

# Terms and Conditions for Term Deposit Accounts

## Offshore Banking

### Term Deposit Terms and Conditions

#### 1 DEFINITIONS

In these Conditions:-

**"Account"** means a Term Deposit held with us in the name of the Account Holder;

**"Account Holder", "you", "your", "yours"** means the person(s) in whose name(s) the Account is maintained and,

- in the case of private individuals, if there is more than one such person, includes any, each and all of you;
- in the case of a partnership includes the firm and the individual partners of the firm (in their separate capacities as individuals and partners); and
- in the case of a trust includes each individual trustee.

**"Acknowledgement"** means the confirmation issued to you, which confirms the details of your Deposit;

**"Agreement"** means the agreement between us and you relating to the Account. It comprises these Conditions, the Application Form and the Acknowledgement. These Conditions may be altered from time to time – see Condition 8;

**"Application Form"** means your application form to open the Account;

**"Bank", "we", "us", "our"** means Clydesdale Bank PLC, Guernsey Branch, trading as Clydesdale Bank International;

**"Business Day"** means any day (excluding Saturdays, Sundays and bank holidays) on which banks generally are open in the City of London and in Guernsey for the transaction of normal banking business of the kind contemplated by these Conditions;

**"Cleared"** means the status of a cheque or other payment or lodgement paid to us in respect of which the proceeds have been collected by us;

**"Commencement Date"** means the date on which the Fixed Term begins as specified on the Acknowledgement;

**"Deposit"** means the Cleared funds (for the amount set out in the Application Form) received by us from you to open the Account;

**"Fixed Term"** means the term for which the balance in your Account must remain with us, subject to Condition 6.1, being the period (from the Commencement Date) selected by you on your Application Form and ending on the Maturity Date, as confirmed on the Acknowledgement;

**"Maturity Amount"** means the balance in your Account including any interest due to you at the Maturity Date;

**"Maturity Date"** means the date on which the Fixed Term ends as specified on the Acknowledgement. If such a date is not a Business Day, then the Maturity Date will be the first Business Day thereafter; and

**"Nominated Account"** means the account detailed on your Application Form, held in your name(s) with Clydesdale Bank International or, as the case may be, with a bank branch in the UK, into which interest will be paid or the Maturity Amount will be paid by us at the Maturity Date unless you tell us differently in accordance with Condition 2.7 or 2.8.

#### 2 OPERATION OF THE ACCOUNT

2.1 You must be aged at least 18 to be an Account Holder.

2.2 An Account is available to personal customers and business customers (including companies, partnerships, limited liability partnerships, sole traders, limited companies and simple trusts) who meet the reasonable requirements set down by us from time to time.

2.3 These Conditions govern the banking relationship between you and the Bank in relation to the Account.

2.4 The minimum Deposit required to open and maintain the Account is £10,000.

2.5 The Account will be opened by us when:

2.5.1 we receive the Deposit;

2.5.2 we have accepted your Application Form; and

2.5.3 we have received to our satisfaction, where appropriate, all of the following documentation and information from you, namely, any confirmation of your identity needed to comply with our internal procedures and any updated consent we need to our use of your personal information.

2.6 When your Account is opened by us, we will issue you with an Acknowledgement, which will confirm the details of your Deposit including the Commencement Date and Maturity Date.

2.7 We will contact you approximately 4 weeks before the Maturity Date to discuss options and your instructions for dealing with the Maturity Amount, including your instructions on whether the Maturity Amount is to be paid into the Nominated Account or is to be paid into some other account in your name.

2.8 If we do not receive your instructions at least 3 Business Days before the Maturity Date, the Maturity Amount will be paid into another term deposit account in your name for a term equal in length to the Fixed Term (or a one year term, if that is less than the Fixed Term) at the interest rate applicable to such term deposits at the Maturity Date. (Note: the terms and conditions which will apply to that term deposit will be advised to you when any acknowledgement for that term deposit is issued). If we consider, acting reasonably, that you had a valid reason for not contacting us with your instructions in time we will pay the Maturity Amount into the Nominated Account, if it is open, or, if you tell us, into some other account in your name.

2.9 In the event of the death of a sole Account Holder we will accept instructions from the Account Holder's properly authorised personal representatives who will be required to apply to the Guernsey Ecclesiastical Court for a Grant of Probate. In such circumstances, the authorised personal representatives can make a withdrawal of the whole amount of the capital balance and any interest accrued in the Account at the time subject to submission to the Bank of the Grant of Probate. No charge will be applied if this happens.

