falls below this minimum, you may incur a Charge and will be required to immediately deposit additional funds into your Account so that the balance, standing to the credit of the Account, equals or exceeds the minimum balance requirement for that Account. We shall notify you of any limitations or conditions that relate to making a Payment Order from your Account.
- 10.2 You may instruct us to make a Payment Order from your Account by Standing Order or by Direct Debit instruction (both methods use BACS), internal transfer to another Account you have with us, CHAPS, FPS, bankers draft or by international transfer. We may ask you for your Personal Security Information before allowing you to make Payment Orders to confirm your identity (see Paragraph 2 for more information).
- 10.3 When you give us a Payment Order you must:
- (a) if the Payment Order is to another bank account; provide us with the account name, account number, the sort-code for the account (for payments within the UK), and any other information that we request from you in order to make the payment; and
  - (b) have sufficient cleared funds available in your Account to make the payment at the end of the Banking Day before you want the payment to be made. We will assume that you have agreed to a Payment Order if we are satisfied that the instruction is genuine (see Paragraph 1.4).
- 10.4 You may only withdraw up to the available balance on your Account. Please ensure that you have sufficient cleared funds available in your Account before instructing us to set up or make a Payment Order.
- 10.5 If you try to make any Payment Order from your Account when you do not have sufficient cleared funds available in your Account we may refuse to make/authorise the Payment Order.
- 10.6 We shall not be liable for:
- (a) any delay in your payment reaching the beneficiary's bank as a result of any incorrect or insufficient information you may have given to us when arranging the payment;
  - (b) any failure in your payment reaching the beneficiary's bank if you or the beneficiary's bank have nominated any intermediary bank to assist with the payment;
  - (c) any failure on the part of the beneficiary's bank to credit the beneficiary's account; or
  - (d) any failure to complete the payment due to insufficient cleared funds in your Account to cover the payment and any relevant Charges.

10.7 There may be occasions when a payment is recalled by the bank that made it (for example because that bank's customer did not have enough money in their account to make the payment) and sometimes a deposit is made to your Account by mistake. If either of these situations occurs we will debit the funds from your Account, even though we may have allowed you to draw upon the funds on the assumption that they would not be recalled. You may incur a Charge if this occurs. You may also incur a Charge if we have to recall a Payment Order that you have made. Details of our Charges are set out in our published tariffs and available upon request from your usual BLME contact.

#### **11. International payments**

11.1 Unless we agree with you otherwise, to make an international payment from your Account, we may have to route the payment through other banks. If this is the case, we will use a bank that is either chosen:

- (a) by us; or
- (b) by a bank in the country that the payment is being sent to; and/or
- (c) 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.

11.2 If we make an international payment for you, we will need to give the banks involved in the payment certain information about your Account (for example your Account name and Account number) to ensure the funds reach the intended beneficiary's account.

11.3 Where we make an international payment for you, you must ensure that both you and the person receiving the payment comply with any local laws, including transit jurisdictions, relating to the payment. If you do not do this and, as a result, we have to pay any Losses because we were acting for you in relation to the payment, you must reimburse us for them, and take any steps necessary to put us in the position we would have been in had we not made the payment for you.

11.4 When you give us an instruction in respect of an international payment, we may ask you for certain information (including the SWIFT BIC or IBAN) to enable us to identify the bank and the account into which the payment should be made. If you do not provide this information to us or provide us with additional information that is not required, we may try to obtain the information ourselves or work out what information is relevant; you may incur an additional Charge to cover our costs in doing so. If you provide inaccurate information and as a result the payment goes missing, we will make reasonable efforts to recover the funds and reserve the right to levy an additional Charge to cover our costs in doing so. We will endeavour to notify you of any additional Charge before you incur the Charge and we may require such Charge to be paid before we take any steps.

11.5 If you ask us to make an international payment we may convert it into the currency of the country that the payment is being sent to before we send it, unless you tell us otherwise. The person receiving the payment may have to pay a Charge to the bank which is receiving the payment. Any payment value quoted by us to you will be the value of the payment on the date on which funds are sent to the other bank.

11.6 If you ask us to make a payment in a currency other than the currency of the Account that the payment is being taken from, we will use our relevant Reference Exchange Rate for that currency, unless we agree a different rate with you. You can ask us for the current Reference Exchange Rate and details of any Charges that will apply to an international payment at any time through your usual BLME contact.

#### **11.7 Foreign currency drafts**

- (a) When you request a foreign currency draft ("FCD") for any currency other than EURO, we shall draw up the FCD with any bank you specify in the local currency of the country within which the bank is based, subject to BLME having a relationship with the bank you specify. If BLME does not have a relationship with the bank you specify, we will try to provide you with another bank to fulfil your FCD request.
- (b) When you request a Euro FCD, we may choose any bank in a EURO Participating Member State to draw up the Euro FCD with.
- (c) When we issue you an FCD you purchase and reserve funds at a fixed value of the funds in a specific currency. The FCD will only be payable to the payee named on the FCD who will need to present it to the bank with which it is drawn.
- (d) Once we have issued an FCD to you, you become solely responsible for the FCD and for its delivery to the intended beneficiary. We will not be liable for any FCD once it has been issued to you.
- (e) If you decide not to make a payment using an issued FCD, or the issued FCD is lost or stolen, we may try to arrange a refund for you but may not be able to do so. If we are able to arrange a refund, the following conditions will apply:

- (i) we will apply the exchange rate prevailing at the time any refund is made. This means that if the exchange rate has changed since the FCD was drawn, the amount we refund to you may be more or less than the amount that was originally deducted from your Account when the FCD was drawn;
- (ii) the refund will only be made after:
  - we have received confirmation from the bank with which the FCD was drawn that the FCD has not been presented for payment, and the original instruction to pay the FCD has been cancelled;
  - the original FCD is returned to us (unless it has been lost or stolen); and
  - you indemnify us against any Losses that we incur or Charges in connection with the cancellation of the FCD.
- (iii) if the FCD was lost or stolen, we may require a statement from you confirming the loss or theft and evidence that the loss or theft has been reported to the police in the country where the loss or theft occurred.

