Terms and Conditions for Payments by Direct Debit under the SEPA Business-to-Business (B2B) Direct Debit Scheme

Payments which the customer who is not a consumer\(^1\) makes to payees by SEPA business-to-business (B2B) direct debit through their 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

Charges and any changes in these shall be governed by No. 12, paragraphs 2 to 6 of the General Business Conditions (Allgemeine Geschäftsbedingungen).

2 SEPA business-to-business (B2B) direct debit

2.1 General

2.1.1 Main characteristics of the SEPA B2B direct debit scheme

The SEPA B2B direct debit scheme may only be used by customers who are not consumers.

It 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 B2B direct debit

- the payee and the payee’s payment service provider must use the SEPA B2B direct debit scheme
- the customer must give the SEPA B2B direct debit mandate to the creditor before the payment transaction and
- the customer must confirm to the Bank that the SEPA B2B direct debit mandate has been given.

The payee initiates the respective payment transaction by presenting the direct debits to the Bank through their payment service provider. If a payment which has been made on the basis of a SEPA B2B direct debit is authorised, the customer shall not be entitled to claim a refund of the amount debited to their account from the Bank.

2.1.2 Unique identifiers

The customer must use the IBAN\(^2\) notified to them, plus for cross-border payments (outside the European Economic Area\(^3\)) the BIC\(^4\) of the Bank, as their unique identifier vis-à-vis the payee, since the Bank is entitled to execute the payment by SEPA B2B direct debit solely on the basis of the unique identifier provided to it. The Bank and the 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 B2B direct debits are used, the direct debit data may also be forwarded to the Bank by the payee’s payment service provider 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 B2B direct debit mandate

2.2.1 Giving the SEPA B2B direct debit mandate

The customer shall give a SEPA B2B direct debit mandate to the payee. With it, the customer authorises their Bank to pay SEPA B2B direct debits drawn by the payee. The mandate must be given in writing or in the manner agreed with their Bank. This authorisation shall at the same time contain the customer’s explicit consent to the payment service providers and any intermediary institutions involved in the collection of the direct debit to retrieve, process and store the personal data required for the execution of the direct debit.

The SEPA B2B 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 B2B direct debit and
- a statement instructing the Bank to pay the SEPA B2B direct debits drawn by the payee on the customer’s account.

The SEPA B2B direct debit mandate must contain the following details (authorisation data):

- identification of the payee
- creditor identifier
- indication of whether the mandate is for a one-off payment or for recurrent payments
- name of the customer

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\(^1\)Under Section 13 of the German Civil Code (Bürgerliches Gesetzbuch [BGB]), a consumer means any natural person who enters into a legal transaction for a purpose that is outside their trade, business or profession.

\(^2\)International Bank Account Number.

\(^3\)For member countries, see Annex.

\(^4\)Bank Identifier Code.
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 Confirmation of giving a SEPA B2B direct debit mandate
The customer must confirm the authorisation under Section 2.2.1 to
their Bank without delay by sending the Bank the following data con-
tained in the SEPA B2B direct debit mandate given to the payee:
– identification of the payee
– creditor identifier
– mandate reference
– indication of whether the mandate is for a one-off payment or for
recurrent payments
– date on which the mandate was signed.
For this purpose, the customer may also send the Bank a copy of the
SEPA B2B direct debit mandate.

The customer must notify the Bank without delay and, if possible, in
writing of any changes to or cancellation of the SEPA B2B direct debit
mandate given to the payee.

2.2.3 Revocation of the SEPA B2B direct debit mandate
The SEPA B2B direct debit mandate may be revoked by the custom-
er by means of a statement to this effect to their Bank. Revocation
shall take effect from the banking business day, as stated in the “List
of Prices and Services” (Preis- und Leistungsverzeichnis), following
the day on which notice of revocation is received. Notice of revoca-
tion 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. Rev-
ocation of the SEPA B2B direct debit mandate shall not cover SEPA
B2B direct debits already debited to the customer’s account. In their
case, Section 2.2.4, paragraphs 2 and 3 shall apply.

2.2.4 Rejection of individual SEPA B2B direct debits
(1) The customer may separately instruct the Bank not to pay certain
SEPA B2B direct debits drawn by the payee. This instruction must be received by the Bank no later than the end of the bank-
ing 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) A SEPA B2B direct debit entry on the debit date may only be
rejected on this date if the customer and the Bank have agreed
thereupon. The agreement shall become effective if the Bank
manages to finally recover the direct debit amount. For hand-
ling such a revocation by the customer, the Bank shall levy
the charge set out in the “List of Prices and Services”.
(3) The SEPA B2B direct debit may no longer be rejected by the
customer after the date on which the debit entry is made.