2.10 We may refuse without reason to open an Account. We may close your Account without notice where there is a justifiable financial or legal reason for example, fraud or bankruptcy.

2.11 We may take up references or take other action in order to verify the identity of an Account Holder or an applicant for an Account. You must provide us with such information as we may require for these purposes.

2.12 If you change your name, name of your business, nature of your business, mailing address, email address or telephone number you must immediately inform the Bank in writing. All correspondence will be sent to the last mailing address you gave the Bank.

2.13 The Account is operated in Sterling only. Credits to and withdrawals from the Account will be in Sterling only.

- 2.14 Your instructions for account detail changes and transfers will only be accepted by the Bank in writing. Facsimile instructions will not be accepted.
- 2.15 Powers of Attorney and other forms of agency arrangement will not be accepted.
- 2.16 Third party mandates can be arranged through the Bank.
- 2.17 Any person becoming entitled to an account in consequence of death, bankruptcy, insolvency, dissolution or winding up of the affairs of an Account Holder may, upon such evidence being produced as is reasonably required by the Bank and upon the payment of such fee as the Bank may from time to time require, be registered as an Account Holder.

### **3 JOINT ACCOUNTS (Not applicable to business customers)**

- 3.1 If there is more than one party to the Account, all Account Holders are required to authorise transactions on the Account.
- 3.2 If there is more than one party to the Account the Acknowledgement will be sent to the mailing address you provided to us on the Application Form.
- 3.3 If the Account is in the names of more than one person you are all jointly and severally liable with each other for any sums owing to the Bank on the Account. This means that each of you are liable together and each of you is liable individually for all of these sums.
- 3.4 On the death of an Account Holder, unless all Account Holders have previously instructed us otherwise, we will accept instructions from the surviving Account Holder(s) and any credit balance will pass to the survivor(s).
- 3.5 Information regarding what happens to the Account in circumstances like death, divorce, separation or bankruptcy or if there are other changes in your arrangements is available from your branch. Contact should be made with your branch if any of these events occur.

### **4 BUSINESS ACCOUNTS INSTRUCTIONS AND RESPONSIBILITIES (Not applicable to personal customers)**

- 4.1 Instructions in relation to the Account may only be given to us by person(s) you have notified to us, from time to time, as having authority to operate the Account.
- 4.2 Withdrawals may only be made in accordance with the authority that you give us from time to time for operating the Account.
- 4.3 You acknowledge that if the Account Holder is a partnership, trust or an unincorporated association, unless the authority given by you to us states otherwise, any one partner, trustee or member of the unincorporated association acting alone can withdraw the entire balance on the Account. Statements will be sent to you at the mailing address you gave us. If there is more than one Account Holder, you can ask for further copies to be sent to the other Account Holder(s) at another address(es) you give us.
- 4.4 If the Account Holder is a partnership, trust or an unincorporated association, each partner, trustee and each member of the unincorporated association is jointly and severally liable for any sums owing to the Bank on the Account. This means that each of these persons is liable together and each is also liable individually to the Bank for all these sums.
- 4.5 Information regarding what happens to the Account in circumstances like death or bankruptcy or if there are other changes in your arrangements is available from your branch. Contact should be made to your branch if any of these events occur.

### **5 CREDITS TO THE ACCOUNT**

- 5.1 Once we have your Deposit, no further funds may be transferred by you into the Account.
- 5.2 We will accept for credit to your Account a sterling cheque drawn on a bank branch in the UK and other sterling electronic items payable to you. We may refuse to accept any items which are not payable to you.
- 5.3 The initial account opening Deposit if by cheque must be drawn on an account in your name.
- 5.4 No cash or Travellers Cheques will be accepted.

### **6 WITHDRAWALS**

- 6.1 During the Fixed Term, you may only make one withdrawal, on giving us 5 Business Days notice, which must be for the whole balance in your Account, including any accrued interest. Such withdrawals will be subject to a charge for requiring us to make the early repayment as set out in the table below (with a minimum charge of £30). Once the withdrawal has been made, the Account will be closed.

<b>Days to Maturity</b>	<b>Early Repayment Charge</b>
1-91	45 days interest
92-181	90 days interest
182-273	135 days interest
Above 273	180 days interest

- 6.2 The charge will be deducted first from any accrued interest, but where there is insufficient accrued interest to meet the charge in full, any additional sum will be deducted from the capital in your Account.
- 6.3 No withdrawals may be made in cash.
- 6.4 Requests to withdraw funds must be received by 11.00am on the day the transaction is taking place.

