# Terms and Conditions for Payments by Direct Debit under the SEPA Core Direct Debit Scheme
Version amended 13 January 2018

**The present translation is provided for the customer's convenience only. The original German text of the Terms and Conditions for Payments by Direct Debit under the SEPA Core Direct Debit Scheme (Bedingungen für Zahlungen mittels Lastschrift im SEPA-Basis-lastschriftverfahren) is binding in all respects. In the event of any divergence between the English and the German texts, constructions, meanings or interpretations, the German text, constructions, meanings or interpretations shall govern exclusively.**

**Further details of the Bank are contained in the "List of Prices and Services" (Preis- und Leistungsverzeichnis).**

**Payments which the customer makes to payees (creditors) by SEPA core direct debit through his/her account with the Bank shall be subject to the following terms and conditions.**

## 1 General

### 1.1 Definition
A direct debit is a payment transaction initiated by the payee and debited to the customer's account where the amount of the payment is specified by the payee.

### 1.2 Charges and changes thereto
#### 1.2.1 Charges for consumers
The charges for direct debits shall be set out in the "List of Prices and Services" (Preis- und Leistungsverzeichnis).

Any changes to the charges for direct debits shall be offered to the customer in text form no later than two months before their proposed date of entry into force. If the customer has agreed an electronic communication channel with the Bank within the framework of the business relationship, the changes may also be offered through this channel. The customer may either approve or indicate disapproval of the amendments before their proposed date of entry into force.

The changes shall be deemed to have been approved by the customer, unless the customer has indicated disapproval before their proposed date of entry into force. The Bank shall expressly draw the customer's attention to this tacit approval in its offer. If the customer is offered changes to charges the customer may terminate the business relationship free of charge with immediate effect before the changes' proposed date of entry into force. The Bank shall expressly draw the customer's attention to this right of termination in its offer.

Changes to charges for the Payment Services Contract (giro agreement) shall be governed by Section 12 Paragraph 5 of the Bank's General Business Conditions

#### 1.2.2 Charges for customers who are not consumers
Charges for payments by customers and any changes in these shall continue to be governed by No. 12, Paragraphs 2 – 6 of the Bank's General Business Conditions (Allgemeine Geschäftsbedingungen).

## 2 SEPA core direct debit

### 2.1 General
#### 2.1.1 Main characteristics of the SEPA core direct debit scheme
The SEPA core direct debit scheme enables the customer to make payments in euros to the payee through the Bank within the Single Euro Payments Area (SEPA). SEPA comprises the countries and territories listed in the Annex.
For the execution of payments by SEPA core direct debit:
– the payee and the payee's payment service provider must use the SEPA core direct debit scheme; and
– the customer must give the SEPA core direct debit mandate to the payee before the payment transaction.
The payee shall initiate the respective payment transaction by presenting the direct debits to the Bank through his/her payment service provider.
If a payment made on the basis of a SEPA core direct debit is authorised, the customer shall be entitled to claim a refund of the amount debited from the Bank. Such claim must be made within eight weeks starting from the date on which the customer's account was debited.

#### 2.1.2 Unique identifiers
The customer must use the IBAN  notified to him/her, plus for cross-border payments (outside the European Economic Area ) the BIC of the Bank, as his/her unique identifier vis-à-vis the payee, since the Bank is entitled to execute the payment by SEPA core direct debit solely on the basis of the unique identifier provided to it. The Bank and intermediary institutions involved will execute the payment to the payee using the IBAN, plus for cross-border payments outside the EEA the BIC, indicated by the payee in the direct debit data set as the customer's unique identifier.

#### 2.1.3 Transmission of direct debit data
When SEPA core direct debits are used, the direct debit data may also be forwarded to the Bank through the message transmission system of the Society for Worldwide Interbank Financial Telecommunications (SWIFT), which is based in Belgium and has operating centres in the European Union, Switzerland and the United States.

