

# Terms & conditions

## For The Co-operative Bank Business Credit Cards

With effect from 10 December 2020.

Please read these terms and conditions and keep them safe.

## Credit Card Agreement regulated by the Consumer Credit Act 1974

### The Co-operative Bank Business Credit Card

The agreement is made up of the key conditions and the additional conditions. Please read it carefully and keep it in a safe place. You may ask for a copy of this agreement at any time during the term of the agreement.

#### In this agreement:

'we', 'us' or 'our' means **The Co-operative Bank p.l.c.**, P.O. Box 101, 1 Balloon Street, Manchester M60 4EP; and 'you' means the person or business entering into this agreement.

This agreement is only regulated by the Consumer Credit Act 1974 if you're a:

- sole trader, an association where at least some members are individuals (such as a club or society) or a partnership of two or three partners; and
- we provide you with credit of £25,000 or less.

If the above doesn't apply to you, this agreement isn't regulated by the Consumer Credit Act 1974.

That means the protections under the Act, including those referred to in any notices or headings in this agreement, don't apply to you.



Some of the terms and conditions in this document don't apply to you if you aren't a Micro-enterprise or Charity, and others may apply in their place. We will tell you in the relevant section if that is the case.



#### What do we mean by Charity?

In this agreement, this means a body defined by law as a charity and whose annual income is less than £1 million.



#### What do we mean by Micro-enterprise?

Micro-enterprise means an enterprise which, at the date of entering into this agreement, had fewer than 10 employees and an annual turnover and/or annual balance sheet total of €2 million or less.

## Key conditions

### How much can you borrow?

You can borrow up to your credit limit. We'll tell you your credit limit after we've signed the agreement.

We'll provide the credit when you use the card or card number, for example to make purchases or withdraw cash.

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## How much do you have to pay and when?

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Each month you must pay at least the minimum payment shown on your statement. Your payment must reach us by the payment date specified on your statement. This is 25 days after the statement date or, if this is not a Business Day, the following Business Day. If you want to pay less interest, you can always pay more than the minimum payment. Your statement tells you how to make sure payments reach us on time. You must make payments from your Co-operative Bank business current account.

The minimum payment will be the highest of:

- (a) 2% of the total balance on your statement (including interest and charges);
- (b) £5; or
- (c) the sum of (i) interest for the period from your last statement, (ii) any charges and (iii) 1% of the total balance on your statement (excluding interest and charges).

We round up the minimum payment to the nearest pound. If you owe less than £5, you must pay us the full amount you owe.

Repayments will pay off:

1. the minimum payment shown on your statement; then
2. the remaining balance shown on your statement; then
3. any items not yet included on a statement.

If you pay less than the total amount owing, your payment reduces higher interest-rate balances first, before lower interest-rate balances. If some amounts are charged at the same interest rate, we apply your payment to the oldest amounts first.

You must also pay the amount of any missed payments and the amount you owe above the credit limit immediately.

You must try not to pay into your account more than you owe us. We may return any funds that exceed the balance owing on your account to the account from which the money has been sent, or pay the funds into a deposit account you hold with us. Alternatively, we may use any excess funds to pay off transactions that have not yet appeared on your statement in the same order as those that do appear on your statement. If we write to you about returning the funds and you do not respond, we may close your account and move any credit balance to a suspense account. You can call us at any time to ask us to return the money.



If you exceed your credit limit or fail to make a minimum payment by the due date, we'll charge you a fee.

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## How much does it cost to borrow?

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### Interest rates and charges

We'll charge our standard variable interest rates. These are currently:

Transaction type	Annual interest rate	Charges we add to the account with the transaction
Purchases.	15.9% variable	0% for a purchase in sterling.
Cash or cash-related payment.	15.9% variable	3% of the cash or cash-related payment (minimum £3).

In future, we may make promotional rates and charges available to you. If we do, we'll tell you. We'll also tell you when a promotional rate is about to end.

We charge interest from the date we add each transaction or charge to your account – which may not be the same as the date you made the transaction – until you have fully repaid the amount you owe. We work out interest daily and add it to your account on the next statement date. If you repay your statement balance in full by the due date, we won't charge interest on purchases shown on that statement – provided you also paid the previous month's balance in full by the due date. We always charge interest on cash or cash-related payments.

You'll pay off all interest added in a month as long as you pay at least the minimum payment. If you don't, we'll charge interest on that interest.

## Non-sterling transaction charges

Transaction type	Charges we add to the account with the transaction	Exchange rates for the day the transaction is converted into sterling
Purchase.	2.75% of the transaction value in sterling.	Transactions are also converted into sterling using the Visa Scheme Exchange Rate which can be found at <a href="http://co-operativebank.co.uk/business/help-and-support/travelling-for-business">co-operativebank.co.uk/business/help-and-support/travelling-for-business</a>
Cash or cash-related payment.	2.75% of the transaction value in sterling. In addition, we charge a 3%, or £3 minimum fee.	Transactions are also converted into sterling using the Visa Scheme Exchange Rate which can be found at <a href="http://co-operativebank.co.uk/business/help-and-support/travelling-for-business">co-operativebank.co.uk/business/help-and-support/travelling-for-business</a>

### Annual fee

On account opening, and then on each anniversary of the account opening, we will charge an annual fee of £24. We will add this to your statement as an additional charge in the same month each year.