### **7 INTEREST**

- 7.1 The rate of interest applicable on the Account will have been explained to you when you applied for the Account and will be confirmed to you in the Acknowledgement and will not vary during the Fixed Term. Interest will be calculated on a daily basis on the Cleared credit balance on the Account and will start accruing on the Deposit from the date the Account is opened.
- 7.2 Where the Fixed Term is 12 months or less, interest will be credited to the Account at the Maturity Date, or when the Account is closed, if earlier.
- 7.3 Where the Fixed Term is more than 12 months, interest will be credited to the Account or Nominated Account on each anniversary of the Commencement Date and at the Maturity Date, or when the Account is closed, if earlier.

- 7.4 You can elect to have your interest credited monthly to a Nominated Account held in your name. Interest will be credited to the Nominated Account each month on the anniversary of the Commencement Date. If such a date is not a Business Day, then it will be credited on the first Business Day thereafter.
- 7.5 If and during any period when the balance of your Account falls below the minimum balance allowed we may at our discretion pay a rate of interest below the prevailing rate for the Account or no interest instead of exercising our rights to close the Account.
- 7.6 If you are an EU resident individual, interest will be subject to retention tax unless you advise us that you wish us to exchange information regarding the interest with your relevant tax authority, in which case the interest will be paid gross.
- 7.7 If you are not an EU resident individual, interest will be paid gross.
- 7.8 If we become liable to account to any tax authority for amounts of tax in respect of interest payable on the Account, we will deduct equal amounts from the interest payable on the Account and apply those amounts to settle the tax liability. We will not be required to reimburse you for any such amounts that we deduct from interest payable on the Account.
- 7.9 In all cases, you will be responsible for disclosure to the relevant tax authorities of the amount of interest credited to the Account and the settlement of any tax liability thereon.
- 7.10 In the case of joint Accounts, each Account Holder will be treated as being entitled to an equal share of the total interest payable on the Account and clauses 7.6 to 7.9 above will apply to that Account Holder's share of the total interest payable on the Account. For example, if you are an EU resident individual and are party to a joint Account, your share of the total interest payable on the Account will be subject to retention tax unless you advise us that you wish us to exchange information with your relevant tax authority regarding your share of the interest, in which case your share of the interest will be paid gross.

## **8 VARIATIONS**

- 8.1 We may at any time, for any valid reason set out in Condition 8.2 below:
  - 8.1.1 change the position as to whether, and at what rate, tax is deducted from interest applicable to your Account;
  - 8.1.2 make any change to the Conditions of the Account:
    - (a) if a change is to your disadvantage, we will notify you by writing to or emailing you 30 days before it comes into effect and you may change to another suitable account or close your Account;
    - (b) we may make any other change immediately and notify you about it within 30 days by writing to or emailing you;
  - 8.1.3 change our banking hours. We will give you at least 30 days notice by writing to or emailing you; and
  - 8.1.4 close or move your branch, which may include moving your branch to another jurisdiction. We will notify you by writing to or emailing you 12 weeks before your branch is closed or moved. If we close or move your branch we will always also tell you how we will continue to provide services to you.
- 8.2 The changes referred to in Condition 8.1 will be proportionate and will be made for one or more of the following reasons:
  - 8.2.1 by agreement with you;
  - 8.2.2 to reflect the introduction or development of new systems, methods of operation, services or facilities;
  - 8.2.3 to reflect a change or an expected change in market conditions, general banking practice or the cost of providing our services to our customers;
  - 8.2.4 to conform with or anticipate any changes in the law or taxation, or codes of practice or recommendations of the Guernsey Financial Services Commission or other regulatory body;
  - 8.2.5 to ensure that our business is run prudently and remains competitive;
  - 8.2.6 to take account of any UK, UN, EU or international sanctions, or a ruling by a court, ombudsman, regulator or similar body;
  - 8.2.7 to make these Conditions fairer or clearer for you;
  - 8.2.8 to enable us to harmonise our banking, interest or charging arrangements; or
  - 8.2.9 to rectify any mistake that might be discovered in due course.
- 8.3 If we have made a major change or a lot of minor changes in any one year, we will give you a copy of the new Conditions or a summary of the changes.

