



# Escrow Services Terms

Supplementary to the Shieldpay  
Payment Services Terms

Version 2.0

Last Updated: 26 March 2018

Data Classification Public

## Table of Contents

1. Introduction.....	2
2. The Escrow Services we provide to you .....	2
3. Setting up the Escrow.....	3
4. Funding the Escrow.....	3
5. Escrow Agent .....	4
6. Escrow Release .....	5
7. When we may refuse to act as Escrow Agent.....	5

# 1. Introduction

---

These terms and conditions relate to our Escrow Services and supplement the **Shieldpay Payment Services Terms (Escrow Terms)**.

Where we have used a term or expression in the **Shieldpay Payment Services Terms** it shall have the same meaning in these Escrow Terms. Please read them together.

These Escrow Terms will explain how you may use your account and the payment service Shieldpay provides to you under the Shieldpay Payment Services Terms to set up an escrow arrangement for holding funds in escrow (**Escrow**) with other Shieldpay users; and, through the use of the Escrow enable us, as your, and the other Shieldpay users', **Escrow Agent**, to hold and pay out funds to the other Shieldpay users and you, when you all direct us to do so (**Escrow Services**).

For more information on what escrow is, please visit our Support section on our website at [www.shieldpay.com](http://www.shieldpay.com).

If not provided for in these Escrow Terms, the Shieldpay Payment Services Terms shall apply.

We will only pay out to payment recipients in relation to the Escrow who have been screened and accepted onto the Shieldpay platform by us and who have signed up to these terms and registered with us as a Shieldpay user.

## 2. The Escrow Services we provide to you

---

In order to use our Escrow Services, you must already have accepted the Shieldpay Payment Services Terms and have been set up on the Shieldpay platform as a Shieldpay user.

Where you want to or have entered into an arrangement with a, or other, Shieldpay user(s) and you wish to arrange for a payment to be made to them as part of that arrangement, but: you have not specified a date for payment; and/or, payment is conditional on certain conditions being met where the long-stop date exceeds three calendar months; and/or, you have agreed between you the circumstances in which funds should be paid out to protect the parties to the transaction, you can use our Escrow Services, in addition to our Shieldpay Payment Account Service.

Our Escrow Services enable you and other Shieldpay users to pay funds to us to be held in Escrow in respect of arrangements between you and the other Shieldpay users to make a payment or payments to other Shieldpay users. Such funds will be paid to us as your, and the other Shield Pay users', Escrow Agent, and Shieldpay will hold such funds on trust to be dealt with in accordance with these Escrow Terms.

When both you and the other Shieldpay users who have funded the Escrow are agreed that the arrangement in respect of which we hold funds in Escrow has completed, we will pay out

the sums that we hold in Escrow to the specified Shieldpay user(s) in accordance with a Release Notice as provided in the **Escrow Release** section of these Escrow Terms.

## 3. Setting up the Escrow

---

When setting up an Escrow with other Shieldpay users, you:

- Shall ensure you have given to us the details of all of the other escrow participants who are already or are to become Shieldpay users in accordance with the Shieldpay payment Services Terms, comprising their full name, email address and/or mobile phone number (**Escrow Participants**);
- Will specify the amount(s) that is to be held in Escrow (**Escrow Funds**) and the amounts to be funded by funding the Escrow Participant(s);
- The intended recipient(s) of the Escrow Funds and the amounts to be paid to them (if known);
- Shall specify the duration of the Escrow (being a period of not more than 12 calendar months) and the date on which the Escrow shall come to an end which shall be referred to in these Escrow Terms as the **long-stop date**;
- Irrevocably authorise and unconditionally instruct us (jointly with the other Escrow Participants who will fund the Escrow) to act as your trustee and Escrow Agent in relation to the Escrow Funds;
- Irrevocably agree and unconditionally instruct Shieldpay to pay out of the Escrow Funds the amount of the Escrow Funds to the Escrow Participants specified to receive the funds in any escrow release form in accordance with the **Escrow Release** section of these Escrow Terms.

Once you have provided all the relevant information set out above (**Escrow Information**) we shall contact the other Escrow Participants and obtain their confirmation that they wish to jointly instruct us with you on the same basis as the Escrow Information provided and we will ensure that they are, or will become Shieldpay users. If the other Escrow Participants do not become Shieldpay users we will not proceed with the Escrow.

## 4. Funding the Escrow

---

Once we have received confirmation from all the Escrow Participants, in accordance with the **Setting up the Escrow** section of these Escrow Terms, we will accept our appointment by each of the Escrow Participants as your Escrow Agent on the basis of these Escrow Terms and the Escrow Information.

Each of Shieldpay users who will be funding the Escrow shall arrange to make a payment to us using utilising the Shieldpay Payment Account Service. This means that you will set up a payment order to us under the Shieldpay Payment Services Terms to make an immediate or future dated payment to us of an amount equal to your share of the Escrow Fund from your account. We will then hold the funds as your Escrow Agent and we shall hold them in Escrow in accordance with the **Escrow Agent** section of these Escrow Terms.

