



# Terms and Conditions for Direct Debit for Corporate Customers

(valid from 26 June 2017)

**The collection of amounts receivable by the Customer as a payee by direct debit shall be subject to the following terms and conditions:**

## I. General

### 1.1 Definition

A direct debit is a payment transaction initiated by the payee by debiting the Customer's account with his payment service provider, in which the payment amount for each payment is stated by the payee.

### 1.2 Submission periods

Direct debits must be submitted to the Bank by the Customer within the periods defined in Annex A. If direct debits are submitted after the expiry of the relevant submission period, the Bank shall be entitled to reject them.

### 1.3 Deduction of charges from the amount credited in the direct debit

The Bank shall be entitled to deduct its due charges from the direct debit amount that is credited.

### 1.4 Notification

The Bank shall notify the Customer at least once per month about the execution or rejection of Direct Debit Collection Orders and direct debit returns by the agreed method of providing account information. The notification for direct debit collections that are credited collectively shall show only the total amount and not the individual payment transactions. Other arrangements may also be made.

### 1.5 Refund and compensation claims by the Customer

#### 1.5.1 Customer's duty of notification

The Customer shall notify the Bank of any incorrectly executed Direct Debit Collections without delay when such transactions are detected.

#### 1.5.2 Refund by the Bank in the event of a Direct Debit Collection Order which has not been carried out or has been incorrectly carried out

- (1) If a Direct Debit Collection Order has not been carried out or has been incorrectly carried out by the Bank, the Customer shall be entitled to demand that the Bank transmit this order to the payer's payment service provider without delay, or transmits it again if necessary.
- (2) In addition to the entitlement stipulated in paragraph 1, the Customer may demand that the Bank reimburse any fees and interest which the Bank has charged to him or debited to his account in connection with the Direct Debit Order which has not been carried out or has been incorrectly carried out.

#### 1.5.3 Compensation

In the event of an authorised Direct Debit Collection Order which has not been carried out or has been incorrectly carried out, or of an unauthorised Direct Debit Collection Order, the Customer shall only be entitled to claims for compensation subject to the following provisions:

- The Bank shall be liable for any fault on its own part. If the Customer has contributed to the occurrence of a loss through any fault of his own, the principles of contributory negligence shall determine the extent to which the Bank and the Customer must bear the loss.
- The Bank shall not be liable for any fault of any intermediaries which the Bank has included in the handling of the Direct Debit Collection Order. In these cases, the liability of the Bank shall be limited to its care in selecting and instructing the first intermediary (order passed on to third parties/"weitergeleiteter Auftrag").
- Any claim of the Customer for compensation is limited to a maximum of one million euro per Direct Debit Collection Order. Insofar as any such claim applies to consequential losses, the claim shall be limited to a maximum of 12,500 euro per Direct Debit Collection Order. This limitation of liability shall not apply to wilful misconduct or gross negligence by the Bank.

#### 1.5.4 Exclusion of liability and objections

Any claims of the Customer under No. 1.5.2 and 1.5.3 and any objections of the Customer against the Bank due to nonexecuted or incorrectly executed collection orders shall be excluded if the Customer fails to notify the Bank about

that within 13 months from the date on which the transaction was entered. This period shall only begin to run if the Bank has notified the Customer of the transaction by the agreed means of communication for account information at the latest within one month after the entry of the transaction; otherwise, the period shall begin to run on the date of such notification.

## 1.6 Provision of copies of the Direct Debit Mandate

On request, the Customer shall provide the Bank with copies of the Direct Debit Mandate, the SEPA Direct Debit Mandate or SEPA B2B Direct Debit Mandate, and if appropriate any additional information on the submitted direct debits; in the case of a SEPA Direct Debit Mandate or a SEPA B2B Direct Debit Mandate these copies must be provided within seven business days. If the Customer does not have such copies, the customer is obliged to furnish the Bank with other evidence that they submitted the direct debit on the basis of a valid Direct Debit Collection Authorisation or valid mandate.

### II. Direct debit via collection authorisation to the payee (“Einzugsermächtigungslastschrift”)

Due to legal regulation, payments by direct debit via collection authorisation (“Einzugsermächtigungsverfahren”) must not be used any more.

### III. SEPA Core Direct Debit

## 3.1 Basic features of the SEPA Core Direct Debit Scheme

The SEPA Core Direct Debit process is based on the “SEPA Core Direct Debit Scheme Rulebook” of the European Payments Council.