### Default charges

Reason for charge	Charge	Added to the account
Late payment.	£10.50	On your next statement date.
Going over the credit limit, even if we allow it.	£10.50	On your next statement date.
Enforcing repayment, including legal and tracing costs.	Our reasonable costs.	When we apply for enforcement.

We may also charge our reasonable costs for other expenses incurred as a result of you breaking this agreement. We'll add these charges to your account.

### Other charges

Copy statements: £8

### What is the total cost of credit?

APR	21.8% variable
Total amount payable	£1,327.51

When this agreement is made, we don't know how much you'll actually pay, or the cost, because this depends on how much you borrow, how quickly you repay and whether we change our interest rates or charges or other terms, such as the minimum payment amount. So, when we work out the total amount payable figure, the law requires us to assume that the credit limit is £1,200, you spend the full amount on purchases on the first day of the agreement and you repay it with interest at the standard rate for purchases in 12 equal monthly payments. We also include the annual fee.

## Can we change the terms of this agreement – including the cost of borrowing?



As this agreement could last a long time, we need to be able to make changes to it from time to time for the reasons set out below. As long as it is fair for us to do so, we may also make changes for reasons we cannot predict now.



There may also be times we need to make a change without giving a reason. If we do so, we'll always tell you in advance and explain how the change will affect you. You will then be able to end this agreement without cost if you don't want to accept the change.

This section explains:

- when and how we can make changes to your agreement (including these terms, the rates of interest, charges and any additional terms);
- how we'll tell you about any changes we're making; and
- what you can do if you don't want to accept the changes.

### When we can make changes

We can increase or decrease interest rates and charges to take account of an actual, or reasonably expected, change in the interest rates we have to pay, for example as a result of a change to the Bank of England base rate.

We can also increase or decrease our interest rates and charges and change any other terms to reflect an actual or reasonably expected change for any of the following reasons:

Reason	Example
A change in our underlying costs.	There is a change in the amount we have to pay to borrow the money we lend our customers, so we may need to change what we charge for borrowing.
A change in law, regulation, code or industry guidance that applies to us, including a requirement of a court, ombudsman or similar body, or an undertaking we give to a regulator.	We have to update our security terms because new legislation introduces tighter standards.
A change in our way of doing business, including the introduction of new technology.	We introduce additional services on card accounts, or make a change to our computer systems that means we can no longer provide a feature of your account or we need to provide it in a different way.
To do something that is for your benefit.	We make these conditions fairer or easier to understand, correct mistakes or reflect changes in technology.

We can't predict everything that will happen during the time you hold your account with us, so we may also make changes without a particular reason. If we do, we'll always explain how the change will affect you and you'll be able to end this agreement without charge if you don't want to accept the change.

We cannot change terms we tell you are fixed, such as interest rates fixed for a set period.

Any change we make will be reasonably proportionate to the impact of the underlying change on us.

We won't make changes to cover the same cost twice.

We explain below some particular changes we may have to make.

If we're making a change which will benefit you, we don't need to give you a reason for making that change.

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## Changing your card type

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We may change your card type or issue a different card type from the one you applied for, as well as or instead of an existing card. If your card type changes, we may also change your card and account number, but the terms of this agreement won't be affected.

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## Changes to your credit limit

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We may change the credit limit for any reason set out in these conditions. We may also change it if our assessment of your creditworthiness suggests a different credit limit may be appropriate, or to reduce the risk of fraud.

We may contact you offering to increase your credit limit but any increases will not be processed until your acceptance has been received. You can ask us to increase it sooner. You can also ask us to consider giving you a higher credit limit.

You can opt out of future credit limit increases by contacting us. Please also let us know if you want to reduce your credit limit at any time.

If we reduce your credit limit based on our assessment of affordability or risk or if we have reviewed credit limits generally, we'll tell you personally but not always in advance of the change. We won't reduce your credit limit to an amount below your current balance. However, if any transactions have been authorised but not yet charged to your account when we decrease your credit limit, your credit limit could be exceeded when they are charged to your account. We may then charge the relevant fee.

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## Changes to interest rates

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If your interest rate 'tracks' another rate (such as the Bank of England base rate), this means the rate you pay will change when that rate changes, and by the same amount. We'll tell you in your statement about changes to the base rate that affect you. The new rates will apply from the date the base rate changes.

We may change a variable interest rate or the margin on a tracker rate for any of the reasons explained in the section '**When we can make changes**' or if it's reasonable to do so in response to a change or expected change that affects us. Some examples of this include:

- responding proportionately to a change or changes in:
  - (a) the rate set by the Bank of England (or any successor);  
*e.g. the Bank of England base rate could increase or decrease. This would affect the interest rates we pay you and you pay us, which might result in us increasing or decreasing our interest rates;*
  - (b) our underlying costs;  
*Costs' can include: costs of funding or technology, employment, building, or administrative costs (for example) if our operational costs increase, we may need to distribute a proportion of the increased costs across our customer base);*
  - (c) law, codes of practice or regulation,  
*e.g. the Financial Ombudsman could make a ruling about a particular customer that affects our other customers. This might mean we need to change our terms and conditions to reflect this law and regulation.*
- our assessment of the risk of lending to you, which includes factors that are personal to you such as how you operate your account,  
*e.g. if you've made all your payments to other lenders on time for the past six months, we may reduce our interest rates.*

If we're making a change which will benefit you, we don't need to give you a reason for making that change.

