



## Terms and Conditions for Direct Debit Collection

The collection of claims by the customer, as the payee, by direct debit shall be subject to the following terms and conditions.

### 1. General

#### 1.1 Definition

A direct debit is a payment transaction initiated by the customer, as the payee, and debited to the payer's account with their payment service provider where the amount of the payment is specified by the customer.

#### 1.2 Presentation periods

Direct debit collection orders must be presented by the customer to the Bank within the periods specified in Annex A.

#### 1.3 Contribution limit for direct debit

##### 1.3.1 Contribution limit for direct debit

The customer may only submit direct debits within an interval of eight weeks (hereinafter "Interval") in accordance with the contribution limit determined by the Bank (hereinafter "Collection Limit"). The Bank shall dynamically redetermine the Collection Limit for each Interval and during the Interval, taking into account the customer's creditworthiness, the period of the customer's business activity and the incoming and outgoing payments on the customer's account managed by the Bank. The Bank's partner informs the Customer of the Collection Limit at the beginning of each Interval and - if the Collection Limit is changed during the Interval - seven calendar days before the new Collection Limit becomes valid.

##### 1.3.2 Limitation of single direct debits

The customer may only submit individual direct debits below an amount determined by the Bank ("Individual Collection Limit"). The Bank is entitled to redetermine the Individual Collection Limit, taking into account the customer's creditworthiness, the period of the customer's business activity and the incoming and outgoing payments on the customer's account managed by the Bank. The Bank's partner informs the customer of the Individual Collection Limit at the beginning of the first Interval and - in case of a change of the Individual Collection Limit during the Interval - seven calendar days

before the new Individual Collection Limit becomes valid.

#### 1.4 Notification

The Bank shall notify the customer via the partner at least once a month about the execution of direct debit collection orders and returned direct debit through the agreed account information channel. If customers are not consumers, the manner and frequency of such notifications may be agreed separately with them. In their case, the notification for direct debit amounts which are credited collectively shall only show the total amount and not the individual payment transactions.

#### 1.5 Customer's entitlement to a refund and compensation

##### 1.5.1 Customer's notification duty

The customer shall notify the Bank without delay upon detecting any incorrectly executed direct debit collections.

##### 1.5.2 Entitlement in the case of non-execution or incorrect execution of a direct debit collection order by the Bank and in the case of delayed receipt of the direct debit amount

(1) In the case of non-execution or incorrect execution of a direct debit collection order by the Bank, the customer may request the Bank to send it – again, if necessary – without delay to the payer's payment service provider.

(2) Over and above the entitlement under paragraph 1, the customer may request the Bank to refund any charges and interest it levied on them or debited to the customer's account in connection with the non-execution or incorrect execution of a direct debit collection order.

(3) If the direct debit amount merely reached the Bank with a delay, the customer may request the Bank under Section 675y, paragraph 4 of the German Civil Code (*Bürgerliches Gesetzbuch [BGB]*) to credit the direct debit amount to the customer's account as if the payment transaction had been duly executed.

##### 1.5.3 Compensation



(1) If a direct debit collection order is not executed, not executed correctly or executed with a delay, the customer may request the Bank to provide compensation for any loss or damage incurred as a result. This shall not apply if the Bank is not responsible for the neglect of duty. If the customer has contributed to the occurrence of any loss or damage through culpable conduct, the principles of contributory negligence shall determine the extent to which the Bank and the customer must bear the loss or damage.

(2) If the customer is not a consumer, the Bank's liability for any loss or damage shall be limited to the amount of the direct debit. Where consequential loss or damage is involved, liability shall, in addition, be limited to a maximum of EUR 12,500 per direct debit. These limitations on liability shall not apply to deliberate intent or gross negligence by the Bank or to risks which the Bank has assumed on an exceptional basis.