With the SEPA Core Direct Debit Scheme, the payer can make payments to the payee in euro through his payment service provider within the “Single Euro Payments Area” (SEPA).<sup>1</sup>

For the execution of payments by means of SEPA Core Direct Debits, the payer must give the payee a SEPA Direct Debit Mandate prior to the payment transaction.

The Customer, as the payee, initiates the relevant payment transaction by presenting the direct debits to the payer’s payment services provider through the Bank.

In the event of an authorised payment based on a SEPA Core Direct Debit, the payer may request his payment service provider to refund the direct debit amount debited to his account for a period of eight weeks from the date the funds were debited. This leads to a cancellation of the provisional credit booking in the account of the Customer as the payee.

## 3.2 Customer identifier (“Kundenkennung”)

For the procedure, the Customer must use

- the IBAN notified by the Bank and, in the case of cross-border payments up to 31 January 2016, also the Bank’s BIC as his customer identifier, and
- the payer’s IBAN as notified by the payer and, in the case of cross-border payments (within the European Economic Area<sup>2</sup> up to 31 January 2016), also the BIC of the payer’s payment service provider as the payer’s customer identifier.

The Bank shall be entitled to conduct the collection of the direct debits exclusively on the basis of the customer identifiers provided to the Bank.

## 3.3 Transmission of direct debit data

For SEPA Core Direct Debits, the direct debit data may be forwarded by the Bank to the payer’s payment service provider via the telecommunication system of the Society for Worldwide Interbank Financial Telecommunication (SWIFT), which has its registered office in Belgium and maintains computer centres in the European Union, Switzerland and the United States.

## 3.4 SEPA Direct Debit Mandate

### 3.4.1 Granting the SEPA Direct Debit Mandate

Before submitting SEPA Core Direct Debits, the Customer must obtain a SEPA Direct Debit Mandate from the payer. The SEPA Direct Debit Mandate must contain the following declarations by the payer:

- an authorisation from the Customer via the payer to collect payments from the payer’s account by means of SEPA Core Direct Debits, and
- an instruction from the payer to his payment services provider to honour the SEPA Core Direct Debits drawn on his account by the Customer.

To this end, the Customer must use the text attached as Annex B.2 or a text with the same content in an official language of the states and territories named in Annex D in accordance with the requirements of the European Payments Council (see [www.europeanpaymentscouncil.eu](http://www.europeanpaymentscouncil.eu)).

In addition, the following details must be included in the mandate:

- name of the Customer, his address and his creditor identifier (“Gläubiger-Identifikationsnummer”) (for Customers based in Germany this is issued by the Deutsche Bundesbank, see [www.glaebiger-id.bundesbank.de](http://www.glaebiger-id.bundesbank.de)),
- statement as to whether the mandate is given for recurring payments or a non-recurring payment,
- name of the payer or description in accordance with Annex C point 2,

<sup>1</sup> See Annex D for a list of the states and territories which currently belong to SEPA.

<sup>2</sup> See Annex D for the member states.

- the payer's customer identifier (see point 3.2),
- the payer's signature and
- the date of the payer's signature.

The individual mandate reference issued by the Customer

- uniquely designates the respective mandate in conjunction with the creditor identifier,
- consists of up to 35 alphanumeric digits, and
- may form part of the mandate itself or may need to be subsequently notified to the payer.

In addition to the above data, the SEPA Direct Debit Mandate may contain supplementary information.

### 3.4.2 Direct Debit Collection Authorisation as SEPA Direct Debit Mandate

(1) The Customer may use a Direct Debit Collection Authorisation issued prior to 1 February 2014 as a SEPA Direct Debit Mandate. To this end, the following prerequisites apply:

- The payer has issued the Customer, as payee, a written Direct Debit Collection Authorisation, with which he authorises the payee to collect payments from his account by direct debit.
- The payer and his payment service provider have agreed that
  - the payer, with the Direct Debit Collection Authorisation, at the same time instructs his payment service provider to collect the direct debits drawn on his account by the payee, and
  - this Direct Debit Collection Authorisation can be used as a SEPA Direct Debit Mandate.

(2) The Direct Debit Collection Authorisation must include the following authorisation data:

- name of the payee,
- name of the payer,
- customer identifier in accordance with point 4.2 or the payer's account number and bank code.

The Direct Debit Collection Authorisation may include further details in addition to the authorisation data.

(3) Before the first SEPA Core Direct Debit Collection, the Customer must inform the payer of the change from collection via Direct Debit Collection Authorisation to collection via SEPA Core Direct Debit, indicating the creditor identifier and mandate reference in text form. On the Bank's request, the Customer must verify the payer's instructions in an appropriate manner in accordance with sentence 1.