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## How we can make changes

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If we make a change that is to your advantage, we'll tell you personally before it takes effect.

For most other changes we make, we'll tell you personally at least two months before the change. If we do this, the new terms will apply to your account automatically at the end of the notice period. However, if you don't want to accept a change that is to your disadvantage, then, at any time up to two months from the date we tell you of the change, you can close your account without paying any extra charges.

The change will still apply until you've repaid everything you owe us. If you don't do this, we'll assume you've accepted the change.

If you're a sole trader, an association where at least some members are individuals (such as a club or society) or a partnership of two or three partners and we provide you with credit of £25,000 or less: if the change is an increase to an interest rate, you can repay what you owe us at the unchanged interest rate if you tell us within 60 days of notice of the increase that you don't want to accept the higher rate.



Remember, you can close your account at any time if you wish (see 'Ending this agreement' in the 'Additional conditions').

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## When will this agreement begin and end?

This agreement begins when we have opened the account linked to your card. It does not have a fixed end date but you or we can end it as explained in the 'Additional conditions'.

*The following only apply if you are a sole trader, an association where at least some members are individuals (such as a club or society) or a partnership of two or three partners and we provide you with credit of £25,000 or less:*

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## Can you withdraw from this agreement?

You can withdraw from this agreement, without giving a reason, by writing to us at The Co-operative Bank p.l.c., Business Lending Services, P.O. Box 250, Skelmersdale, WN8 6WT, or calling us (see 'Contacting each other' in the 'Additional conditions'). You can do this within 14 days, starting the day after we confirm that we have signed the agreement.

Within 30 days after telling us you want to withdraw, you must repay anything you have borrowed. You won't be charged interest if you repay everything during this period. You can repay by calling us or by visiting one of our branches.

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## Missing payments



Failing to make payments could have severe consequences. For example, it could result in legal action against you (at your cost) to recover anything you owe under this agreement. It may also make it more difficult for you to get credit in the future.

## Additional conditions

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### 1. Contacting each other

- 1.1 If you need to update your contact details, or contact us for other reasons, you can do so in the following ways:
  - Call** 0345 606 6701.
  - Visit** one of our branches.
  - Write to** The Co-operative Bank Business Lending Services, P.O. Box 250, Skelmersdale, WN8 6WT.
- 1.2 We'll contact you using the details you give us and may also give you notices or other information about your account in your monthly statements (paper or electronic).
- 1.3 If we need to contact you about any actual or suspected fraud or security threats, we'll use the quickest and most secure way of contacting you (for example, we may try sending you a text message rather than calling you).
- 1.4 We'll communicate with you in English.
- 1.5 When we say we'll contact you personally, we'll use an appropriate method, such as a letter, email or other electronic format (for example, by internet or text message).

- 1.6 We'll assume you've received any letter or other personal notice we send using your contact details within three Business Days after we've posted or sent it and that you've received any email or text message immediately.
- 1.7 You must tell us immediately of any change of address or other contact details. You can update your contact details via online banking. We may ask for evidence of the change by contacting you through your online banking.

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## 2. Using your account

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- 2.1 You must hold a business current account with us for the duration of this agreement.
- 2.2 Your account and any cards should be used for business purposes only. You may apply for other cardholders to have a card. You are responsible for a cardholder's use of the account, including use that makes you break this agreement. For example, if a cardholder makes a transaction that means you owe more than the credit limit, you'll still have to repay the full balance (and any charges). We'll cancel a cardholder's card when you tell us to, but you should also take reasonable steps to recover and destroy the card. We don't have an agreement with any other cardholders so we cannot give them information about the account.
- 2.3 You, and a cardholder, can use the account for the following types of business related transaction:
  - (a) To make a purchase.
  - (b) To get cash or make a cash-related payment (such as buying travellers cheques or foreign currency, placing a bet (or making other gambling payments), or buying money orders).
- 2.4 You and a cardholder must not:
  - (a) use the card or account for any illegal purpose (or allow anyone else to do so); or
  - (b) go over your credit limit.
- 2.5 When working out whether a transaction you want to make is within your credit limit, we take account of transactions we have already authorised but have not yet charged to the account. For example, if you have £150 left within your credit limit and we authorise a hotel to take a payment of £100, we may not allow more than £50 to be spent on the account unless the hotel cancels the authorisation.
- 2.6 Some cash machines operated by other financial organisations may charge you; please check before using them.

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## 3. How do you authorise transactions?

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- 3.1 When you, or a cardholder, make a transaction you must authorise it before we can charge it to your account. You do this by providing the card or other payment device and using your security details (except for some low-value contactless payments, where security details aren't needed).
- 3.2 If your payment device and security details are used, we'll assume the transaction has been authorised by you or a cardholder. You must therefore tell us immediately if you don't recognise a transaction charged to your account and shown in your statement.



### What are security details?

These are personalised details you must use to make an instruction, confirm your identity or to access any payment device such as a card (for example a password, security code, PIN or, if available, biometric data such as a fingerprint).



### What is a payment device?

This means a card or other device (such as a smart phone that has your card or account details on it) you can use to make payments or access your account.