**12. Processing of Payment Orders, and when we can change or cancel Payment Orders**

12.1 All Payment Orders made in Sterling, US Dollar or Euro, if sent from your respective Sterling, US Dollar or Euro Account, will be sent on the same day as we receive your instructions, provided that:

- (a) the day is a Banking Day;
- (b) the instructions are received before the Cut-Off Time; and
- (c) the instructions comply with these Terms and any additional terms and conditions in respect of your Account or such payment

otherwise, provided your Payment Order complies with these Terms and any additional terms and conditions that relate to your Account or such payment, it will be sent the next Banking Day.

12.2 Any automated Payment Orders from your Account (for example Standing Orders and Direct Debits) will normally be debited from your Account at the beginning of the Banking Day that they are due. You should therefore ensure that there are sufficient cleared funds in your Account at least the day before any Payment Order is to be made.

12.3 Direct Debits will be processed in accordance with these Terms and any additional terms and conditions in respect of the Account on the same day as we receive a claim for the Direct Debit through BACS provided there is sufficient time to do so.

12.4 We recommend you regularly check your Direct Debits and Standing Orders. You may cancel a Standing Order or Direct Debit at any time by contacting your usual BLME contact. When cancelling a Direct Debit we also recommend you notify the organisation that you have the Direct Debit arrangement with.

12.5 You will not be able to cancel a Standing Order or Direct Debit if you do not advise us at least three Banking Days before the Standing Order or Direct Debit is due to be debited from your Account.

12.6 Please note we cannot 'stop' a banker's draft, FCD, or counter cheque that you have asked us to draw for you.

**13. Refunds for incorrect payments**

13.1 If you ask us to make a payment to an account at another bank and that bank says that it did not receive the payment, we may (without undue delay) refund the amount of the payment and return your account to the position it would have been in had the payment not been made, except in the following cases:

- (a) where you made a mistake and provided us with incorrect information for the Payment Order. If this is the case, we will make reasonable efforts to recover the funds. You may incur a Charge to cover our costs in doing so. We will endeavour to inform you of any Charge you may incur before we take any action and we may require such Charge to be paid before we take any steps; or
- (b) we can show that the payment was received by the intended beneficiary's bank. In this case, that bank may be required to make the payment immediately to the intended beneficiary.

**14. Direct debit refunds**

14.1 The Direct Debit Guarantee Scheme protects you if a Direct Debit you have not authorised is taken from your Account. If the amount to be paid or the payment date changes, the organisation collecting the payment is required to notify you, normally 10 Banking Days, in advance of your Account being debited or as otherwise agreed. If any money is wrongly taken from your Account under a Direct Debit, we may refund your Account as soon as you tell us about it.

**15. Charges, profit, and payments to or from you**

15.1 We will be entitled to charge fees and commissions in relation to your Account under the Agreement or for other products or services. Any fees and commissions will be in accordance with our published tariffs or as otherwise notified to you, from time to time, in writing or in accordance with the documentation for the other products or services. We are entitled to debit such fees and commissions from your Account or any one of them once such fees or commissions become due.

15.2 If you try to make a Payment Order from your Account and we refuse to make it because you do not have sufficient cleared funds available in your Account you may incur a Charge.

15.3 Copies of our published tariffs are available on request from your usual BLME contact, and you will be provided with details of any applicable fees and commissions in relation to your Account when your Account is opened.

15.4 If you have a Deposit Account you may upon maturity of your Deposit Account accrue profit, in accordance with your Deposit Account's terms and conditions.

15.5 We do not guarantee any expected profit in respect of funds within a Deposit Account. We will inform you of the expected profit share rate that applies to your Deposit Account or an individual deposit when we provide you with the service.

15.6 We may change the fees and commissions that we charge or the expected profit share rate at any time (in accordance with Paragraph 23) and for any reason, including but not limited to, one or more of the following reasons:

- (a) to reflect changes in market conditions;
- (b) to reflect changes in the cost of providing a service to you, including direct costs we are required to pay others;
- (c) to reflect changes in technology;
- (d) to reflect any legal or regulatory requirements or guidance, or any decision or recommendation by a court, the Financial Ombudsman Service or our Sharia'a Supervisory Board; or
- (e) for any other reasonable purpose.

We will notify you in writing of any changes to the fees or commissions that we charge, or changes to the expected profit share rates for Deposit Accounts or an individual deposit. Following any such changes you are free to terminate your Account (in accordance with Paragraph 28) if there are no funds in your Deposit Account and if the Deposit Account is not required as part of any other facility granted to you or a third party by BLME. If there are funds in your Deposit Account, your Deposit Account will be terminated upon its maturity unless the Deposit Account is required as part of any other facility granted by BLME. If your Deposit Account is terminated you are liable for all Charges outstanding on your account.

15.7 You are liable for any costs we properly incur in respect of your Account under the Agreement, including all reasonable commissions, transfer and registration fees, taxes, stamp duties and other fiscal liabilities.

15.8 If you fail to pay any amount due under the Agreement within 10 Banking Days of a written demand being made by us to you, we shall be entitled to charge a late payment charge for the Delay Period in the amount of 1% per annum above Bank of England Bank Rate on the amount due, in force from time to time. This late payment charge shall be used to pay any actual costs and losses (not including opportunity costs) incurred by BLME as a result of your failure to pay any due amounts under the Agreement from the commencement of the Delay Period. The remaining sum of the late payment charge shall be donated on your behalf in accordance to the guidelines set by BLME's Sharia'a Supervisory Board to charity.