(4) The first SEPA Core Direct Debit, which is effected after the change from the direct debit via collection authorisation, is designated as the first direct debit. In the data record of the direct debits submitted, the date on which the payer issued his instructions must be indicated as the date of the payer's signature in accordance with paragraph 3.

### 3.4.3 Retention obligation

The Customer shall be obligated to retain the SEPA Direct Debit Mandate issued by the payer (including any changes) in the legally prescribed form. After the mandate has expired, the original must be kept for at least 14 months, counting from the submission date of the last direct debit received.

### 3.4.4 Revocation of the SEPA Direct Debit Mandate by a payer

If a payer revokes a SEPA Direct Debit Mandate against the Customer, the Customer may not collect any further SEPA Core Direct Debits on the basis of the revoked SEPA Direct Debit Mandate.

If the Customer then receives a SEPA Core Direct Debit bearing the return reason "no valid mandate", the payer's payment service provider informs the Customer that the payer has revoked the SEPA Direct Debit Mandate issued to the Customer. The Customer may not collect any further SEPA Core Direct Debits on the basis of this SEPA Direct Debit Mandate.

## 3.5 Pre-Notification of the SEPA Core Direct Debit Collection

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The Customer shall notify the payer of the collection of the SEPA Core Direct Debit at the latest 14 calendar days before the first SEPA Core Direct Debit payment becomes due (e.g. by an invoice); the Customer and the payer may also agree a different notification period. For recurring direct debits with the same direct debit amount, it shall be sufficient to notify the payer once before the first Direct Debit Collection and to state the dates when payments will become due.

## 3.6 Submission of the SEPA Core Direct Debit

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(1) The SEPA Direct Debit Mandate issued by the payer shall remain with the Customer as the payee. The Customer shall then enter the authorisation data and any additional details in the data record for the collection of SEPA Core Direct Debits. Each direct debit amount and the due date for payment of the direct debit shall be stated by the Customer. If the direct debit is drawn on an account held by the payer outside the EEA, the payer's address should be additionally indicated in the data set.

(2) The Customer shall transmit the data record for the collection of the SEPA Core Direct Debit to the Bank electronically in compliance with the agreed submission periods. The direct debit shall be labelled in accordance with Annex C. The payer's payment services provider (paying agent) shall be entitled to process the direct debit according to the labelling.

(3) If the due date stated in the data record by the Customer is not a TARGET2 business day,<sup>3</sup> the Bank shall be entitled to stipulate the next TARGET2 business day as the due date in the direct debit data record.

<sup>3</sup> TARGET2 stands for the Trans-European Automated Real-time Gross settlement Express Transfer System. TARGET2 is open every day except Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, 1 May and 25 and 26 December.

- (4) If the Customer does not submit any SEPA Core Direct Debit based on a SEPA Direct Debit Mandate for a period of 36 months (calculated from the due date of the last SEPA Core Direct Debit submitted), he shall then refrain from any further collection of direct debits on the basis of this mandate and shall be obliged to obtain a new SEPA Direct Debit Mandate if he wishes to collect any further SEPA Core Direct Debits from the payer in the future. The Bank shall not be obliged to verify compliance with the measures in sentence 1.
- (5) If a SEPA Core Direct Debit has been punctually and properly submitted, the Bank shall pass it on to the payer's payment service provider so that the payment can be processed by the due date contained in the direct debit data record.

### 3.7 Execution of the payment transaction and direct debit returns

- (1) The payer's payment service provider remits the amount debited by it to the payer's account on the basis of the collection authorisation to the Bank.
- (2) In the event of a direct debit which is not honoured by the payer's payment service provider or is returned due to a demand for a refund by the payer, the Bank shall cancel the provisional credit booking. This shall also apply if the Bank does not receive the amount or if no SEPA Direct Debit Mandate has been issued. This shall be irrespective of whether a periodic balance statement ("Rechnungsabschluss") has been issued in the meantime.

## IV. SEPA Business-to-Business ("B2B") direct debit

### 4.1 Basic features of the SEPA B2B Direct Debit Scheme

The SEPA B2B Direct Debit Scheme is based on the "SEPA B2B Direct Debit Scheme Rulebook" of the European Payments Council. The SEPA B2B Direct Debit Scheme may only be used by payers who are not private consumers. With the SEPA B2B Direct Debit Scheme, the payer can make payments to the payee in euro through his payment service provider within the "Single Euro Payments Area" (SEPA).<sup>4</sup>

For the execution of payments by means of SEPA B2B Direct Debits,

- the payee and his payment services provider must be users of the SEPA B2B Direct Debit Scheme and
- the payer must grant to the payee a SEPA B2B Direct Debit Mandate prior to the payment transaction, and
- the payer must confirm to his payment service provider that he has granted the SEPA B2B Direct Debit Mandate.