- 3.3 Sometimes we carry out additional monitoring or fraud-prevention checks (or both). If we do, we won't treat a transaction as authorised until those checks are complete.

### 3.4 What if you're using a service provided by a third party provider (TPPs)?



A TPP is a third party you can use to:

- give you consolidated information on payment accounts held by you with us and other banks; or
- initiate payments on your behalf, on your online payment accounts.

TPPs must be authorised by law to provide these services.

- (a) You can instruct a TPP to access information on your account and make payments from your account. We will treat any instructions from a TPP as if they are from you.
- (b) You should check from the information it gives you that the TPP you are thinking of using is authorised. We'll have to assume it's you authorising us to give access to information about your accounts if you give your security details to an unauthorised third party, and you'll be responsible for any payments made as a result. We'll block access to your account if we are aware that an unauthorised third party is using your security details.
- (c) We may deny TPPs access to your account where we are concerned about unauthorised or fraudulent access by that TPP. Before doing so, we'll tell you that we intend to deny access and give our reasons for doing so, unless it is not reasonably practicable to do so, in which case we'll tell you immediately afterwards. In either case, we'll tell you in the way we consider most appropriate in the circumstances but will not tell you if doing so would compromise our reasonable security measures or otherwise be unlawful. If we deny access to a TPP, we must also tell our regulator we have done so.
- (d) You must always tell us about unauthorised or incorrect payments even if you use a TPP.

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#### 4. How do we decide how much you can borrow?

- 4.1 We base your credit limit on our assessment of your financial circumstances, your account history, information we receive from credit reference agencies and other factors we consider relevant to your ability to repay. We'll tell you how much of your limit can be used for cash or cash-related transactions. There is a daily limit of £250 on cash withdrawals.
- 4.2 If we authorise a transaction that takes your account over its credit limit, you'll still have to pay any charges we make for going over the credit limit.

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#### 5. When will we give refunds for payments you have authorised?

- 5.1 If you give a retailer permission to take a payment or series of payments from your account, you can ask us to refund a payment if all the conditions below are satisfied, provided you give us any information that we reasonably need to investigate the payment. We'll refund it (and any interest on it from the date of the payment) to you within 10 Business Days of receiving your request, or of receiving further information we have asked you for, or we'll tell you our reason for refusing the refund.
- 5.2 The conditions that need to be satisfied are:
  - (a) you're a Micro-enterprise or Charity;
  - (b) the payment was made in the UK and European Economic Area (EEA) and in sterling, euro or another EEA currency;
  - (c) the authorisation did not specify the amount of the payment you want us to refund;
  - (d) the amount was more than you could reasonably expect, taking into account your previous spending pattern; and
  - (e) you make the refund request within eight weeks of the date the payment was made from your account.
- 5.3 You are not entitled to a refund if you or a cardholder gave your consent to the transaction directly to us and the recipient notified you of the amount in writing, or in another way you agreed, at least four weeks before the due date for payment.
- 5.4 If you are not a Micro-enterprise or Charity: if a payment you have authorised has been initiated by a payee (such as a card payment), we may debit your account with the amount of the payment. We'll do this even if your authorisation did not specify an exact amount and the amount of the payment was more than you could reasonably have expected. You are not entitled to a refund in such circumstances.

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## **6. Can you stop transactions you have authorised?**

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- 6.1 No, but you may be able to get a refund from the retailer. If we receive instructions or a refund voucher from a retailer, we'll credit your account and apply the refund amount from the refund date. Even when you receive a refund on your account, you'll still be expected to make your minimum repayment for the month.
- 6.2 Any refund you receive from a retailer will be treated as a credit towards your account balance and may not pay off the specific transaction to which it related.
- 6.3 If you repay your balance in full every month by direct debit, you may end up paying for purchases early if you receive a refund from a retailer. However, you'll never end up paying more than the amount specified in your statement.
- 6.4 If you want to cancel a regular card payment or another card payment for a future date, you must tell us before 8pm on the Business Day before the payment is due to be made. We also recommend you tell the retailer or organisation that collects the payment.

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## **7. Can we refuse to authorise a transaction or suspend your right to use your account?**

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- 7.1 We may refuse a transaction requested using yours or a cardholder's payment device and security details, including an instruction from a TPP, if:
  - (a) there has been, or we suspect, a breach of security or misuse of your security details or a payment device;
  - (b) you have seriously or repeatedly broken these conditions;
  - (c) the proposed transaction would take you over the credit limit;
  - (d) we reasonably believe the transaction would break another term of this agreement;
  - (e) you've not provided any extra identification that we've reasonably asked for;
  - (f) we suspect fraudulent or criminal activity; or
  - (g) we reasonably believe that authorising the transaction would cause us to breach our legal or regulatory obligations.If this happens, we'll contact you and explain the reasons for the refusal, unless the law or any regulation prevents us doing so.
- 7.2 If you are using a payment device (such as a card) to make a payment or withdraw cash, then the retailer – or the organisation that owns the cash machine – will tell you the transaction has been refused. For certain contactless transactions, it may not be possible to confirm at the point the card is used that the transaction has been refused.
- 7.3 We may delay a transaction for a short while if we need to check that the law allows us to make it.
- 7.4 If your card or payment is refused and we have not been able to tell you in advance, you can contact us and we'll explain the reasons for the refusal and what action you can take to correct this.