**16. Depositing cheques drawn on an international (non-UK) bank**

16.1 If you pay a cheque into your Account in a currency other than the currency that the Account is held in, we will convert it into the Account's currency at our Reference Exchange Rate for that type of transaction. If you make a request to your Client Relationship Manager, we will inform you what rate of exchange we shall use to carry out any conversion. When we send a cheque for collection of funds, your Account will only be credited when we receive the funds from the bank on which the cheque is drawn. You authorise us at your

expense to take all steps we reasonably consider necessary to arrange for payment to you of any cheques payable by a non-UK based bank that we receive for payment into your Account. The negotiation and collection of cheques will be subject to the current International Chamber of Commerce Uniform Rules for Collections. You may incur a Charge for any conversion that is carried out and you will also be liable for any additional Charges we incur. We will include any Charges you incur and exchange rate that we used on your next statement.

**17. *Indebtedness***

17.1 We do not permit any borrowing. From time to time we may negotiate a facility arrangement with you that will result in you owing money to us.

17.2 We do not permit overdrafts.

17.3 If you wish to arrange a facility with us, you should contact your normal BLME contact to discuss whether a facility may be made available to you.

17.4 We do not have to agree a facility with you, but if we do we will tell you the facility limit and any Charges that will apply to your facility. Any facility that is made available to you will form part of a separate agreement between you and us. All details concerning the facility, including any Charges and/or additional terms and conditions relating to your agreement with us will be set out in such separate agreement. If a facility is made available to you, you will need to agree to and satisfy any terms and conditions we have set relating to the facility before it is made available to you.

17.5 If a facility is agreed with you, we reserve the right to Charge you for any additional costs that may apply to the taking and discharging of any security, enforcing repayment of any monies owed (including by court action) and any other reasonable costs connected to the facility, or with the repayment of the monies owed or any other amount remaining under the facility.

17.6 If any monies or Charges are owed to us, or any Transaction Account you have with us has fallen in to arrears, we retain the right to debit the amount owed to us, or the amount needed to bring your Transaction Account out of arrears, from any other Account that you have with us, at any time and without any notice to you being required.

**18. *Statements***

18.1 We will provide you with Account statements showing the individual transactions paid into and out of your Account since your previous statement, together with information about those transactions (including details of any Charges made, profit share paid, or exchange rates used). Unless a different frequency is set out in any Account terms and conditions or agreements, we will provide these statements upon request (please contact your normal BLME contact), provided that no more than one request is made in a 30 day period but may provide monthly statements in any event. You can also ask us at any time for information about individual transactions.

18.2 You are responsible for checking the information we give you and must tell us as soon as you can if the information includes anything that appears to you to be wrong or if a payment appears not to have been made in accordance with your instructions.

## **Section C – General**

### **19. Protecting your Personal Security Information**

19.1 To help prevent fraud and protect your Account you need to protect your Personal Security Information, you should therefore:

- (a) always take reasonable steps to keep your Personal Security Information secret;
- (b) never allow anyone else the use of your Personal Security Information;
- (c) never write down or record your Personal Security Information; and
- (d) keep information about you (business and personal details) or your Account (e.g. statements) safe, and dispose of any documents containing information about you or your Account carefully. You should take simple steps such as shredding printed material.

19.2 If anyone knows your Personal Security Information they could gain access to your account.

19.3 Loss or misuse of your Personal Security Information.

- (a) If you think your Personal Security Information has been lost, stolen, misused, or may be compromised and misused in the future, you must contact us without undue delay using the contact details provided at Paragraph 29.
- (b) We will take immediate steps to prevent your Personal Security Information from being used to access your Account.

19.4 You may be liable for any Losses that arise from the misuse of your Personal Security Information prior to reporting to us that your Personal Security Information has been lost, stolen, misused, or may be compromised and misused in the future.

19.5 We will not be liable for any Losses arising from the misuse of your Personal Security Information except where we have been manifestly fraudulent or grossly negligent in failing to take action once we have been notified by you that your Personal Security Information has been lost, stolen, misused, or may be compromised and misused in the future.

### **20. Your obligations and liability**

20.1 You must ensure:

- (a) that you have full power and authority to enter into and perform the Agreement and transactions it contemplates; and
- (b) that any information you have provided to us for the purposes of establishing the arrangements contemplated by the Agreement (including as to your status, residence and domicile for tax purposes) is complete and correct in all material respects.

20.2 You will notify us promptly if there is any material change to any information referred to in Paragraph 20(b) and will provide any further information we reasonably request in order to enable us to perform the Agreement or comply with any applicable law or regulation. Failure to do so may adversely affect the quality of the service we are able to provide.

20.3 You will be liable for all transactions in respect of your Account, where:

- (a) you have authorised the transaction, or provided access to or use of an Account service by a third party;
- (b) we can show you have acted fraudulently or without reasonable care; or
- (c) we can show you have acted with wilful default, which includes deliberately failing or being negligent to follow the safeguards detailed in Paragraph 19 relating to the protection of your Personal Security Information

in any of these cases we may debit your Account for the amount of the transaction.

20.4 You may be liable for all transactions on your Account that take place until you tell us, under Paragraph 19.3, that your Personal Security Information have been lost, stolen, misused, or may have become known to someone else.

20.5 Except to the extent it results from our gross negligence, wilful default or fraud, you will be liable to compensate us in full for any Losses (including reasonable legal costs or other reasonable costs in connection with investigating and defending any claim or liability) resulting from your failure to comply with the Agreement or arising in connection with any action reasonably or properly taken by us or our agents under the Agreement.

20.6 To compensate us for the additional costs we have to pay if you breach the Agreement, we will charge the amount of any Losses and reasonable costs which we incur because of your breach of the Agreement. These include, but are not limited to, the cost of tracing you, notifying you of the breach, communicating with you about the breach, and enforcing payment of any amount due to us. You authorise us to deduct these amounts from any Account you hold with us.