2.3 Collection of the SEPA B2B direct debit by
the payee under the SEPA B2B direct debit mandate
(1) The SEPA B2B direct debit mandate given by the customer
shall remain with the payee. The payee shall enter the authorisation
data and any additional details in the data set for collection of
SEPA B2B 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
B2B direct debit to the Bank (payer bank) electronically through
their payment service provider. This data set shall also repre-
sent the customer’s instruction to the Bank in the SEPA B2B
direct debit mandate to pay the respective SEPA B2B direct
debit (see Section 2.2.1, sentences 2 and 5). For delivery of this
instruction, the Bank shall waive the form agreed for giving the
SEPA B2B direct debit mandate (see Section 2.2.1, sentence 3).

2.4 Payment transaction based on the
SEPA B2B direct debit

2.4.1 Debiting the direct debit amount to the customer’s
account
(1) On receipt of SEPA B2B 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 third banking working day after
it was made if

• the Bank has received no confirmation from the customer pursuant to Section 2.2.2
• the Bank has received notice of revocation of the SEPA B2B
direct debit mandate pursuant to Section 2.2.3
• the Bank has received notice of rejection of the customer’s
direct debit pursuant to Section 2.2.4
• 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 can-
not 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 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.

2.4.2 Payment of SEPA B2B direct debits
SEPA B2B direct debits are paid if the debit entry in the customer’s
account has not been cancelled later than the second banking 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 B2B 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 in which errors that led
to the non-execution, cancellation or refusal can be rectified.
For the legitimate refusal to pay an authorised SEPA B2B direct debit
due to a lack of funds (see Section 2.4.1, paragraph 2, fourth 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 obligated to ensure that the amount debited
by it to the customer’s account on the basis of the SEPA B2B
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 set out 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 pay-
ment through the agreed account information channel and at
the agreed frequency.

2.5 Preclusion of entitlement to a refund for an
authorised payment
If a payment which has been made on the basis of a SEPA B2B direct
debit is authorised, the customer shall not be entitled to claim a refund
of the amount debited to their account from the Bank; any claims pur-
suant to Section 675x of the German Civil Code (Bürgerliches Gesetz-
buch [BGB]) shall be precluded.
The customer’s entitlement to a refund for non-execution or incorrect
execution of an authorised payment shall be governed by Section 2.6.2.

2.6 Customer’s entitlement to a refund 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 obligated to refund the amount debited to the customer’s account
to the customer without delay and to restore the balance of this ac-
count to what it would have been without debiting for the unauthorised
payment. This obligation must be fulfilled no later than the end of the
business day as indicated in the “List of Prices and Services” which
comes after the day on which the Bank was notified that the payment
is unauthorised, or the Bank has obtained knowledge thereof by some
other means. If the Bank has informed a competent authority in writing
of legitimate reasons for suspecting fraudulent conduct on the part of
the customer, the Bank shall be required to consider and to fulfil its
obligation arising from sentence 2 without delay if its suspicion of fraud
is not confirmed.
2.6.2 Compensation for neglect of duty

In the case of non-execution, incorrect execution or delayed execution of an authorised payment, or if a payment is unauthorised, the customer may – besides any claims for restitution under Sections 667 and 812 ff. of the German Civil Code (Bürgerliches Gesetzbuch [BGB]) – request the Bank to provide compensation for any loss or damage incurred as a result in accordance with the following rules.

– The Bank shall be liable 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.

– The Bank shall not be liable for any fault on the part of intermediary institutions chosen by it. In such cases, the Bank’s liability shall be limited to the careful selection and instruction of the first intermediary institution.

– The Bank’s liability for any loss or damage shall be limited to the amount of the direct debit, plus the charges and interest levied by the Bank. Where consequential loss or damage is involved, liability shall, in addition, be limited to a maximum of €12,500 per direct debit. This limitation of 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.

Any claims pursuant to Section 675y of the German Civil Code (Bürgerliches Gesetzbuch [BGB]) shall be precluded.

2.6.3 Preclusion of liability and objection

(1) Any liability by the Bank under Section 2.6.2 shall be precluded in the following cases:

• The Bank proves to the customer that the full amount of the payment reached the payee’s payment service provider in due time.

• The payment was executed in conformity with the incorrect unique identifier of the payee provided by the payee.

In this case, the customer may, however, request the Bank to make reasonable efforts to recover the amount of the payment. If it is not possible to recover the amount of the payment pursuant to sentence 2 of this bullet point, the Bank shall be obligated to provide to the customer, at the customer’s written request, all available information so that the customer can assert a claim for a refund of the amount of the payment. For its activities pursuant to sentences 2 and 3 of this bullet point, 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 and 2.6.2 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 assert claims for compensation resulting from fault-based liability of the Bank under Section 2.6.2 also after expiry of the period referred to in sentence 1 if they were prevented, through no fault of their 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 exceptional and unforeseeable event on which the Bank has no influence 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

1.1 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, Norway.

1.2 Other countries and territories:
Andorra, Guernsey, Isle of Man, Jersey, Monaco, Saint-Pierre & Miquelon, San Marino, Switzerland, Vatican City State.