#### 1.5.4 Preclusion of liability and objection

Any claims by the customer under Section 1.5.2 and any objections by the customer against the Bank as a result of non-execution or incorrect execution of collection orders shall be precluded if the customer fails to inform the Bank thereof within a period of 13 months at the latest after being debited for an incorrectly executed collection transaction. This period shall start to run only once the Bank has informed the customer about the transaction through the agreed account information channel no later than one month after the debit entry was made; otherwise the date on which the customer is informed shall determine when the period commences.

#### 1.6 Other special arrangements with customers who are not consumers

Where customers are not consumers, Section 675d, paragraph 1, sentence 1, paragraphs 3 to 5 (duties to provide information) and Section 675f, paragraph 5, sentence 2 (fees and expenses for performing ancillary duties) of the German Civil Code (*Bürgerliches Gesetzbuch – [BGB]*) shall not apply.

#### 1.7 Making available copies of the direct debit mandates

On request, the customer shall make available to the Bank within seven business days copies of the collection authorisation

(*Einzugsermächtigung*), SEPA core direct debit mandate or SEPA business-to-business (B2B) direct debit mandate and, if necessary, further details of the direct debits presented.

## 2. SEPA core direct debit

### 2.1 Main characteristics of the SEPA core direct debit scheme

The SEPA core direct debit scheme is governed by the SEPA Core Direct Debit Scheme Rulebook issued by the European Payments Council.

The SEPA core direct debit scheme enables a payer to make payments in euros to the payee through their payment service provider within the Single Euro Payments Area (SEPA)<sup>1</sup>.

For the execution of payments by SEPA core direct debit, the payer must give the SEPA direct debit mandate (see Section 2.4.) to the payee before the payment transaction.

The customer, as the payee, initiates the respective payment transaction by presenting the direct debits to the payer's payment service provider through the Bank.

For authorised SEPA core direct debit payments, the payer shall be entitled to claim a no-questions-asked refund of the amount debited from their payment service provider. Such claim must be made within eight weeks starting from the date on which the payer's account was debited. This shall result in cancellation of the credit entry in the account of the customer as the payee.

### 2.2 Unique identifiers

The customer must use

- the IBAN issued to them by the Bank, plus for cross-border direct debit collections in countries outside the European Economic Area (EEA)<sup>2</sup> the BIC of the Bank, as their unique identifier and
- the IBAN notified to them by the payer, plus for cross-border direct debit collections in countries outside the European Economic Area (EEA)<sup>3</sup> the BIC of the payer's payment service provider, as the unique identifier of the payer.

The Bank is entitled to collect the direct debits solely on the basis of the unique identifiers provided to it.

### 2.4 SEPA direct debit mandate

<sup>1</sup> For a list of the SEPA countries and territories, see Annex D.

<sup>2</sup> For a list of the SEPA countries and territories, see Annex D.

<sup>3</sup> For a list of the SEPA countries and territories, see Annex D.



### 2.4.1 Giving the SEPA direct debit mandate

The customer must obtain a SEPA direct debit mandate from the payer before presenting SEPA core direct debits. E-mandates in the meaning of the "SEPA Core Direct Debit Scheme Rulebook" of the European Payments Council shall not be submitted. The SEPA direct debit mandate must contain the following statements by the payer:

- a statement authorising the customer to collect payments from the payer's account by SEPA core direct debit and
- a statement instructing the payer's payment service provider to pay the SEPA core direct debits drawn by the customer on the payer's account.

For this purpose, the customer must use the text attached as Annex B or an identical text in an official language of the countries and territories listed in Annex D in accordance with the rules laid down by the European Payments Council (see [www.europeanpaymentscouncil.eu](http://www.europeanpaymentscouncil.eu)).

The mandate must, in addition, include the following details:

- name and address of the customer and the customer's creditor identifier (where customers are resident in Germany, this is assigned by the Deutsche Bundesbank; see <http://glaeubiger-id.bundesbank.de>)
- indication of whether the mandate is for a one-off payment or recurrent payments or
- name of the payer or identification pursuant to Annex C.2
- unique identifier of the payer (see Section 2.2)
- signature by the payer and
- date of signature by the payer.