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## **8. Making a payment to another account**

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- 8.1 If we let you make an electronic payment, we'll tell you the details we need to make the payment – usually the recipient's sort code and account number and a reference number. You cannot make a payment from your card to another credit card account with us in your name.
- 8.2 We normally process electronic payments on the Business Day we receive your instruction. The payee will receive the payment no later than the end of the Business Day after the day we process the transaction.
- 8.3 We may not be able to make an electronic payment for you if:
  - (a) the account or reference details are invalid;
  - (b) the payment amount is above the Faster Payment scheme limit; or
  - (c) we reasonably believe the transaction is fraudulent or would break a regulatory requirement.
- 8.4 If you're a Micro-enterprise or Charity, if we send a payment but it arrives later than it should have because of our error, you can ask us to contact the receiving bank and request that the payment is credited to the recipient's account as if it was made on time.
- 8.5 If a payment goes to the wrong person or is delayed because you gave us the wrong payment details, we won't be liable but, if you ask, we'll try to recover the payment for you. We may charge our reasonable costs for doing this but we'll tell you the maximum amount you'll pay first.

- 8.6 If we receive a payment into your account from within the UK and EEA which the payer says was made by mistake but you think the payment was intended for you, we are legally required to share all relevant information including your name and address and transaction information with the bank the payment came from if they ask us, so that the payer may contact you directly.

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## 9. Making repayments

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- 9.1 You can contact us to set up a Direct Debit to pay either the minimum payment or the full balance each month. You can cancel Direct Debit instructions up to 8pm five Business Days before the payment is due to be paid. If the payment due date falls on a weekend or bank holiday, we take the payment on the next Business Day.



### What do we mean by Business Day?

A Business Day is usually Monday to Friday (excluding bank holidays). For example, for some payments our Business Day is all day, every day, but branch opening hours will be the normal Business Day for payments at a branch.

- 9.2 Your Direct Debit (or standing order) to pay this credit card may be cancelled by your bank if you don't use the card for 12 months.
- 9.3 We don't accept cash deposits as a payment method for credit cards. When making an electronic payment to your account, it's important you use the correct sort code, account number and card details.

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## 10. Limiting use of your account

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- 10.1 We may prevent or limit the use of your account and the use of your or a cardholder's card, including ending your ability to borrow more, if we think it's reasonably necessary:
- (a) to protect the security of the account;
  - (b) because we know of or suspect unauthorised or fraudulent use of your account; or
  - (c) because of a significantly increased risk that you may be unable to pay.
- 10.2 We'll contact you before or immediately after we suspend access unless the law or any regulations prevent us doing so.

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## 11. What steps should you take to keep your account secure?

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- 11.1 You must take reasonable precautions to prevent misuse of your account, any cards and your security details, and you must comply with the security procedures we tell you about from time to time.
- 11.2 If you don't, we may block access to your account or additional services such as telephone, online or mobile banking. Reasonable precautions include:
- signing your card as soon as you are able to, once you receive it;
  - keeping your card or any other payment device and security details safe;
  - not allowing anyone else to use any payment device or security details;
  - never telling anyone (even a cardholder) your security details or writing them down in a way someone else may understand;
  - not choosing security details that may be easy to guess, such as your date of birth;
  - taking care when using your card or any other payment device and security details so they are not seen or heard by anyone else;
  - keeping receipts and statements safe or destroying them safely, e.g. by shredding;
  - complying with all reasonable guidance we issue about keeping your payment device and security details safe; and
  - telling us as soon as possible of a change of name, address or other contact details.
- 11.3 If your card or security details are lost or stolen or you think someone knows them or has used or tried to use them, please tell us immediately.
- 11.4 You must provide any assistance we reasonably ask for in connection with the loss or misuse of your card or security details. We may give the police or other authorities in the UK (or, if appropriate, abroad) information about you or your account to help investigate criminal activity, or ask you

to contact them yourself. We may also pass information to other banks or to those involved in processing card payments to help investigate misuse or criminal activity.

- 11.5 You can find out more about how to protect your account by visiting the 'Security and fraud' section at [co-operativebank.co.uk](http://co-operativebank.co.uk)
- 11.6 When using online banking we recommend that, as well as the above steps, you:
- buy and keep updated anti-virus, firewall and any other security software;
  - download security software from our website;
  - don't access your account from a public computer;
  - log off securely by using the exit link on screen. If you are disconnected during an online banking session, we recommend you log back in and then log off correctly;
  - don't open emails from unknown sources; and
  - don't send us any account details unless the message is encrypted.