### 2.2 SEPA direct debit mandate
#### 2.2.1 Giving the SEPA direct debit mandate
The customer shall give a SEPA direct debit mandate to the payee. The customer thereby authorises the Bank to pay SEPA core direct debits drawn by the payee. The mandate must be given in writing or in the manner agreed with the Bank. By giving such authorisation, the customer also expressly allows the payment service provider and any intermediary institution involved in collecting the direct debit to process, transmit and store his/her personal data required to execute the direct debit.
The SEPA core direct debit mandate must contain the following statements by the customer:
– a statement authorising the payee to collect payments from the customer's account by SEPA core direct debit; and
– a statement instructing the Bank to pay SEPA core direct debits drawn by the payee on the customer's account.
The SEPA core direct debit mandate must contain the following authorisation data:
– identification of the payee
– creditor identifier
– indication of whether the mandate is for a one-off or recurring payment
– name of the customer (if available)
– name of the customer's bank; and
– customer's unique identifier (see Section 2.1.2).
The direct debit mandate may contain additional details supplementing the authorisation data.

#### 2.2.2 Collection authorisation (Einzugsermächtigung) as a SEPA direct debit mandate
If the customer has given collection authorisation (Einzugsermächtigung) to the payee, authorising the payee to collect payments from his/her account by direct debit, the customer thereby instructs the Bank at the same time to pay the direct debits drawn on his/her account by the payee. With the collection authorisation, the customer authorises the Bank to pay direct debits drawn by the payee. This collection authorisation shall be deemed to be a SEPA direct debit mandate. Sentences 1 – 3 shall also apply to collection authorisation given by the customer prior to the entry into force of these Terms and Conditions.
Collection authorisation must contain the following authorisation data:
– name and address of the payee
– name of the customer
– customer's unique identifier in accordance with Section 2.1.2 or account number (Kontonummer) and bank code (Bankleitzahl).
Collection authorisation may contain additional details supplementing the authorisation data.

#### 2.2.3 Revocation of the SEPA direct debit mandate
The SEPA direct debit mandate may be revoked by the customer by means of a statement to this effect – if possible, in writing – to the payee or the Bank, with the result that subsequent payment transactions are no longer authorised. If notice of revocation is given to the Bank, it shall take effect from the banking business day, as stated in the "List of Prices and Services", following the day on which it is received. Notice of revocation should also be given to the payee so that he/she does not collect any further direct debits.

**2.2.4 Limitation and disallowance of SEPA core direct debits**
The customer may separately instruct the Bank to limit or disallow payments under SEPA core direct debits. This instruction must be received by the Bank no later than the end of the banking business day, as stated in the "List of Prices and Services", before the due date indicated in the direct debit data set. This instruction should, if possible, be given in writing and to the account-keeping branch of the Bank. It should, in addition, be given to the payee.

**2.3 Collection of the SEPA core direct debit by the payee under the SEPA core direct debit mandate**
(1) The SEPA core direct debit mandate given by the customer shall remain with the payee. The payee 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 shall be specified by the payee.
(2) The payee shall send the data set for collection of the SEPA core direct debit to the Bank (payer bank) electronically through his/her payment service provider. This data set shall also represent the customer's instruction to the Bank in the SEPA direct debit mandate to pay the respective SEPA core direct debit (see Section 2.2.1, Sentences 2 and 4 and Section 2.2.2, Sentence 2). For delivery of this instruction, the Bank shall waive the form agreed for giving the SEPA direct debit mandate (see Section 2.2.1, Sentence 3).