**21. Our liability to you**

21.1 This Paragraph 21 applies to all circumstances in which the Agreement has not separately set out the extent of our liability to you. It does not limit any liability for which we have taken responsibility elsewhere in the Agreement.

21.2 We will be liable to you for any Losses you may suffer in respect of our services under the Agreement, but only to the extent it results from our gross negligence, wilful default or fraud.

21.3 We are not liable to you for any Losses you may suffer because of anything outside our reasonable control to prevent, or any effect which is beyond our reasonable control to avoid, including, but not limited to: the introduction of any change to any law; currency restrictions, devaluations and fluctuations; acts of terrorism; war; civil unrest; acts of God; market conditions affecting the execution or settlement of transactions or the value of assets; failure or breakdown in any machine or equipment (including any electronic device, hardware or software failing to work); and strikes and industrial disputes. This may also include changes initiated by the application of Sharia'a principles. This will not exclude or limit any duty or liability we may have to you under Regulatory Requirements or as provided under Paragraph 21.6.

21.4 We are not liable in any circumstances for:

- (a) loss of business, loss of goodwill, loss of opportunity, loss of profit; or
- (b) any Losses you may suffer that we could not reasonably have anticipated when you gave us an instruction under the Agreement.

21.5 We are not liable to you if we fail to take any action which in our opinion is or would breach any applicable law or regulation.

21.6 Nothing in the Agreement will exclude or limit any duty or liability we may have to you under Financial Services Regulations or other applicable legislation or law to the extent that any such duty or liability cannot be restricted or limited by financial services regulations or other applicable legislation or law.

**22. Legal and tax**

22.1 You have sole responsibility for the management of your legal obligations and tax affairs, including making any applicable filings and payment and complying with any applicable laws and regulations, including in relation to taxation. In the event that you are holding funds in an Account as trustee or in any other fiduciary or non-personal capacity, you confirm that you will make relevant information provided to you by us available as often as may be required, and no less than annually, to any beneficial owner, settler or beneficiary or other similar person who may need to receive it to enable that person to fulfil any applicable legal and tax obligations in a timely manner. You also confirm that all such persons are aware of all applicable legal and tax obligations, that we are not legal or tax advisers on those obligations and they have undertaken, to the best of your knowledge, all necessary steps to fulfil such obligations.

22.2 We will not provide you with legal or tax advice and recommend that you obtain your own independent legal and tax advice, tailored to your particular circumstances. In order to provide you with information on our Accounts, products and services, we may explain to you our understanding of the generic legal or tax position relating to them. We do not warrant or assume any duty of care to investigate whether or not, or to ensure that, the information is complete up-to-date, accurate or necessarily appropriate to or takes into account fully your circumstances. We do not assume any legal responsibility for anyone acting on the information provided.

22.3 In the event that we are required to pay the Inland Revenue any element of tax that we have paid to you, you will indemnify us on demand.

22.4 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. You confirm that you are aware of all legal and tax obligations that apply to you arising from the products and services that we provide to you and that you will undertake all necessary steps to fulfil these obligations.



22.5 In the course of our relationship with you we will provide you with Account statements and other standard information. It is your responsibility to identify and obtain all the information that you may require to fulfil your legal and tax obligations. We will consider written requests for the provision of further information but you acknowledge that, unless we are required to do so by law or regulation, we are not obliged to provide such information.

22.6 You must tell us without delay of any change to your residency or citizenship status. You must also provide any information concerning your identity or affairs that we may from time to time reasonably request.

**23. Variations**

***Changes to our Charges***

23.1 If we provide a new service or facility in connection with your Account we may introduce a new Charge for providing you with that service or facility.

23.2 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.

23.3 We may also change our Charges for a valid reason which is not set out in this Paragraph 23.

***Changes to other terms***

23.4 We may also change any of the other terms of the Agreement for any reason, but not limited to, the following reasons:

- (a) to conform with or reflect any Regulatory Requirements, such as recommendations of the Financial Services Authority or to comply with relevant updated decision(s) by our advisers on Sharia'a and its principles;
- (b) where we reasonably consider that the change:
  - (i) would make the terms easier to understand or fairer to you; or
  - (ii) would not be to your disadvantage.
- (c) to cover:
  - (i) the improvement of any service or facility we supply in connection with our Accounts;
  - (ii) the introduction of a new service or facility;
  - (iii) the replacement of an existing service or facility with a new one;
  - (iv) 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
  - (v) the correction of any mistake that may have been discovered.
- (d) to enable us to make reasonable changes to the way we look after your Accounts or provide services as a result of changes in:
  - (i) the banking or financial system;
  - (ii) technology; or
  - (iii) the systems we use to run our banking business.

***Notifying you of changes***

23.5 We will give you at least 30 days prior written notice of any change, given to you at the most recent address we have for you, unless Regulatory Requirements require us to make a change in a shorter period of time.

23.6 When we give you a notice of change under Paragraph 23.5 we will tell you the date it comes into effect. In this case, you can, subject to there being no specific terms governing changes to your Account or there being no outstanding transactions or Charges on your Account or a requirement to maintain a Transaction Account or maintain an account in connection with a transaction or facility, switch or close your Account within 60 days of the date of our notice without incurring any Charge for terminating or switching your Account. You will be treated as accepting the change after 60 days of the date of our notice if we have not been notified that you do not accept the change. Should you not accept the change we may cease to provide the Accounts, services or products to you.

23.7 Except as provided in the Agreement, no provision of the Agreement will be deemed waived, altered, modified or amended unless we otherwise agree with you in writing.

- 23.8 Our failure to insist on you strictly complying with the Agreement or any act or omission on our part will not amount to a waiver of our rights under the Agreement.

***Changes due to specific Regulatory Requirements***

- 23.9 Some of the terms of the Agreement reflect our understanding of Regulatory Requirements affecting our Accounts 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 terms and conditions to reflect the new Regulatory Requirement when they are next reprinted.

