

BACS BUREAU SERVICE

Terms and conditions

For your own benefit and protection, you should carefully read these Terms and conditions and retain them for future reference. If there is anything that you do not fully understand, please ask for further information or seek professional advice or guidance.

1 Introduction

- 1.1 These Terms and conditions (the '**Bacs Bureau Terms and conditions**') apply to the Bacs Bureau service (as defined below) and should be read in conjunction with CAF Bank's general Terms and conditions (the '**General Terms and conditions**').
- 1.2 In this document, the following expressions shall have the following meanings. Capitalised expressions used in these Bacs Bureau Terms and conditions that are not defined in these Bacs Bureau Terms and conditions shall have the meaning ascribed to them in the General Terms and conditions:

Bacs means BACS Payment Systems Limited.

Bacs Bureau service means the processing of Bacs payments by us on your behalf, and the provision of Bacs sponsorship.

Bacs Bureau service fees means the fees and charges set out on the CAF Bank Bacs Bureau service tariff of charges from time to time.

Bacs payments means payments made or received by way of Direct Credit transactions or Direct Debit transactions.

Bacs scheme means the payment scheme operated by Bacs for the making and receiving of Direct Debit payments.

Bacs sponsorship means your appointment of us as your sponsor for the making and receiving of Bacs payments.

Bacs transaction means a Direct Credit transaction or a Direct Debit transaction.

Direct Credit transactions means collection of a Direct Debit payment where you are the payee.

Direct Debit payment means a payment made pursuant to an instruction by a payer to their bank or building society for their bank or building society to collect payments from their account with that bank or building society and make these payments to the bank or building society account specified by the payer.

Direct Debit transactions means each of the following:

- (i) initial set up of a Direct Debit payment;
- (ii) collection of each Direct Debit payment on each occasion collected;
- (iii) attempted collection of each Direct Debit payment that is unpaid;
- (iv) each cancelled Direct Debit payment;
- (v) each amended Direct Debit payment; and
- (vi) each claim made under the Direct Debit Scheme Guarantee; and

Direct Debit Scheme Guarantee means the scheme of mutual guarantees entered into by the payee's bank or building society and the payer's bank or building society to reimburse Direct Debit payments that have been made in error.

Insolvency Event means any event where:

- (a) the Customer at any time ceases or suspends payment of its debts or is deemed unable to pay its debts; or
- (b) any step, application or proceeding is taken by the Customer or taken against it, for the dissolution, winding up or bankruptcy or the appointment of a receiver, administrative receiver, administrator or similar officer to the Customer or over all or any part of the Customer's assets or undertaking; or
- (c) the Customer is a partnership, and such partnership is dissolved or joins or amalgamates with any other partnership; or
- (d) the Customer commences negotiations with any of its creditors with a view to the general readjustment of rescheduling of its indebtedness, makes a proposal for a voluntary arrangement or enters into an arrangement for the benefit for any of the Customer's creditors; or
- (e) the Customer suspends or ceases or threatens to suspend or cease all or a substantial part of its operation; or any event occurs which, under the applicable law of any jurisdiction, has an analogous or equivalent effect to any of the events mentioned above.

- 1.3 In this document; references to 'we', 'us', 'our', or 'Bank' are references to CAF Bank Limited; and references to 'you' or 'your' are references to the organisation in whose name the account has been opened.
- 1.4 These Bacs Bureau Terms and conditions are separate Terms and conditions applicable to the Bacs Bureau service for the purposes of condition 2.3 of the General Terms and conditions.
- 1.5 You have been provided with a copy of the General Terms and conditions as part of your relationship with us for the Account. You can request additional copies of these Terms and conditions or the General Terms and conditions at any time.

2 Appointment and services

- 2.1 In order to apply for Bacs Bureau services you must first have a CAF Cash Account.
- 2.2 We may decline to accept your application for Bacs Bureau service. Reasons might include:
 - 2.2.1 we have previously needed to return items unpaid on your Account; or
 - 2.2.2 your Account is a dormant account.
- 2.3 Where your application for our Bacs Bureau service is accepted by us:
 - 2.3.1 we will, subject to these Bacs Bureau Terms and conditions, provide the Bacs Bureau service to you in all material respects and using reasonable care and skill;
 - 2.3.2 we will use reasonable endeavours to make available to you at all times a web-based facility through which you can set up, amend and cancel your Direct Debit payments; and
 - 2.3.3 we will use reasonable endeavours to ensure that collection of Direct Debit payments is made on or immediately after the payment date advised by you via the web-based facility we make available to you for the processing of your Direct Debit payments from time to time.
- 2.4 We will provide you with reasonable assistance to enable you to set up as a user of such web-based facility we make available to you for the processing of your Direct Debit payments from time to time.
- 2.5 The Bacs Bureau service is conditional on Bacs sponsorship being in place.
- 2.6 We will provide you with any reports we receive from Bacs in respect of your Bacs payments.
- 2.7 We may, after 6 (six) months, destroy any data held in relation to:
 - in respect of a Direct Debit payment, any payer; and

- in respect of a Direct Credit transaction, any payee; including but not limited to any electronic or paper records, whether provided by such payer or payee, or by their bank or building society. It will be your sole responsibility to retain copies of any such data that you require for your own records.