**2.4 Payment transaction based on the SEPA core direct debit**
**2.4.1 Debiting the direct debit amount to the customer's account**
(1) On receipt of SEPA core direct debits drawn by the payee, the amount specified by the payee shall be debited to the customer's account on the due date indicated in the direct debit data set. If the due date is not a banking business day as stated in the "List of Prices and Services", the account shall be debited on the next banking business day.
(2) The customer's account shall not be debited or a debit entry shall be cancelled no later than the second bank working day after it was made (see Section 2.4.2) if:
– the Bank has received notice of revocation of the SEPA direct debit mandate pursuant to Section 2.2.3
– the customer does not have a sufficient credit balance on the account or sufficient credit for payment of the direct debit (lack of funds); the Bank shall not pay partial amounts
– the payer's IBAN indicated in the direct debit data set cannot be assigned to any account held by the customer with the Bank or
– the direct debit cannot be processed by the Bank because the direct debit data set
– does not contain a creditor identifier or contains one which is evidently wrong to the Bank
– does not contain a mandate reference
– does not indicate the date on which the mandate was given or
– does not indicate the due date.
(3) In addition, the customer's account shall not be debited or a debit entry shall be cancelled no later than the second bank working day after it was made (see Section 2.4.2) if this SEPA core direct debit is countermanded by a separate instruction from the customer pursuant to Section 2.2.4.

**2.4.2 Payment of SEPA core direct debits**
SEPA core direct debits shall be paid if the debit entry in the customer's account has not been cancelled later than the second bank working day after it was made.

**2.4.3 Notification of non-execution or cancellation of the debit entry or refusal of payment**
The Bank shall inform the customer without delay, and no later than the time agreed in Section 2.4.4, of non-execution or cancellation of the debit entry (see Section 2.4.1, Paragraph 2) or refusal to pay a SEPA core direct debit (see Section 2.4.2). This may be done also through the agreed account information channel. The Bank shall, if possible, state the reasons and indicate ways to rectify the errors that led to the non-execution, cancellation or refusal. For a justified refusal to pay an authorised SEPA core direct debit due to a lack of funds (see Section 2.4.1, Paragraph 2, second bullet point), the Bank shall levy the charge set out in the "List of Prices and Services".

**2.4.4 Execution of the payment**
(1) The Bank shall be obliged to ensure the amount debited by it to the customer's account on the basis of the SEPA core direct debit presented by the payee is received by the payee's payment service provider within the execution period indicated in the "List of Prices and Services" at the latest.
(2) The execution period shall commence on the due date indicated in the direct debit data set. If this date is not a banking business day as stated in the "List of Prices and Services", the execution period shall commence on the following banking business day.
(3) The Bank shall inform the customer of the execution of the payment through the agreed account information channel and at the agreed frequency.

**2.5 Customer's entitlement to a refund for an authorised payment**
(1) If a payment made on the basis of a SEPA core direct debit is authorised, the customer shall be entitled to claim a no-questions-asked refund of the amount debited from the Bank. Such claim must be made within eight weeks starting from the date on which the customer's account was debited. The Bank shall restore the balance of the customer's account to what it would have been without debiting for the payment. Any claims by the payee against the customer shall not be affected by this.
(2) The entitlement to a refund under Paragraph 1 shall be precluded as soon as the amount of the direct debit entry has been expressly authorised by the customer directly to the Bank.
(3) The customer's entitlement to a refund for a non-executed or incorrectly executed authorised payment shall be determined by Section 2.6.2.

**2.6 Customer's entitlement to a refund, correction and compensation**
**2.6.1 Refund for an unauthorised payment**
If a payment is not authorised by the customer, the Bank shall have no claim against the customer for reimbursement of its expenses. It shall be obliged to refund the amount debited to the customer's account to the customer without delay and to restore the balance of this account to what it would be without debiting for the unauthorised payment. This obligation must have been satisfied in accordance with the "List of Prices and Services" by no later than the end of the business day following the day on which the Bank was notified or otherwise learned that the payment was unauthorised. If the Bank has notified any competent authority in writing that it has legitimate grounds to suspect fraudulent conduct on the part of the customer, the Bank shall review and perform its obligation under Sentence 2 without delay if the suspected fraud is not confirmed.