**24. *Joint accounts and trustees***

- 24.1 Where the Agreement is entered into between us and more than one person, as regards each person (except where we have agreed otherwise in writing):
- (a) Their obligations and liabilities under the Agreement are joint and several (which means, for instance, that any one person can withdraw the entire balance of an Account);
  - (b) They each have authority (in full as if they were the only person entering the Agreement) on behalf of the others to give or receive any instruction, notice, request or acknowledgement without notice to the others, including an instruction for Payment Orders and/or terminate any Account;
  - (c) If there is a dispute between you which we know about, we may insist that both or all of you authorise instructions to us;
  - (d) Any such person may give us an effective and final discharge in respect of any of our obligations under the Agreement; and
  - (e) On the death (or, as applicable dissolution) of any one or more of them, the Agreement will not terminate and we may treat the survivor(s) as the only party(ies) to the Agreement as entitled to the funds in any Account, provided that we reserve the right to act on the instructions of the LPR or executor of any such person who has died (or, as applicable, been dissolved) on our receiving proof of their authority.
- 24.2 More generally, we may contact and otherwise deal only with the Account holder named first in our records subject to any legal requirements or unless you request otherwise;
- 24.3 We may, in our sole discretion, require an instruction to be given by all or a number of the persons entering the Agreement before we take any action under the Agreement.
- 24.4 You may ask us to remove a person (or persons) from a joint Account, including by converting it to a sole Account. We may require authority from all Account holders before doing so. Any person removed from the Account will continue to be liable for all obligations and liabilities under the Agreement relating to the period before they were removed.

**25. *Your information***

- 25.1 In order to provide you with products and services we need to collect, use, share and store personal and financial information about you which includes personal data as defined in the EU Data Protection Directive ("your information"). This includes information which we:
- (a) obtain from you or third parties, such as employers, joint account holders, credit reference agencies (who may search the electoral register), fraud prevention agencies or other organisations when you apply for the Agreement or any other BLME product or service, or which you or they give to us at any other time; or
  - (b) learn from the way in which the Agreement is administered and managed, from payments which are made to and from your Account.
- 25.2 Where you provide personal and financial information about others (such as dependents, other family members and joint account holder, where applicable) you confirm that you have their consent or are otherwise entitled to provide this information to us and for it to be used in accordance with the Agreement.
- 25.3 You authorise us to process and disclose your information relating to medical, health, lifestyle, ethnic background and criminal offences alleged or otherwise that is provided by you or that we obtain from third parties for the purposes of:
- (a) assessing and identifying products and services;
  - (b) detecting and preventing crime (including without limitation fraud and money laundering);

- (c) transferring your information in accordance with Paragraph 25.10(f); and  
(d) otherwise meeting our obligations under the Agreement, including but not limited to this Paragraph 25.
- 25.4 We and our Affiliates may use your information to manage your Account, give you statements and provide our services and products, for assessment and analysis (including credit and/or behaviour scoring, market and product analysis), 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 clients and protect our interests.
- 25.5 We and our Affiliates may use your information to inform you by letter, telephone, 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 communication from us and/or our Affiliates by writing to us providing your full name, address and account details (please refer to Paragraph 29 for contact details or inform your usual BLME contact).
- 25.6 Where we or our Affiliates collect, use, share and store your information by way of electronic instructions and/or communications, such instructions and communications will be subject to Paragraphs 6.1 to 6.6 (Electronic Communication). Instructions and other communications that are not electronic will be subject to Paragraphs 5.1 to 5.10.
- 25.7 We give your information to and receive information from credit reference agencies and fraud prevention agencies. We and other organisations may access and use this information to prevent and detect fraud, money laundering and other crimes and to make credit assessments. Examples of circumstances when your information or information relating to your partner or other members of your household may be shared include:
- (a) checking details on application for products, services and facilities;
  - (b) recovering debt;
  - (c) checking details of job applicants and employees; and
  - (d) making enquiries when you ask for any financing products and to assist in managing your Account.
- 25.8 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:
- (a) you make a joint application;
  - (b) you advise us of a financial association with another person; or
  - (c) if the credit reference agencies have existing linked or 'associate' records.
- This 'association' will be taken into account in all future applications by either or both of you and will continue until one of you applies to the credit reference agencies and is successful in filing a 'disassociation'.
- 25.9 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 a number of other countries.
- 25.10 We may disclose information about you and the management of the Agreement to the following, wherever located in the world:
- (a) our Affiliates and organisations that provide marketing services to us at our request and under our discretion (that are subject to a similar duty of confidentiality);
  - (b) our Affiliates and other organisations that assist us in reviewing your financial position, to process transactions in the exercise of our discretion under the Agreement where applicable or arising from recommendations made by us to you; for example, to obtain a facility;
  - (c) our Affiliates and organisations providing a service to us or acting as our agents, including, but not limited to, sub-contractors (including their agents) and professional advisers on the understanding that they will keep your information confidential;
  - (d) our Affiliates and organisations that assist us to process transactions under the Agreement, including but not limited to, processing Payment Orders;
  - (e) anyone to whom we may transfer our rights and/or obligations under the Agreement;

- (f) any third party as a result of any restructure, sale or acquisition of any part of BLME, provided that any recipient uses your information for the same purposes as it was originally supplied to us and/or used by us;
- (g) your advisers (including, but not limited to, accountants, lawyers or other professional advisers) where authorised by you;
- (h) your financial adviser or agent. Where transactions have been carried out through a financial adviser or agent, that person will be deemed to be your agent to whom full details of your information under the Agreement may be disclosed unless you advise us to the contrary in writing;
- (i) any person notified by you as authorised to give instructions or to use the service on your behalf for the purpose of managing and administering services provided under the Agreement, to the extent reasonably necessary to enable us to perform the Agreement; and/or
- (j) where we have a legal or regulatory duty to do so, or if law or regulation allows us to do so.