The Customer, as the payee, initiates the relevant payment transaction by presenting the direct debits to the payer's payment services provider through the Bank.

In the case of an authorised payment by means of SEPA B2B Direct Debit, the payer is not entitled to request his payment service provider to refund the direct debit entry debited to his account.

### 4.2 Customer identifier ("Kundenkennung")

For this procedure, the Customer must use

- the IBAN notified by the Bank and, in the case of cross-border payments up to 31 January 2016, also the Bank's BIC as his customer identifier, and
- the payer's IBAN as notified by the payer and, in the case of cross-border payments (within the European Economic Area up to 31 January 2016), also the BIC of the payer's payment service provider as the payer's customer identifier.

The Bank shall be entitled to conduct the collection of the direct debits exclusively on the basis of the customer identifiers provided to the Bank.

### 4.3 Transmission of direct debit data

For SEPA B2B Direct Debits, the direct debit data may be forwarded by the Bank to the payer's payment services provider via the telecommunication system of the Society for Worldwide Interbank Financial Telecommunication (SWIFT), which has its registered office in Belgium and maintains computer centres in the European Union, Switzerland and the United States.

### 4.4 SEPA B2B Direct Debit Mandate

#### 4.4.1 Granting the SEPA B2B Direct Debit Mandate

Before submitting SEPA B2B Direct Debits, the Customer must obtain a SEPA B2B Direct Debit Mandate from the payer. The SEPA B2B Direct Debit Mandate must contain the following declarations by the payer:

- an authorisation for the Customer to collect payments from the payer's account by means of SEPA B2B Direct Debits, and
- an instruction of the payer to his payment service provider to honour the SEPA B2B Direct Debits drawn on its account by the Customer.

To this end, the Customer must use the text attached as Annex B.3 or a text with the same content in an official language of the states and territories named in Annex D in accordance with the requirements of the European Payments Council (see [www.europeanpaymentscouncil.eu](http://www.europeanpaymentscouncil.eu)).

In addition, the following details must be included in the mandate:

- name of the Customer, his address and his creditor identifier ("Gläubiger-Identifikationsnummer") (for Customers based in Germany this is issued by the Deutsche Bundesbank, see [www.glaebiger-id.bundesbank.de](http://www.glaebiger-id.bundesbank.de)),

<sup>4</sup> See Annex D for a list of the states and territories which currently belong to SEPA.

- statement whether the mandate is given for recurring payments or a non-recurring payment, and
- name of the payer,
- the payer's customer identifier (see point 4.2),
- the payer's signature and
- the date of the payer's signature.

The individual mandate reference issued by the Customer

- uniquely designates the respective mandate in conjunction with the creditor identifier,
- consists of up to 35 alphanumeric digits, and
- may form part of the mandate itself or may need to be notified to the payer subsequently.

In addition to the above data, the SEPA B2B Direct Debit Mandate may contain supplementary information.

#### 4.4.2 Obligations to preserve business records

The Customer shall be obliged to keep the original of the SEPA B2B Direct Debit Mandate issued by the payer including any changes. After the termination of the mandate, the original of the mandate shall be kept for a further period of at least 14 months from the date of submission of the last direct debit collected.

### 4.5 Pre-Notification of the SEPA B2B Direct Debit Collection

The Customer shall notify the payer of the collection of the SEPA B2B Direct Debit at the latest 14 calendar days before the first SEPA B2B Direct Debit payment becomes due (e.g. by an invoice); the Customer and the payer may also agree a different notification period. For recurring direct debits with the same direct debit amount, it shall be sufficient to notify the payer once before the first Direct Debit Collection and to state the dates when payments will become due.

### 4.6 Submission of the SEPA B2B Direct Debit

- (1) The SEPA B2B Direct Debit Mandate granted by the payer shall remain with the Customer as payment recipient. The Customer shall enter the authorisation data and any additional details into the data record for the collection of SEPA direct debit mandates. Each direct debit amount and the due date for payment of the direct debit shall be stated by the Customer. If the direct debit is drawn on an account held by the payer outside the EEA, the payer's address should be additionally indicated in the data set.
- (2) The Customer shall transmit the data record for the collection of the SEPA B2B Direct Debit to the Bank electronically in compliance with the agreed submission periods. The direct debit must be labelled in accordance with Annex C. The payer's payment service provider (paying agent) shall be entitled to process the direct debit according to the labelling.