## **9 GENERAL**

- 9.1 By agreeing to these Conditions you are confirming to us that the money in your Account is and will remain yours at all times. We may ask you to confirm in writing that the money in your Account belongs to you and will remain so. Assignment of the balance by way of security or otherwise is not permitted unless agreed by us.
- 9.2 We are not responsible if we cannot carry out our duties under the Agreement arising directly or indirectly from the failure or faulty working of any machine, data processing system or transmission link, any industrial dispute or anything beyond our reasonable control or that of our agents or sub-contractors.
- 9.3 The Bank may at any time assign all or part of the Bank's rights under the Agreement (which includes our right to payment of any sums due to us by you) and may disclose to any potential assignees such information regarding you and your affairs as the Bank may see fit. Your rights under the Agreement (or any part of it) and your legal rights will not be affected. You may not assign your rights under the Agreement unless agreed by us.
- 9.4 If we are asked to provide a status enquiry about your ability to undertake transactions and commitments we will give a reply in general terms to the inquirer provided we receive your express written consent.
- 9.5 There may be other external taxes or costs which exist that are not paid through us or imposed by us. For example, you may have a liability to tax beyond that which we may have deducted dependent on your individual circumstances.
- 9.6 If you have more than one account with us we may combine or consolidate such accounts and we may at anytime (including before the maturity of any term deposit) and without prior notice to yourself apply any credit balance to which you are entitled in satisfaction of any other sum due and payable by yourself whether solely or jointly to the Bank, Clydesdale Bank PLC or any other branch thereof.
- 9.7 The Agreement is governed by the Laws of the Island of Guernsey. Each of the Bank and the Account Holder hereby submits to the non-exclusive jurisdiction of the Courts of the Island of Guernsey in respect of any proceedings arising in connection with the relationship between the Bank and the Account Holder, the documentation relating to the Account and/or these Terms and Conditions. In the event of the Account being moved by us to another jurisdiction under Condition 8.1.4, references above to Guernsey shall instead be references to the law and courts of that other jurisdiction unless we notify you otherwise.
- 9.8 These Conditions are written and available only in English and we undertake to communicate to you in English when communicating with you regarding the Account.

## **10 FINANCIAL SANCTIONS AND MONEY LAUNDERING**

10.1 By agreeing to these Conditions you are confirming that:

10.1.1 you are aware of the existence of certain UK, UN, EU and international sanctions which prohibit the free movement of funds, goods and services to and from certain designated countries, regimes, entities and individuals. Further information on these sanctions is available in the Financial Sanctions page on the Bank of England's website ([www.bankofengland.co.uk](http://www.bankofengland.co.uk)); and

10.1.2 you are aware that, in addition, certain laws, acts, money laundering rules and policies of foreign governments and their agencies, whether or not having the force of law, may affect transactions on your Account.

10.2 We reserve the discretion to refuse to handle payments if we reasonably believe that by handling the payment we might breach a UK, UN, EU or international sanction or money laundering rule.

## **11 COMPLAINTS PROCEDURES**

If you are not happy with any aspect of our service, please request a copy of our internal complaint handling procedures from your branch. Our aim is to resolve complaints to the satisfaction of our customers. There is currently no Financial Services Ombudsman Scheme operational in Guernsey.

## **12 FINANCIAL SERVICES COMPENSATION SCHEME**

Deposits with Clydesdale Bank International, are not covered by the Financial Services Compensation Scheme established in the UK under the Financial Services and Marketing Act 2000. There is no Depositors Protection Scheme operational on Guernsey.

## **13 TELEPHONE CALLS AND SECURITY**

We draw to your attention that we may record or monitor telephone calls in order to ensure security for our customers and our staff and to help maintain service quality.

Clydesdale Bank International is a trading name of Clydesdale Bank PLC.

The Guernsey branch of Clydesdale Bank PLC is licensed as a deposit taker by the Guernsey Financial Services Commission, under the Banking Supervision (Bailiwick of Guernsey) Law, 1994 as amended. There is currently no Financial Services Ombudsman Scheme operational in Guernsey. Deposits with Clydesdale Bank International are not covered by the Financial Services Compensation Scheme established in the UK under the Financial Services and Markets Act 2000.

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This publication is also available in large print, Braille, tape and disk formats. Speak to a member of staff for details.

**[www.clydesdalebankinternational.com](http://www.clydesdalebankinternational.com)**

Clydesdale Bank PLC

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