In order to make or receive payments, the details of the payment (including information relating to those involved in the payment) may be received from or sent to another jurisdiction, where it could be accessible by regulators and authorities in connection with their legitimate duties (for example, the prevention of crime). In instructing us to make payments, you agree to this on behalf of yourself and others involved in your payments.

- 25.11 Where we transfer your information to a service provider or agent in another country (including, without limitation, countries outside the EEA), we will endeavour to make sure the service provider or agent agrees to apply the same levels of protection as we are required to apply to your information and to use your information in accordance with our instructions.
- 25.12 We will retain information about you after the termination of the Agreement or if your application is declined or abandoned for as long as permitted for legal, regulatory, fraud prevention, financial crime and legitimate businesses purposes.
- 25.13 You can ask for a copy of the information we hold about you by writing to us. A fee may be Charged for this service as permitted by appropriate law or regulation.

***European Savings Directive (ESD)***

- 25.14 If you are an individual resident in a member state of the EU or another jurisdiction which is subject to the ESD, we may either:
  - (a) pass certain information about any savings income payments we make to you to the relevant local tax authority for communication to the tax authority of your country of residence; or
  - (b) apply a withholding tax to any savings income payments made to you.

Where we are obliged to pass on information about you, this information includes (but is not limited to) the amount of profit share credited to your Account, your name, address and country of residence. You may be required to provide us with further information regarding your identity and status. If this is the case, we will contact you.

- 25.15 If we or our agents cannot reasonably determine which part of your income is reportable and which part is not reportable under the ESD, we or our agents will report and disclose all income without distinction.
- 25.16 Where we determine that you are not subject to the ESD, we may reverse that determination at any time when further information comes to our attention that indicates that you are subject to the ESD and we will not be liable to you for any resulting loss.
- 25.17 We are not liable to you for any loss you may suffer if we make an incorrect determination as to whether or not you should be treated as being subject to the ESD where the incorrect determination results from our reliance on information provided to us by you or any third party to the extent not caused by our gross negligence, wilful default or fraud.

**26. *In the event of your death***

- 26.1 We need to receive notification of the death of any Account holder or signatory in a form reasonably acceptable to us as soon as possible. We will require a registrar's copy death certificate in such circumstances.
- 26.2 With the exception of Paragraph 26, this Paragraph 26 only applies if you are a sole Account holder (including where you are the sole surviving Account holder following the death of a joint Account holder). In the event of the death of a joint Account holder (who is not the sole surviving joint Account holder), you should refer to Paragraph 24(e).

- 26.3 The Agreement will continue to bind your estate until terminated by your validly appointed LPR, or by us giving notice to your LPR, in accordance with Paragraph 28.
- 26.4 Once we receive the grant of representation for your estate (or such other formal appointment as applicable in your jurisdiction), we will carry out your LPR's instructions.
- 26.5 If your estate is too small to warrant a grant of representation, we may in our discretion accept an appropriate indemnity.
- 26.6 Notwithstanding anything in the Agreement, if the Agreement is not terminated within two years after the date of your death, we may take such action as we consider appropriate to close your Account. Your estate or your LPR will be liable for all costs associated with us taking this action, or considering taking action, except to the extent that costs arise because of our gross negligence, wilful default or fraud.

**27. Set off**

- 27.1 We may, subject to Financial Services Regulations, without prior notice to you at any time or times without restriction, combine or consolidate any Accounts opened for you in our books, or with any Affiliate's books, in your name as well as joint accounts, and retain, set off or transfer the whole or any part of the sum standing to the credit of one or more of your Accounts wherever situated, and so far as is necessary, against or towards satisfaction of any of your outstanding liabilities to us, in respect of any Account or services, or in any other respect whatsoever, regardless of the place of payment, booking branch or currency of those liabilities (including any amount owed by you under the Agreement) or under any other agreement with us.
- 27.2 We may, subject to Financial Services Regulations, without prior notice to you at any time or times without restriction, apply any deposits or other sums at any time due to you in respect of any Account or services for the payment of any liabilities, whether absolute or contingent, or due or to become due which you may have to us in respect of any Account, services or transactions, or in any other respect whatsoever, whether on your own or jointly with anyone else (and, if a joint account holder owes a debt that is due to us, we may, subject to Financial Services Regulations, use all the funds in the joint account to satisfy the debt).
- 27.3 If the liabilities are in different currencies, we can convert either sum at a market rate of exchange in our usual course of business for the purpose of any combination, consolidation, set off or transfer. We may pledge, hypothecated, sell and/or purchase any obligations in your Accounts, and transfer money and all obligations between accounts whenever we deem necessary, without notice to you, to satisfy this right of set off.
- 27.4 If we are legally required to hold money in an account in your name for someone else, then unless otherwise required by law we will only hold for, or pay to, that person what is left after we have used our set off rights to repay what you owe us.

**28. Suspension and termination**

- 28.1 You may terminate your Account or any service at any time by giving us not less than fourteen Banking Days notice so long as it is in accordance with your Account or any service mandate and additional terms and conditions (if applicable), unless there are open transactions or Charges outstanding or accruing relating to the Account or any service, or an Account is required under the terms of any facility granted by BLME. In this case we will treat any request to terminate the Account or service as a request to close the Account or service two Banking Days after settlement of all transactions and Charges in full relating to such Account or service.
- 28.2 We may terminate your Account or any service without giving you any reason. If we decide to do this we will wherever possible give you, at least, 30 days' notice.
- 28.3 We may suspend or terminate your Account or any service without giving notice if we reasonably believe that you have seriously or persistently broken any of these Terms and/or any additional terms and conditions, including:
- (a) giving us false information at any time;
  - (b) using (or allowing someone else to use) the account or service illegally or for criminal activity;
  - (c) inappropriately authorising a person to give instructions on your account to operate it;
  - (d) behaving in a manner (for example by abusing people who work for us) that makes it inappropriate for us to maintain your account or service; and
  - (e) 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 or any service.