## 12. Liability for losses

12.1 Your liability for losses will depend on what type of business you have, and how big it is.

If you're....	... your liability will be
A sole trader, an association where at least some members are individuals (such as a club or society) or a partnership of two or three partners and we provide you with credit of £25,000 or less	<p>You are responsible (up to a maximum of £35) for use of a card or security details after you receive them and before you tell us they have been lost or stolen or may be misused. Otherwise, you won't generally have to pay for transactions not authorised by you or a cardholder unless we can show you've been fraudulent. You won't have to pay for any unauthorised transactions made with the card or card number remotely, e.g. online or by phone. You won't be responsible for any unauthorised payment if we don't apply procedures that we're legally required to use to check a payment has been authorised by you.</p> <p>If you are not liable for a transaction, we'll refund it and any charges and interest resulting from it. We won't have any further liability.</p>
<b>Not</b> a sole trader, an association where at least some members are individuals (such as a club or society) or a partnership of two or three partners and we provide you with credit of £25,000 or less, but you're a Micro-enterprise or Charity that doesn't fall into the category above	<p>If your card was used remotely (for example, by telephone or online) to make the unauthorised payment for the purchase of most goods or services (but not financial services), we'll refund the amount of the unauthorised payment as soon as we reasonably can, and, in any event, before the end of the business day after you tell us - unless you or a cardholder have acted fraudulently.</p> <p>For any other unauthorised payments, we'll also refund the amount of the unauthorised payment as soon as we reasonably can, and, in any event, before the end of the business day after you tell us - unless any of the following apply:</p> <ul style="list-style-type: none"> <li>(a) you tell us more than 13 months after the payment was made;</li> <li>(b) we can prove that you or a cardholder acted fraudulently;</li> </ul> <p>If you've acted fraudulently you'll be liable for all payments from your account.</p> <ul style="list-style-type: none"> <li>(c) we can prove that the unauthorised payment was made because you or a cardholder acted with gross negligence; or</li> </ul> <p>You'll have acted with gross negligence if you've done something with a very significant degree of carelessness – for example, where you knowingly give your card and PIN number to someone else.</p>

If you're....	... your liability will be
	<p>If you've been grossly negligent you'll be responsible for all payments from your account until you've told us that the payment device or security details have been lost or stolen, or you suspect misuse.</p> <p>(d) we can prove that the unauthorised payment was made because the payment device was lost or stolen or we can show you or a cardholder failed to keep the security details safe. In this case you'll be liable for any unauthorised payments made before you tell us about the security breach up to a maximum of £35 and we'll reduce the refund by this amount.</p> <p>You may not be liable for unauthorised payments in some other circumstances too – for example, you won't be responsible for any unauthorised payment if we don't apply procedures that we're legally required to use to check a payment has been authorised by you.</p>
None of the above – in all other cases	<p>If you give us sufficient evidence that a payment was unauthorised and you tell us no more than 13 months after the payment was made, we'll refund the amount of the payment to you on the same business day. We won't have any further liability to you for an unauthorised payment.</p> <p>We won't refund a payment if it was made by someone using a payment device or security details with your consent.</p> <p>You are responsible for any losses incurred in respect of unauthorised payments arising from the use of a lost or stolen card, payment device, PIN or security details if you or a cardholder have failed to keep safe the personalised security details of a card, payment device, PIN or security details.</p>

- 12.2 We are not responsible for cash machines we don't own, or if any person, bank, retailer or other supplier does not accept your card as payment.
- 12.3 We are not responsible for any losses caused by abnormal and unforeseeable circumstances beyond our (or our agents' and/or subcontractors') control if the consequences would have been unavoidable despite our efforts to the contrary.

### Liability waiver

- 12.4 Notwithstanding the above, where the following conditions are satisfied, we will, on your written request, waive your liability for transactions where at the date of the transaction you have more than one cardholder employed by you:
- (a) the transaction didn't benefit you in any way (for example, because the goods or services paid for were not for the purposes of your business) and you have paid us, or are being asked to pay, for the transaction, but you have been unable to obtain payment for the transaction from the cardholder; or
  - (b) the transaction did benefit you in some way, and we have billed the cardholder directly, and you have reimbursed the cardholder for that transaction, so you're contractually obliged to pay twice; or
  - (c) the transaction was an act of dishonesty or fraud on the part of the cardholder and you are legally responsible for the transaction.
- 12.5 The following limits apply:
- (a) £15,000 in any 12 month period in relation to each cardholder;
  - (b) £200 a day for cash withdrawals (or a maximum of £600 per cardholder before the cardholder gives, or is given, their notice, or you withdraw the card from the cardholder - whichever is sooner); and
  - (c) an overall limit under this agreement of £1,000,000 in any 12 month period.
- 12.6 We will refund any interest charged on a transaction if we waive it.

12.7 You must:

- (a) give written notice to us as soon as possible, but in any event within 14 days of the day you noticed the transaction. You can only ask us to waive your liability in relation to transactions that you notice up to 75 days following the date of the statement on which the transaction(s) appear. The notice should state you are requesting a waiver, provide sufficient detail for us to identify the card, the cardholder and each transaction for which a waiver is requested, and explain the circumstances under which the request is made. You should also tell us whether you've recovered the card from the relevant cardholder. We may require you to provide further information before a waiver is granted. Where necessary, any information provided may be passed to the police or another relevant authority;
- (b) send written notice to the cardholder (either by first class post or personal delivery) that the cardholder's card has been cancelled, and that they should immediately: discontinue all use of the card, pay any outstanding amounts owed to the bank, and return the card to you;
- (c) use your best endeavours to retrieve the card from the cardholder and return it to us, cut in half; and
- (d) continue to make payments under the agreement while we consider your waiver application.

12.8 You must promptly give us written notice when any cardholder's employment with you is terminated.

12.9 We will not give a waiver (and will reverse any refund) if it becomes apparent that you instructed, approved, authorised or in any way colluded in the authorisation of transaction(s) for which a waiver was requested, or you have obtained recompense for the transaction from the cardholder.