3 Your obligations, representations and warranties

- 3.1 You are responsible for:
 - 3.1.1 ensuring that the details of instructions for Direct Debit payments, including but not limited to the details of the payee, the amount and the details of the payee's bank or building society account, are complete, accurate and not misleading;
 - 3.1.2 ensuring that you check the details of any statements or reports that we send to you in respect of your Bacs transactions, reconcile these against your Account statements, and notify us promptly if you become aware of anything that you feel may be an error or inaccuracy;
 - 3.1.3 ensuring that any information that we reasonably require from you in order to provide the Bacs Bureau service is provided promptly and is complete, accurate and not misleading;
 - 3.1.4 co-operating with us wherever necessary for us to deliver the Bacs Bureau service in an efficient and appropriate manner, including in respect of any applicable requirements from Bacs;
 - 3.1.5 ensuring that you have appropriate consents, authorities, permissions or similar necessary to take out, maintain and operate Bacs transactions on each date that the Bacs Bureau services are to be provided;
 - 3.1.6 complying with any requests for further information in respect of your payees or payers that we may have from time to time in order to comply with our legal and regulatory obligations, including but not limited to our obligations in respect of fighting finance crime;
 - 3.1.7 ensuring that you do not exceed, in aggregate, the credit limit that we have notified to you from time to time; and
 - 3.1.8 ensuring that you are, at all times that you use the Bacs Bureau service, compliant with the rules of the Direct Debit Scheme and the Direct Credit Scheme as set out in the Service User's Guide and Rules as issued by Bacs and as the same may be amended from time to time.
- 3.2 You warrant and represent to us, on each occasion on which you use the Bacs Bureau service, that:
 - 3.2.1 the Direct Debit payment or Direct Credit Transaction in question is not fraudulent and will not result in the commission of an offence under any applicable anti-money laundering or combating terrorist financing laws or regulations;

- 3.2.2 you have appropriate consents, authorities, permissions or similar necessary to undertake the Bacs transaction in question;
- 3.2.3 you have disclosed to us all material facts, information or matters regarding the nature of your business or the Bacs transaction in question that you knew or, acting as a reasonably prudent person, ought to have known would influence us in deciding whether or not to provide the Bacs Bureau service to you; and
- 3.2.4 you have not exceeded, and will not through the Bacs transaction in question exceed, in aggregate, the credit limit that we have notified to you in writing from time to time.

4 Authorisation

- 4.1 We may refuse to carry out a Bacs transaction if we reasonably think that:
 - 4.1.1 this is necessary on the grounds of fraud prevention or in order to meet any other legal or security measure; or
 - 4.1.2 we are required to do so by law; or
 - 4.1.3 action is taken by a third party which prevents us from executing the Bacs transaction; or
 - 4.1.4 there are technical issues which prevent us from executing the Bacs transaction; or
 - 4.1.5 the security details relating to access to the web-based facility for managing your Bacs transactions have been lost, stolen or are being used by someone else or we believe that they are being used illegally or fraudulently; or
 - 4.1.6 the Bacs transaction is not properly authorised; or
 - 4.1.7 circumstances beyond our reasonable control prevent us from offering a normal service (such as an act of terrorism, computer failure or industrial action).
- 4.2 We may refuse to make or authorise a payment if you do not have sufficient cleared funds in your Account or if this would cause your Account to go overdrawn or would cause you to breach, in aggregate, the credit limit for Bacs transactions that we have notified to you from time to time.
- 4.3 If our reason for declining the Bacs transaction was based on incorrect information, we will agree with you what needs to be done to correct that information.
- 4.4 Where we do not carry out a Bacs transaction because circumstances beyond our reasonable control prevent us from offering a normal service, we will respond proportionately to the circumstances in question and take all reasonable steps to ensure that the restrictions are lifted as soon as practicable to minimise the inconvenience to you. We will, where reasonably practicable, give you advance notice.

- 4.5 If authorisation is given, a Direct Debit payment will immediately reduce the total amount that can be drawn from your Account, even if the payment has not actually been deducted from the Account by then.
- 4.6 You must pay all Direct Debit payment amounts from your Account if it is clear that the Bacs transaction has been authorised by you.