(3) If the due date stated in the data record by the Customer is not a TARGET2 business day<sup>5</sup>, the Bank shall be entitled to stipulate the next TARGET2 business day as the due date in the direct debit data record.

(4) If the Customer does not submit any SEPA B2B Direct Debit based on a SEPA B2B Direct Debit Mandate for a period of 36 months (calculated from the due date of the last SEPA B2B Direct Debit submitted), he shall then refrain from any further collection of direct debits on the basis of this mandate and shall be obliged to obtain a new SEPA B2B Direct Debit Mandate if he wishes to collect any further SEPA B2B Direct Debits from the payer in the future. The Bank shall not be obliged to verify compliance with the measures in sentence 1.

(5) If a SEPA B2B Direct Debit has been punctually and properly submitted, the Bank shall pass it on to the payer's payment service provider so that the payment can be processed by the due date contained in the direct debit data record.

### 4.7 Execution of the payment transaction and direct debit returns

(1) The payer's payment service provider remits the amount debited by it to the payer's account on the basis of the collection authorisation to the Bank.

(2) If the direct debit is not honoured by the payer's payment service provider, the Bank shall cancel the provisional credit booking. The same shall apply if the Bank does not receive the sum or if no SEPA B2B Direct Debit Mandate was issued. This shall be irrespective of whether a periodic balance statement ("Rechnungsabschluss") has been issued in the meantime.

## Annex A – Submission periods

#### SEPA Core Direct Debit

At the earliest, 15 business days (unless agreed otherwise) before the direct debit due date and

- in the case of a first or one-off direct debit, at the latest by 17:00 hrs 6 business days before the due date,
- in the case of recurring direct debits, at the latest by 17:00 hrs 3 business days before the due date, and
- in the case of a "COR1" direct debit, at the latest by 17:00 hrs 2 business days before the due date.

#### SEPA B2B Direct Debit

At the earliest, 15 business days (unless agreed otherwise) before the direct debit due date and, in the case of a first, one-off and recurring direct debit, at the latest by 17:00 hrs 2 business days before the due date.

<sup>5</sup> TARGET2 stands for the Trans-European Automated Real-time Gross settlement Express Transfer System. TARGET2 is open every day except Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, 1 May and 25 and 26 December.

The business days are determined in point A. III. 1 of the Corporate Customer Conditions for Payment Services.

## Annex B.1 – Deleted

## Annex B.2 – Text for the payer’s SEPA Direct Debit Mandate in the SEPA Core Direct Debit Scheme

### SEPA-Lastschriftmandat

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.

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) Kreditinstitut vereinbarten Bedingungen.

## Annex B.3 – Text for the payer’s SEPA B2B Direct Debit Mandate for the SEPA B2B Direct Debit Scheme

### SEPA direct debit mandate

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].

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.

## Annex C

### 1. Labelling of the relevant direct debit procedure in the data record

Procedure	Labelling of the data record
SEPA Core Direct Debit	“CORE” or “COR1” in the “Code” element of the “Local Instrument” element group
SEPA B2B Direct Debit	“B2B” in the “Code” element of the “Local Instrument” element group

### 2. Payer’s name pursuant to point 3.4.1, section 3, third subitem

Insofar as a Direct Debit Mandate for a SEPA Core Direct Debit (“Local Instrument” contains “CORE” or “COR1”) is generated at POS (point of sale/card terminal) using bank card data and insofar as the payer’s name is not available, data from the card may be given as follows in the place of a name as a means of identifying the payer: constant/CDGM (card data generated mandate), followed by /card number, /card sequence number and /card expiry date (four characters in the format YYMM). If the card number is not available, the PAN should be used. To guarantee that the card number and PAN are the same length, the card number should be extended to 19 characters by adding noughts on the left.

## Annex D – List of states and territories which currently belong to SEPA

Member states of the European Economic Area (EEA)	<p><b>Member states of the European Union:</b></p> <p>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, Slovakia, Slovenia, Spain, Sweden, United Kingdom of Great Britain and Northern Ireland</p> <p><b>Further states:</b></p> <p>Iceland, Liechtenstein and Norway</p>
Other states and territories	Åland Islands, Gibraltar, Guernsey, Isle of Man, Jersey, Monaco, Saint Barthélemy, San Marino, St Martin (French part), Saint-Pierre and Miquelon, Switzerland