12.10 Additional policy and supplier terms and exclusions apply. You can ask us for the full policy terms and exclusions by calling us.

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### 13. Statements

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13.1 We'll provide you with a statement each month if you owe us anything or your balance has changed. You can ask us for a copy statement at any time (we charge for this). Information about transactions is also available via telephone, online and mobile banking.

13.2 Please check your statements carefully and inform us as soon as possible if there is an item you don't recognise. We'll investigate and correct any errors.

13.3 If you don't receive your monthly statement or cannot access it online, please contact us. If there is a balance to pay, you have to pay us even if for some reason you have not received your statement.

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### 14. Set-off and security

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14.1 If you have money in an account with us, we may use it to repay any amount you owe us that is due for payment. These include charge cards, loans or overdrafts, but exclude any personal accounts you or a cardholder holds with us. We'll do this if we think it's reasonable to do so, taking into account your circumstances and any regulatory requirements.

14.2 If we use money from an interest-bearing account, we'll apply interest to the money in that account up to the date of set-off. After the date of set-off, interest will only be payable on any credit balance remaining in your account, as applicable.

14.3 We can use money you have in your account even if there is a court decision against you or you are fined (including interest arising after the date of the final decision or fine), unless the court instructs us otherwise, or we are otherwise prevented by law.

14.4 Occasionally we receive legal instructions or notices to hold a customer's money for someone else, or to pay it to someone else. If this happens, the money we hold for the other person will be what is left after we have used our right of set-off, including any interest arising after the legal instruction or notice (unless we decide otherwise or we are prevented by law or regulation).

14.5 We'll write to you 14 days before we make any set-off between your accounts to let you know the date and details of the action we'll take.

14.6 If you have provided security for any other borrowing from us:

- (a) if you are a sole trader, an association where at least some members are individuals (such as a club or society) or a partnership of two or three partners and we provide you with credit of less than £25,000 it will not apply to any amounts you owe under this agreement;
- (b) in all other cases, it may apply to any amounts you owe under this agreement.

## What additional terms apply to joint partnership accounts?

- 14.7 If you are a partnership, each partner (whether or not they have signed your mandate) is jointly and severally liable for all interest, fees and other amounts due and owing to us and all the partnership's obligations, whatever their nature. This means you are all responsible individually as well as together for the full amount of any money due to us. This includes amounts any one of you individually did not know about or disapproved of. If we take legal action, we may at our discretion take legal action against all or any of the partners for the full amount of all debts and obligations.
- 14.8 If any partner tells us of a dispute between any of you, we may block or suspend your account.
- 14.9 We may still make any payments or withdrawals made before we are told of the dispute.
- 14.10 We may require that all partners authorise any further payments or withdrawals until the dispute is resolved. We may suspend any services regarding your account.
- 14.11 We may also require you to return your cards.
- 14.12 If a partner dies or ceases to be a partner, we will treat the remaining partners as having the full power to carry on the relevant business. This applies unless we receive instructions to the contrary from any of the continuing partners or from the executors, legal personal representatives or trustees of the deceased. Such instructions must be in writing.
- 14.13 If you owe money to us:
- (a) when a partner dies, in addition to each of the surviving partners remaining separately responsible, we may require payment from the deceased partner's assets; and
  - (b) unless we agree otherwise, when a partner leaves the partnership, each partner (including the partner who has left) will remain separately responsible for all debts.
- 14.14 You must notify us immediately in writing of any changes in the partnership. Your account mandate must be amended to include any incoming partners. We'll also need to complete various checks, including credit checks, regarding any incoming partners.
- 14.15 Your liability to us will not be affected by:
- (a) any change in the partnership's name, style or constitution; or
  - (b) any change in the partners of the partnership because of death, bankruptcy, retirement and/or any new partner(s) joining or otherwise.

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## 15. Ending this agreement

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- 15.1 This agreement has no fixed or minimum duration, so it continues until you or we end it.
- 15.2 You can end this agreement and close your account at any time, without giving a reason, by phoning or writing to us at The Co-operative Bank p.l.c., Business Lending Services, P.O. Box 250, Skelmersdale, WN8 6WT.
- 15.3 We can end this agreement and close your account at any time but we'll give you at least two months' personal notice unless:
- (a) we reasonably believe you have broken this agreement seriously or persistently;
  - (b) you're a sole trader and you die;
  - (c) become bankrupt or are likely to become bankrupt, insolvent, or enter into a Company Voluntary Arrangement after you open an account;
  - (d) you or anyone else take action which is, or could directly result in, a formal step being taken for the bankruptcy, receivership, administration, liquidation, dissolution or similar proceedings against you or any of your assets;
  - (e) you enter into or propose any composition, voluntary arrangement or scheme of arrangement with your creditors;
  - (f) you have carried out or tried to carry out fraudulent or illegal activity on the account or any other service we operate, or we have reason to think you may do so in the future;
  - (g) we reasonably suspect that the use of the account carries an immediate financial-crime or money-laundering risk to us;
  - (h) you have given false or materially incomplete information when applying to open the account or to use any service, or at any time thereafter;
  - (i) you have behaved improperly towards us or anyone providing services to us (for example, if you have threatened, abused or harassed a member of staff);
  - (j) you fail to repay or meet in full any debt or liability when it is due to us or anyone else;

(k) you cease, transfer or assign the whole or a substantial part of your business or your interest or control in it or we become aware that you are about to do any of these things; or

(l) you close your business current account with us.