The mandate reference assigned individually by the customer

- shall, in conjunction with the creditor identifier, uniquely identify each mandate
- shall be up to 35 alphanumeric digits long and
- may form part of the mandate or must be subsequently notified to the payer.

The SEPA direct debit mandate may contain additional details supplementing the aforementioned data.

### 2.4.2 Record-keeping requirement

The customer shall be obligated to retain the SEPA direct debit mandate given by the payer – including any changes – in the legally required form. Once the mandate expires, it must be retained for a

period of not less than 14 months calculated from the date of presentation of the last direct debit collected.

### 2.4.3 Revocation of the SEPA direct debit mandate by the payer

If a payer revokes a SEPA direct debit mandate vis-à-vis the customer, the customer may not collect any further SEPA core direct debits on the basis of this SEPA direct debit mandate.

If a SEPA core direct debit is returned to the customer for the following reason: "No mandate/unauthorised transaction", the payer's payment service provider thereby informs the customer that the payer has revoked the SEPA direct debit mandate given to the customer. The customer may then not collect any further SEPA core direct debits on the basis of this SEPA direct debit mandate

### 2.5 Notification of SEPA core direct debit collection

The customer must notify the payer of SEPA core direct debit collection no later than 14 calendar days before the due date of the first SEPA core direct debit payment (e.g. by issuing an invoice); the customer and the payer may also agree a different notification period. For recurrent direct debits for the same amounts, it shall be sufficient to notify the payer once before the first direct debit collection and to indicate the dates when payments are due.

### 2.6 Presentation of the SEPA core direct debit

(1) The SEPA direct debit mandate given by the payer shall remain with the customer as the payee. The customer shall take over the authorisation data and enter any additional details in the data set for collection of SEPA core direct debits. The respective direct debit amount and the date on which the direct debit payment is due shall be specified by the customer. If the SEPA core direct debit is drawn on an account held by the payer outside the European Economic Area (EEA)<sup>4</sup>, the payer's address should be additionally indicated in the data set.

(2) The customer shall send the data set for collection of the SEPA core direct debit to the Bank electronically in compliance with the agreed presentation periods. This shall be governed by the Terms and Conditions for Online Banking (*Bedingungen für das Online-Banking*). The direct debit must be tagged in accordance with Annex C. The payer's payment service provider (payer bank) shall be entitled to process the direct debit according to how it is tagged.

<sup>4</sup> For a list of the SEPA countries and territories, see Annex D.



(3) If the due date specified by the customer in the data record is not a TARGET2 business day<sup>5</sup>, the Bank shall be entitled to specify the following TARGET2 business day as the due date in the direct debit data set.

(4) If the customer does not present any SEPA core direct debit under a SEPA direct debit mandate within a period of 36 months (calculated from the due date of the last SEPA core direct debit presented), they must cease collecting direct debits under this mandate and shall be obligated to obtain a new SEPA direct debit mandate if they wish to collect SEPA core direct debits from the payer thereafter. The Bank shall not be obligated to verify compliance with the measures referred to in sentence 1.

(5) The Bank shall send the SEPA core direct debit, if presented punctually and properly, to the payer's payment service provider so that the payment can be debited on the due date contained in the direct debit data set.

## 2.7 Execution of the payment transaction and returned direct debits

(1) The payer's payment service provider remits the amount debited by it to the payer's account on the basis of the SEPA core direct debit to the Bank.

(2) The Bank shall credit direct debit collection amounts – in the case of bulk collection, the aggregate amount – to the customer's account "subject to receipt of funds" (conditional credit entry).

Partial amounts will not be paid.

(3) If a direct debit is not paid by the payer's payment service provider or is returned because a refund is claimed by the payer, the Bank shall cancel the conditional credit entry or credit entry. It shall do so irrespective of whether a periodic balance statement has been issued in the meantime.