The instruction to make payment to us of your share of the Escrow Funds is a payment order and it can only be revoked or changed in accordance with the provisions of the Shieldpay Payment Services Terms. Once we have received your share of the Escrow Funds, your ability to change or revoke an Escrow Release will be subject to the **Escrow Release** section of these Escrow Terms.

If we do not receive all the Escrow Funds from all the relevant Escrow Participants by the long-stop date we shall return all the Escrow Funds we hold at that time to the Escrow Participants who funded them, in the same way as we would return funds to a Shieldpay user under the Shieldpay Payment Services Terms i.e. to the same source as the funds were received from.

## 5. Escrow Agent

---

Once all the Escrow Funds have been paid to us by each of the funding Escrow Participants:

- We shall hold the Escrow Funds in Escrow;
- The Escrow Funds will be held in a **Shieldpay payment account**, which will be a separate and segregated account with a bank that satisfies the standards that would be required for a bank account holding payment funds under the PSRs;
- We will only deal with the Escrow Funds in accordance with the **Escrow Release** section of these Escrow Terms;
- If there is any conflicting notices, claims, demands or instructions given by any of the Escrow Participants in relation to any part of the Escrow Funds, we shall not take any action in relation to the Escrow Funds until we have received clear instructions from all the Escrow Participants or we are directed by final order from the Centre of Effective Dispute Resolution, as the nominated independent dispute resolution service, a court or tribunal of competent jurisdiction;
- Agree that we will have no legal, beneficial or other interest in the Escrow Funds, save as set out in these Escrow Terms.

The Escrow Participants unconditionally agree that any interest accrued or earned in relation to holding any of the Escrow Funds shall be held to the benefit of Shieldpay.

We may at any time reduce the long-stop date where we believe the arrangement to which the escrow relates carries a particular risk to Shieldpay as Escrow Agent as detailed below in the **When we may refuse to act as Escrow Agent** section of these Terms.

We may also in our absolute discretion increase the long-stop date upon the request and the agreement of all of the Escrow Participants.

## 6. Escrow Release

---

We will hold Escrow Funds in Escrow for all the Escrow Participants until we have either: received a valid notice from all of the Escrow Participants to release the Escrow Funds (a **Release Notice**); or, the specified long-stop date for the Escrow has passed with no valid Release Notice having been provided.

A Release Notice shall authorise the release of the Escrow Funds by each of the Escrow Participants in accordance with the Escrow Instructions and/or any additional instruction contained within the Release Notice and shall be made by each of the Escrow Participants by either:

1. Completing and sending to us an escrow release instruction form in the form set out in the Shieldpay escrow appointment form (**Escrow Instruction Form**), which is available upon request from Shieldpay; or
2. Authorising the release of the Escrow Funds via our phone application or online secure customer portal.

The duly and properly completed Release Notices from all of the Escrow Participants shall constitute an irrevocable instruction to us to make the payment(s) from the Escrow Funds to the specified recipients in accordance with the Escrow Instructions and/or any additional instruction contained within the Release Notice.

We shall then make payments from the Escrow Funds to the nominated account of the Shieldpay user who is specified to receive Escrow Funds, in the same way as Shieldpay would make payment from your account under the Shieldpay Payment Services Terms.

If there is any balance of Escrow Funds after we have made all payments in accordance with the Release Notice the balance shall be returned to the Escrow Participants in the proportions they funded the Escrow Funds in the same way as we would return funds to a Shieldpay user under the Shieldpay Payment Services Terms i.e. to the same source as the funds were received from.

If we do not receive a duly completed Release Notices from all the Escrow Participants as specified above by the specified long-stop date, and no valid request has been received to extend the long-stop date - to which we have agreed - we shall return all the Escrow Funds we hold to the Escrow Participants who funded them, in the same way as we would return funds to a Shieldpay user under the Shieldpay Payment Services Terms i.e. to the same source as the funds were received from.

## 7. When we may refuse to act as Escrow Agent

---

We may refuse to act or decline or revoke our appointment as Escrow Agent or delay the execution of any Release Notice to pay any or all of the Escrow Funds where we reasonably believe or have any suspicion that:

- We may be in breach of any applicable law or face action from a regulator or other authority;
- The transfer of the Escrow Funds may be linked to activity that breaches any applicable law, constitutes illegal activity or is in breach of any other agreements with Shieldpay;
- A material event have happened with the UK banking or financial system that reasonably restricts or prevents us in executing any of the instructions, notwithstanding all reasonable attempts made by us to prevent such an occurrence;
- We have a reasonable belief that any authentication on our secure customer portal has not been properly authorised or permitted or has been in any other way been intercepted or compromised;
- We have reasonable knowledge or suspicion that any of the Escrow Participants are subject to a freezing order or any other sanctions;
- The funding Escrow Participants have not provided the Escrow Funds in accordance with these Escrow Terms.