**2.6.2 Claims for non-execution, incorrect execution or late execution of authorised payments**
(1) If an authorised payment is not executed or not executed correctly, the customer may request the Bank to refund the direct debit amount in full without delay insofar as the payment was not executed or executed incorrectly. The Bank shall then restore the balance of the customer's account to what it would have been without debiting for the incorrectly executed payment transaction.
(2) Over and above the entitlement under Paragraph 1, the customer may ask the Bank to refund the charges and interest levied on him/her or debited to his/her account in connection with the non-execution or incorrect execution of the payment.
(3) If the direct debit amount is not remitted to the payee's payment service provider until after expiry of the execution period under Section 2.4.4 Paragraph 2 (delay), the payee may ask its payment service provider to credit the direct debit amount to the payee's account as if the payment had been properly executed.
(4) If a payment transaction was not executed or not executed correctly, the Bank shall, at the customer's request, make immediate efforts to trace the payment transaction and notify the customer of the outcome.

**2.6.3 Compensation for breach of duty**
(1) If an authorised payment is not executed, not executed correctly or executed late, or if a payment is unauthorised, the customer may ask the Bank to provide compensation for any loss or damage not already covered by Sections 2.6.1 and 2.6.2. This shall not apply if the Bank is not responsible for the neglect of duty. The Bank shall be liable in this connection for any fault on the part of an intermediary institution to the same extent as for any fault on its own part. 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) Liability under Paragraph 1 shall be limited to EUR 12,500.
This limitation on liability shall not apply to:
– unauthorised payments
– cases of deliberate intent or gross negligence by the Bank
– risks which the Bank has assumed on an exceptional basis and,
– if the customer is a consumer, loss of interest incurred by the customer.

**2.6.4 Claims of customers who are not consumers**
By way of derogation from the claims under Sections 2.6.2 and 2.6.3, customers who are not consumers shall only have a claim for compensation – besides any claims for restitution under Sections 667 and 812 ff. of the German Civil Code – for an authorised payment that is not executed, is not executed correctly or is executed late or for an unauthorised payment in accordance with the following rules:
– The Bank shall be liable for fault on its own part. 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.
– The Bank shall not be liable for fault on the part of any intermediary institutions. In such cases, the Bank's liability shall be limited to the careful selection and instruction of the first intermediary institution.
– The amount of the customer's claim for compensation shall be limited to the amount of the direct debit, plus the charges and interest levied by the Bank. Where claims for consequential loss or damage are asserted, such claims shall be limited to a maximum of EUR 12,500 per payment. 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, or to unauthorised payments.

**2.6.5 Preclusion of liability and objection**
(1) Any liability by the Bank under Sections 2.6.2 – 2.6.4 shall be precluded:
– if the Bank proves to the customer that the full amount of the payment reached the payee's payment service provider in due time; or
– if the payment was executed in conformity with the incorrect unique payee identifier provided by the payee. In this case, the customer may, however, ask the Bank to make a reasonable effort to recover the amount of the payment. If the payment amount under Sentence 2 of this sub-section cannot be recovered, the Bank shall upon written request provide the customer with all available information so that the customer can assert a claim for a refund of the payment amount. For the services under Sentences 2 and 3 of this sub-section, the Bank shall levy the charge set out in the "List of Prices and Services".
(2) Any claims by the customer under Sections 2.6.1 – 2.6.4 and any objections by the customer against the Bank as a result of non-execution or incorrect execution of payments, or as a result of unauthorised payments, 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 unauthorised or incorrectly executed payment. This period shall start to run only once the Bank has informed the customer about the debit entry for the payment 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. The customer may also assert compensation claims under Section 2.6.3 after expiry of the period referred to in Sentence 1 if he/she was prevented, through no fault of his/her own, from adhering to this period.
(3) Any claims by the customer shall be precluded if the circumstances substantiating a claim:
– are based upon an abnormal and unforeseeable event beyond the control of the Bank and whose consequences could not have been avoided even by exercising due diligence
– or were brought about by the Bank as a result of a statutory obligation.

**Annex: List of SEPA countries and territories**

**Countries belonging to the European Economic Area (EEA)**
Member states of the European Union: 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 and Norway.

**Other countries and territories**
Guernsey, Jersey, the Isle of Man, Monaco, St. Pierre & Miquelon, San Marino and Switzerland.

[1] International Bank Account Number
[2] For the member countries, see Annex.
[3] Business Identifier Code
[4] Bank working days are all working days except Saturdays, December 24 and December 31.