Direct debits which have been charged back may not be represented for collection.

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<sup>5</sup> TARGET2 stands for Trans-European Automated Real-time Gross Settlement Express Transfer System. TARGET2 is open

every day except Saturday, Sunday, New Year, Good Friday, Easter Monday, 1 May and 25 and 26 December.



## Annex A

### Presentation periods

<b>SEPA core direct debit</b>	<ul style="list-style-type: none"> <li>• At the earliest 14 calendar days before the direct debit is due.</li> <li>• At the latest 1 business day before the direct debit is due by 2 p.m..</li> <li>• At the latest 2 business days before the direct debit is due after 2 p.m..</li> </ul>
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Banking business days are set out in the “List of Prices and Services” (Preis- und Leistungsverzeichnis)

## Annex B\*

### Text of the SEPA direct debit mandate to the payee

<p><b>SEPA-Lastschriftmandat</b></p> <p>Ich ermächtige/Wir ermächtigen [Name des Zahlungsempfängers], Zahlungen von meinem/unserem Konto mittels Lastschrift einzuziehen. Zugleich weise ich meinen/weisen wir unseren Zahlungsdienstleister an, die von [Name des Zahlungsempfängers] auf mein/ unser Konto gezogenen Lastschriften einzulösen.</p> <p>Hinweis: Ich kann/Wir können innerhalb von acht Wochen, beginnend mit dem Belastungsdatum, die Erstattung des belasteten Betrages verlangen. Es gelten dabei die mit meinem/unserem Zahlungsdienstleister vereinbarten Bedingungen.</p> <p>_____   ____</p> <p>Zahlungsdienstleister des Zahlers (Name und BIC<sup>6</sup>)</p> <p>IBAN: __   ____   ____   ____   ____   __</p> <p>.....</p> <p>Ort, Datum, Unterschrift(en) des/der Zahler(s)</p>	<p><b>SEPA direct debit mandat</b></p> <p>By signing this mandate form, you authorise (A) [NAME OF PAYEE] to send instructions to your payment service provider to debit your account and (B) your payment service provider to debit your account in accordance with the instructions from [NAME OF PAYEE].</p> <p>As part of your rights, you are entitled to a refund from your payment service provider under the terms and conditions of your agreement with your payment service provider. A refund must be claimed within 8 weeks starting from the date on which your account was debited.</p> <p>_____   ____</p> <p>Payer's payment service provider (name and BIC<sup>11</sup>)</p> <p>IBAN: __   ____   ____   ____   ____   __</p>
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<sup>6</sup> May be omitted for payments within the European Economic Area (EEA).



	..... Place, date, signature(s) of payer(s)
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## Annex C

### 1. Tagging of the different direct debit schemes in the data set

Scheme	Data set tag	
SEPA core direct debit	"CORE" in "Code" element of "Local instrument" element group	

### 2. Name of the payer pursuant to Section 2.4.1, paragraph 3, third indent

If a direct debit mandate for a SEPA core direct debit ("Local instrument" contains "CORE") is generated from bank card data at a point of sale (card terminal) and if the name of the payer is not available, the payer may be identified by indicating card data instead of the name as follows: constant/CDGM (card data generated mandate), followed by card number, card sequence number and expiry date (four-digit in YYMM format). If the card number is not available, the PAN should be used. To obtain an identical card number/PAN field length, the card number should be padded with zeros from the left to make it 19 digits long.

## Annex D

### List of SEPA countries and territories

#### Countries belonging to the European Economic Area (EEA)

Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France (including French Guiana, Guadeloupe, Martinique, Mayotte, Réunion), Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovak Republic, Slovenia, Spain, Sweden, United Kingdom of Great Britain and Northern Ireland.

#### Further countries

Iceland, Liechtenstein, Norway.

#### Other countries and territories



Andorra, Guernsey, Isle of Man, Jersey, Monaco, Saint-Pierre & Miquelon, San Marino, Switzerland, Vatican City State.