5 Bacs Sponsorship

- 5.1 Where we are not already acting as your Bacs sponsor, your application for Bacs Bureau services will be deemed to also be an application for us to nominate you to a sponsoring bank.
- 5.2 We agree to give your sponsoring bank an undertaking and indemnity in such form as that sponsoring bank requires from time to time.
- 5.3 You agree that:
 - 5.3.1 we may make a payment under the indemnity without requiring proof or making any enquiry that the sum or sums demanded from you are properly due and payable. We may make the payment even if the sums demanded from us are not in fact payable or due, either at the time when you make the payment or at all. We may also make payment even if we dispute the validity of the demand;
 - 5.3.2 you will reimburse us on demand for all sums paid by us in connection with the indemnity. We may in any case debit your Account with all sums paid by us in connection with the indemnity and may further debit your Account with any indemnity payment payable by you as set out in 5.3.3 below;
 - 5.3.3 you will indemnify us on demand against all claims, demands, costs, charges and expenses which may be brought or preferred against us, or which we may incur arising out of or in connection with the indemnity, unless directly due to our negligence or default;
 - 5.3.4 if the amount to be debited to your Account is denominated in a currency different from the currency in which you are to pay us, we may, unless you have agreed other settlement arrangements with us, make any such debits in the currency of your Account at our rate of exchange ruling when we make such a debit; and
 - 5.3.5 you agree that you will sign a direct debit indemnity in favour of the sponsoring bank in such form as the sponsoring bank shall require from time to time.
- 5.4 You agree that we can withdraw our nomination on demand and that you shall still be liable to us under 5.3 above in respect of matters happening before the nomination is withdrawn.

6 Fees and charges

- 6.1 You will pay all applicable Bacs Bureau service fees.
- 6.2 We will invoice you for the Bacs Bureau service fees monthly in arrears for the Bacs Bureau service and shall debit the amount on such invoice on or after 7 (seven) days from the date of the invoice.
- 6.3 We will tell you about changes to the CAF Bank CAF Cash Account Fee Information Document, either in the national press or personally (which includes telling you by post, statement message, email or secure e-message). If the change is to your disadvantage we will tell you about it personally at least two months in advance.
- 6.4 The Bacs Bureau service fees set out on the CAF Bank CAF Cash Account Fee Information Document are expressed exclusive of value added tax (VAT). Where VAT is applicable, you will pay, and we shall debit such additional amounts as are necessary in respect of VAT on or after 7 (seven) days of our sending to you a valid VAT invoice.
- 6.5 Interest for late payment will accrue daily on all sums overdue at the rate of 1.5% above the base rate of HSBC Bank plc from the due date for payment (ie, 7 (seven) days after the date of the invoice in question) until the date on which payment is received by us.

7 Liability

Our liability to you and your liability to us will be limited to the extent set out in the General Terms and conditions.

8 Amendments to the Terms and conditions

We may alter these Terms and conditions in accordance with condition 20 of the General Terms and conditions.

T: 03000 123 456

E: cafbank@cafonline.org

W: www.cafonline.org/cafbank

Telephone calls may be monitored or recorded for security/training purposes.
Lines are open Monday to Friday 9am - 5pm (excluding English bank holidays).

CAF Bank Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register number: 204451). CAF Bank Limited Registered office is 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ. Registered in England and Wales under number 1837656.

9 Termination and suspension

- 9.1 Either party may terminate your Bacs Bureau service by giving the other 30 days' notice. The Bank may terminate your Bacs Bureau service forthwith on written notice if:
 - 9.1.1 you are subject to an Insolvency Event
 - 9.1.2 you commit a material breach of these Terms and conditions which is incapable of remedy
 - 9.1.3 you close your CAF Cash current account with the Bank.Upon termination of your Bacs Bureau service by either party, you must immediately pay to the Bank any outstanding charges due under these Terms and conditions.
- 9.2 Without prejudice to our other rights and remedies, including but not limited to our right of termination set out above, we shall be entitled to suspend your Bacs Bureau service without prior notice or warning should we become aware of, or reasonably suspect that there has been, any breach of the warranties and representations set out in 3.2 above, or should you fail to pay the applicable Bacs Bureau service fees in accordance with 6 above, and:
 - 9.2.1 we shall not be liable for any costs or losses sustained or incurred by you howsoever arising either directly or indirectly as a result of such suspension; and
 - 9.2.2 you shall be liable to reimburse us on written demand for any costs or losses of whatever kind and howsoever sustained by us either directly or indirectly as a result of such breach of warranty and representation.

10 Governing law and language

These Terms and conditions are governed by, and are to be construed in accordance with, English law. You and we agree that we are to be subject to the jurisdiction of the English courts. These Terms and conditions are in English and whenever we communicate with you, we will do so in English.