- 28.4 We may also suspend or terminate your Account or any service immediately if we reasonably believe that maintaining your Account or any service might expose us to action or censure from any government, regulator or law enforcement agency.
- 28.5 We may terminate your Account or any service immediately if we reasonably believe that you have become bankrupt, or you are unable to pay debts within the meaning of sections 123 or 268 of the Insolvency Act 1986 in English Law or any equivalent law in other jurisdictions, or any step, application or proceedings has been taken by you, or against you or in respect of the whole or any part of your undertaking, for a voluntary arrangement or composition or reconstruction of your debts, winding up, dissolution, administration, receivership or otherwise.
- 28.6 The termination of your Account or any service will not affect any contractual provisions intended to survive termination or any accrued rights, liabilities or existing commitments (including those in relation to any transactions entered into at the date of termination but unsettled, which will be completed expeditiously by us or otherwise in accordance with the relevant additional terms and conditions).
- 28.7 Following termination you will pay us any amounts you owe in respect of the Account or service, and any additional reasonable expenses incurred by us or on our behalf in terminating your Account or any service. You will bear any Losses necessarily realised in settling or concluding outstanding obligations.

**29. Contacting us**

- 29.1 BLME operates through its registered office which is at Sherborne House, 119 Cannon Street, London EC4N 5AT, United Kingdom.
- 29.2 Bank of London and The Middle East plc provides banking and savings products to customers, is authorised and regulated by the Financial Services Authority and is entered on the FSA Register, registration number 464292.
- 29.3 Website: [www.blme.com](http://www.blme.com).
- 29.4 Where you think your Personal Security Information has been lost, stolen or misused, or may be misused in the future, write to BLME at the address detailed in Paragraph 29 or e-mail to [operations@blme.com](mailto:operations@blme.com).

**30. Assignment**

- 30.1 We may transfer any of our rights and obligations under the Agreement to any other company or person without your further consent, provided that:
- (a) we have given you at least 30 days notice of the transfer (unless that is impracticable in the circumstances); and
  - (b) you have not given notice terminating your Account under Paragraph 28 on a date before the date of transfer.
- 30.2 You may not transfer, assign or charge your Account or any of your rights or obligations under the Agreement to anyone else without BLME's prior written consent.

**31. Delegation**

- 31.1 We may delegate any of our functions and responsibilities under the Agreement to any other company or person (with or without a power to sub-delegate), provided that we reasonably consider it capable of discharging those functions and responsibilities. Any such delegation or sub-delegation may be to persons or agents outside the UK. Our liability to you for the matters delegated will not be affected as a result. We will give you 30 days' written notice of the delegation of any function that involves the exercise of our investment discretion on your behalf.
- 31.2 We may employ third parties to perform dealing and administrative services that are necessary to enable us to perform the Agreement without further notice or consent.

**32. Governing Law and Sharia'a Compliance**

- 32.1 The Agreement is governed by English law. The law that will apply to the establishment of our relationship will be the same as the law that governs this Agreement. You agree to submit to the exclusive jurisdiction of the English courts in relation to any dispute arising out of or in any way relating to the Agreement and our relationship with you.
- 32.2 You agree that, notwithstanding any right by contract or under law or regulation, neither you nor BLME shall claim or receive from the other any payment that is in the form of interest and each party expressly waives any such right.

32.3 You may wish to consult your own Sharia'a advisers in deciding whether the Agreement is in compliance with Sharia'a principles. However, by accepting the Agreement you represent and warrant to us that you are satisfied that the Agreement does not contravene Sharia'a principles. You also undertake not to object or challenge the Agreement in the future on the grounds that it is not in compliance with Sharia'a. This undertaking does not affect any other legal rights you may have arising out of the Agreement.

32.4 The principle of the payment of interest is repugnant to Sharia'a principles and accordingly, to the extent that any legal system would impose (whether by contract or by statute) any obligation to pay interest, both BLME and you irrevocably and unconditionally waive and reject any entitlement to recover interest under the Agreement.

**33. Severability**

33.1 Each of these Terms is severable. To the extent that any provision is or becomes invalid, unenforceable or contrary to any applicable law, it will be deemed not to be included in the Agreement, but without invalidating any of the remaining Terms of the Agreement.

**34. Third party rights**

34.1 A person who is not a party to the Agreement will have no rights under the Contracts (Rights of Third Parties) Act 1999 in the UK or otherwise to enforce any of its terms.

**35. Entire agreement**

35.1 The Agreement sets out the entire agreement and understanding between you and us with respect to its subject matter. It supersedes all previous agreements and understandings between you and us with respect to its subject matter, which will cease to have any further force or effect on the Effective Date of the Agreement. This Paragraph 35.1 will not exclude or limit any liability or remedy in respect of fraudulent misrepresentation.

**36. Miscellaneous**

36.1 The Agreement is in English and we only provide information in English, apart from certain marketing and product information.

36.2 We do not appoint agents to introduce customers to us even though commission may be paid to professional advisers who introduce business. We accept no responsibility for information or advice relating to BLME or BLME products or services which might be given by a third party. If you wish to discuss any BLME Accounts, products or services please contact your usual BLME contact or use our contact details provided in Paragraph 29.

**37. Complaints and the Financial Services Compensation Scheme**

37.1 If you have a complaint, your usual BLME contact will usually be best placed to receive your complaint and work with you to resolve it.

37.2 If your complaint is not resolved to your satisfaction, you should write to our Complaints Team, BLME, Sherborne House, 119 Cannon Street, London EC4N 5AT, United Kingdom or e-mail [operations@blme.com](mailto:operations@blme.com), and they will escalate your complaint accordingly. Please provide:

- (a) your full name and bank Account number(s);
- (b) a full explanation of the reason for your contact; and
- (c) should further investigation be required, and if you are happy to discuss the issue on the telephone, please provide a daytime contact number.