15.4 In these circumstances we may close your account and require you to repay immediately all amounts you owe us under this agreement in full together with any interest and charges that apply. We'll comply with all legal requirements before we do so.

15.5 We may add to your account any reasonable costs or expenses that we reasonably have to pay to enforce our rights. These include the cost of late-payment letters.

15.6 When this agreement ends you must:

(a) repay everything you owe under the agreement, including transactions that you've authorised but aren't yet shown on the account – the agreement won't end until you do;

(b) continue to comply with this agreement (and we'll continue to apply interest) until you have paid everything you owe under it; and

(c) not try to make transactions after the agreement has ended or the account has been closed. You (and any cardholders) should also destroy your cards by cutting them into pieces and disposing of them.

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## 16. What law applies to this agreement?

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This agreement (and any dealings with you before the agreement) is governed by the laws of England and Wales. Any dispute that arises regarding this agreement will be dealt with by any court in the United Kingdom, Isle of Man or Channel Islands that is able to hear the case.

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## 17. General

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17.1 If we waive our rights against you under this agreement on one or more occasion, this won't prevent us strictly applying our rights against you at any time.

17.2 We may transfer our rights or responsibilities (or both) under this agreement to a third party if:

(a) they are either authorised by the Financial Conduct Authority to do regulated consumer credit business or they are using an authorised third party provider, and they promise to carry out all our duties and obligations under this agreement. If they do so, you agree we'll be released from all those duties and obligations; and

(b) we reasonably believe they are capable of performing our responsibilities. Such a transfer does not affect any rights you have under this agreement.

17.3 You may not transfer any of your rights – including any rights you may have against us – or responsibilities under this agreement to any person.

17.4 You may be responsible for taxes or costs that are not paid through or by us, e.g. income tax.

17.5 A person who is not a party to this agreement (which includes any cardholder) has no right under the Contract (Rights of Third Parties) Act 1999 to enforce its terms. This means that only you have the right to enforce a term of this agreement.

17.6 The Financial Conduct Authority, 12 Endeavour Square, London E20 1JN is the supervisory authority under the Consumer Credit Act 1974.

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## 18. Complaints

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18.1 If you have a complaint, please contact us using the details at the front of this document.

18.2 If you are still unhappy with our response, you may be entitled to refer your complaint to the Financial Ombudsman Service, if you are eligible to use their service, by writing to them at: Financial Ombudsman Service, Exchange Tower, Harbour Exchange, London E14 9SR calling them on 0800 023 4567, by email at [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk) or visiting their website at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk). For more information visit: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk). The Financial Ombudsman Service is a free service set up to help resolve individual disputes between customers and businesses providing financial services in the UK.

18.3 If you think we've failed to meet our legal requirements under the Payment Services Regulations ("PSRs"), you can complain to the FCA using the contact details on their main contact page: <https://www.fca.org.uk/contact>. The PSRs require us to provide you with appropriate information about your transactions and consider complaints in a timely manner, among other things. For more information, visit: <https://www.fca.org.uk/consumers/how-complain/submit-information-payment-services-e-money-firm>

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**19. Claiming against us if you have a claim against a supplier**

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If you are a sole trader, an association where at least some members are individuals (such as a club or society) or a partnership of two or three partners and we provide you with credit of £25,000 or less, you may have a right to claim against us as well as the supplier if you buy goods or services costing more than £100 but not more than £30,000 using credit under this agreement. This right applies only if the goods fail to arrive or are not of satisfactory quality, or if there was a misrepresentation by the supplier regarding the goods. However, if you have a dispute with a supplier over a transaction, you must still make payments to us while you are resolving it.

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**20. Use of your data**

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Please read carefully the separate 'Using your personal information' leaflet. This explains how we use any information you provide us. You explicitly consent to us accessing, processing, and retaining any information you provide to us, for the purposes of providing payment services to you. This does not affect any rights and obligations you or we have under data protection legislation. You may withdraw this consent by closing your account. If you do this, we'll stop using your data for this purpose, but may continue to process your data for other purposes.

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**21. Payment protection insurance that you hold with us**

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If we have arranged payment protection insurance for you regarding your card account and the insurer stops providing it, your policy will end automatically.

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**22. Ethical Policy**

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- 22.1 Our Ethical Policy is the policy that outlines how our customers' money should and should not be invested. We have formed the policy after extensive consultation with our customers. The policy is subject to change from time to time. Full details are available on our website.
- 22.2 As the Ethical Policy is one of the guiding principles which determines how the bank conducts its business, it is a condition of your account that you, as the customer, conduct your business in a way that complies with the Ethical Policy.
- 22.3 You must notify us of any proposed or actual change in your circumstances or working practices which may conflict with our Ethical Policy.

**Please call 03457 213 213\* if you would like to receive this information in an alternative format such as large print, audio or Braille.**

The Co-operative Bank p.l.c. is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register No: 121885). Registered office: 1 Balloon Street, Manchester, M4 4BE. Registered in England and Wales (Company No: 990937).

\*Calls to 03 numbers cost the same as calls to numbers starting with 01 and 02. Calls may be monitored or recorded for security and training purposes.

Information correct as at 11/2024.