

Account mandates

A 'mandate' is your written permission to allow someone else (a mandate holder) to operate your business account. We need you to give us a mandate for each of the following circumstances:

- A mandate to operate your accounts for day to day activities such as signing cheques, withdrawing cash at the counter, signing instructions such as Direct Debit authorities or Standing Order requests. We sometimes call this a paper mandate.
- A mandate to operate your accounts using District - we sometimes call this a User Authorisation. This mandate only applies to the use of District.
- A mandate to use a debit card on your account - we sometimes call this a Debit Card Request Form. This type of mandate is explained under the heading 'Debit Card Mandates' below.

There are different levels of permission that you can grant to a mandate holder. We explain what these are in the next section.

Mandates explained

Paper Mandates and District mandates

There are 5 different levels of permission;

1. **All** mandate holders can view and enquire about accounts. They can do this at the counter, over the telephone, through District (if you have registered them for this service) or at a cash machine (where you have asked us to give them a debit card).
2. A '**Separate**' mandate holder can operate the account(s) independently, without the need for any further authority so payments can be made and money transferred without anyone else's approval.
3. '**Enquiry**' mandates can be used for 'view only' account access. You might use this type of mandate for a book keeper or accountant since it is helpful when enquiring, for example, about lodgments and withdrawals or reconciling accounts.
4. An '**A**' mandate can be used to operate the account(s) but any instructions will have to be authorised by a second mandate holder. The second mandate holder can hold a 'Separate' mandate or an 'A, B' or 'C' mandate.

5. The 'B' and 'C' mandates can be used to operate the account(s) but any instructions will have to be authorised by a mandate holder who holds a different mandate type. For example the instruction from a 'B' mandate holder can be authorised by an 'A' or 'C' mandate holder, however it cannot be authorised by another 'B' mandate holder.

The table below summarises which mandate types can make payments with other mandate types.

		Can Authorise Payment			
		'Separate' Mandate	'A' Mandate	'B' Mandate	'C' Mandate
Requests Payment	'A' Mandate	✓	✓	✓	✓
	'B' Mandate	✓	✓		✓
	'C' Mandate	✓	✓	✓	
	'Separate' Mandate	No authority needed for 'Separate' Mandate holder to make payments			

Debit Card Mandates

Where you ask us to issue someone with a debit card we will ask you to tell us whether you want that cardholder to have a deposit only card or a full function debit card. A deposit only card can be used only to make deposits at the post office.

If you ask us to issue someone with a full function debit card, the cardholder will be able to use the card to make withdrawals at cash machines and the Post Office. They will also be able to use the card to make point of sale and online purchases. You can ask us to restrict the amount that will apply to daily cash withdrawals and daily cash withdrawals.

Why do I need different types of mandates?

Control and Flexibility

We understand that business customers may need to be able to entrust the operation of their bank account to members of staff and others. The mandate system puts you in control of this process. You can decide;

- who can operate your account(s) – for example, you can have different mandates for each of your accounts if you prefer;
- how that person can operate your account(s) - for example, do you want the mandate holder to operate the account on their own (a 'Separate' mandate) or do you want joint authorisations ('A', 'B' and 'C' mandates); and
- whether you want to limit the amount that can be accessed.

Managing risk

'A', 'B' and 'C' mandates are called '**dual authority**' mandates, because it requires two individuals to authorise any operation on the account.

Dual authority mandates may offer you greater peace of mind, but be aware that no single person can be authorised to transact with a dual mandate which might be inconvenient, for example, if you have to wait for another mandate holder to return from holiday while your outstanding payments stack up.

Whatever you choose, consider balancing financial risk with the day to day practicalities of running your business.

Self Service

With District we offer you the opportunity to manage the mandates that will apply to District. You can do this by appointing an Administrator (or you can appoint joint Administrators if you prefer). The Administrator can then amend and update who has access to your accounts in real time, without the need to contact the Bank. This is very useful where you want to add new mandate holders or remove mandate holders who have left your business.