37.3 We promise to:

- (a) let you know promptly that we have received your complaint; and
- (b) try to deal with your complaint within four weeks. If we need more time we will keep you informed of our progress.

**Financial Ombudsman Service**

37.4 If we are unable to resolve your complaint in a timely or satisfactory manner, you may choose to refer your complaint to the Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR (Tel: +44(0)20 7964 1000).

37.5 The Financial Ombudsman Service is an organisation set up by law to give consumers a free and independent service for resolving disputes with financial firms. Details of this service can be obtained from the Financial Ombudsman Service or from your Client Relationship Manager.

***Financial Services Compensation Scheme (FSCS)***

- 37.6 We are a member and covered by the FSCS established under the the Financial Services and Markets Act 2000. The FSCS can provide compensation in certain circumstances where an FSA-authorised firm is unable to meet its liabilities to its clients.
- 37.7 Under the FSCS payments to eligible depositors are, at the date of these Terms, limited to 100% of the first £85,000. Deposits placed by way of security for any facility or other finance provided to you are not covered by the FSCS.
- 37.8 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, at the date of these Terms, be £85,000 each (making a total of £170,000). The limit relates to the combined amount in all the eligible depositor's accounts with BLME, including their share of any joint account, and not to each separate account.
- 37.9 The FSA reviews these limits from time to time. The amounts listed here are currently in force at the date of these Terms. For the most up-to-date amounts, please contact the FSA or the FSCA.
- 37.10 For further information about the FSCS (including the amounts covered and eligibility to claim) please refer to your usual BLME contact or the FSCS: The Financial Services Compensation Scheme, 7th Floor, Lloyds Chambers, 1 Portsoken Street, London E1 8BN, Tel: +44(0)20 7741 4100, Fax: +44(0)20 7892 7301, [www.fscs.org.uk](http://www.fscs.org.uk).



## Section D – Definitions and Interpretation

### 38. *Definitions*

“Affiliate” means any person or entity controlling, controlled by or under common control with such party. For these purposes control of an entity means the power, direct or indirect, to direct or cause the direction of the management and policies of such entity whether by contract or otherwise and, in any event and without limitation of the foregoing, any entity owning more than 50% of the voting securities of a second entity shall be deemed to control that entity;

“Application Form” means the application form completed and signed by you requesting the provision of services from BLME which incorporates these BLME Terms and any additional terms;

“Authorised Representative” means any person, including but not limited to your professional or financial adviser, notified by you to us as authorised to give instructions on your behalf;

“Banking Day” means a day other than a Saturday or Sunday, on which the banks in England and principal financial centre of the applicable currency are open for the conduct of banking business and where the applicable currency is the euro, any day on which the Trans-European Automated Real-time Gross Settlement Express Transfer payment system is open for the settlement of payments in euro;

“Charges” means any operating costs, fees and expenses suffered or incurred by BLME in providing products and services to you, excluding any costs incurred in providing any funding to you and any opportunity costs, which shall be payable by you to BLME. Any applicable charges payable will be detailed in our tariff sheet, amended from time to time, and where possible shall be notified to you by your Client Relationship Manager before the charge is incurred;

“Current Account” means a non-interest bearing account with BLME allowing you to draw against the funds in such account;

“Cut-Off Time” means 12:00 (noon) London Time, the time by which we must receive all Payment Orders and payments into an Account if they are to be processed that day;

“Delay Period” means the period of time after 10 Banking Days when any Charge became payable by you to BLME, to the date when the Charge is actually paid by you to BLME;

“Deposit Account” means an account with BLME for the purpose of earning profits;

“Electronic Communications” means any form of message made by any type of telecommunication, digital or information technology device (including the fax, email, and the internet);

“EEA” means European Economic Area, which is all the countries in the EU plus Iceland, Norway and Liechtenstein;

“EMU Legislation” means legislative measures of the Council of the European Union for the introduction of, changeover to, or operation of, a single or unified European currency;

“EU” means the European Union;

“Euro” means for the time being, the single currency of Participating Member States as provided in the EMU Legislation;

“London Time” means the time in London, United Kingdom;

“Losses” means all losses, costs, fees, expenses, damages and liabilities, excluding any costs incurred in providing any funding to you and any opportunity costs;

“LPR” means the Legal Personal Representative;

“Participating Member State” means each state so described in any EMU Legislation.

“Payment Order” means any instruction to make a payment or withdrawal (for example by standing order, direct debit, or direct transfer) from your Account;

“Reference Exchange Rate” is a rate for converting one currency into another which will be the market rate, selected by BLME in its discretion, at the point in time when any conversion is to take place;

“Regulatory Requirements” is any obligation (i) we have to comply with under any law or regulation (including any tax legislation or rules made by an applicable regulatory body), or as the result of a decision by a Court, ombudsman or similar body, or (ii) under any industry guidance or codes of practice which we follow;

“Sterling” means the lawful currency of the United Kingdom;

“Transaction Account” means any account, whether a Current Account or Deposit Account or otherwise and howsoever described, opened pursuant to the relevant terms of a business facility or transaction or a series of business facilities or transactions;

“UK” means the United Kingdom; and

“US Dollar” means the lawful currency of the United States of America.

**39. Interpretation**

39.1 In the Agreement, unless the context requires otherwise:

- (a) a reference to any statute, statutory provision or regulation will be construed as a reference to the same as it may be amended, modified or re-enacted from time to time;
- (b) headings and titles are for convenience only and do not affect its interpretation;
- (c) the singular includes the plural and vica versa; and
- (d) words and expressions defined in Financial Services Regulations will have the same meaning in the Agreement.