

SUBJECT

General Terms & Conditions for Leverandørservice Debtors

APPLICABLE FROM 1 AUGUST 2020



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1. What is Leverandørservice?

Leverandørservice ("LS") is a direct debit payment service that businesses can use to initiate payments in Danish Kroner ("DKK") between their accounts, once a valid Leverandørservice mandate exists between the parties.

Leverandørservice is a business product intended for recurring payments from debtors, such as direct debits, though the creditor may also initiate one-off payments or, in certain circumstances, pay-outs.

2. Definitions

2.1 Notification

A notification is a specification from the creditor to the debtor that informs the debtor of a pending transaction, from the debtor's account to the creditor's account, initiated by the creditor in Leverandørservice.

2.2 Refusal

Refusal of a payment entails that the payment will not be executed. The debtor can refuse a future payment before the payment date, if the conditions are met, see section 8.1.

2.3 Banking day

Banking days are all days except Saturday, Sunday, Danish public holidays, the Friday after Ascension Day, 5 June, 24 December and 31 December.

2.4 Payment date

The payment date is the day on which the amount is debited from or credited to the debtor's account. Payments are only processed on banking days.

2.5 Leverandørservice mandate

A Leverandørservice mandate is an agreement in which the debtor authorises the creditor to use Leverandørservice to initiate payments from or pay amounts to the debtor's account, see section 4.2.

2.6 Debtor

Your company is the debtor that pays according to the Leverandørservice mandate.

2.7 Creditor

The creditor is the company to which your company is paying according to the Leverandørservice mandate.



2.8 Mastercard Payment Services

Mastercard Payment Services Denmark A/S, CVR no. 40 69 58 69, is the company that operates Leverandørservice. As a payment service provider, Mastercard Payment Services is subject to supervision by the Danish Financial Supervisory Authority.

2.9 Returns

If a payment is returned, the amount is returned from the creditor's account to the debtor's account. The debtor or debtor's bank may request the return of a completed payment if the conditions are met, see section 8.

3. Debtor's registration of Leverandørservice

It is a prerequisite for registration as a Leverandørservice debtor, that the services paid for through Leverandørservice are strictly for business use. When the debtor creates Leverandørservice mandates through the debtor's bank, the bank accepts that the debtor may use one or more accounts for Leverandørservice. The bank is not obliged to provide an account for the debtor's use of Leverandørservice.

The debtor's bank is entitled to cancel Leverandørservice mandates at any time, see section 10.2 and to return payments made from the debtor's account, see section 8.3.

4. Leverandørservice mandates

4.1 Contents of a Leverandørservice mandate

A Leverandørservice mandate authorises a creditor to initiate payments from the debtor to the creditor using Leverandørservice. Consequently, the debtor accepts the General terms & conditions for Leverandørservice debtors.

If the debtor has created a Leverandørservice mandate which does not allow enough time for the next payment, the payment must be paid through another channel.

4.2 Creation of Leverandørservice mandates

The debtor can create Leverandørservice mandates through different channels or solutions, e.g.:

- through the creditor
- through the bank
- through a solution provided by Mastercard Payment Services.

Digital creation of a Leverandørservice mandate through a solution provided by Mastercard Payment Services or a bank requires the debtor is identified through two-factor authentication and authorises the creditor to initiate payments in accordance with the Leverandørservice mandate.



If the Leverandørservice mandate is not created digitally, the creditor or the debtor's bank must also ensure the documentation of your identity and your approval of the mandate.

No identification or approval is necessary for subsequent payments according to the Leverandørservice mandate.

5. Notification of debtor

5.1 The creditor must notify the debtor

The creditor must notify the debtor of pending payments. The notification must reach the debtor no later than three banking days before the payment date. Special provisions apply for payments submitted by the debtor through the Internet, see section 6.

5.2 Contents of the notification

The notification must state the amount, the payment date, creditor's name and information about the payment, enabling the debtor to clearly identify the payment.

6. Payment information submitted by the debtor through the Internet

6.1 Debtor's submission of payment information

If the debtor submits payment information through the Internet, the provisions set out below will apply and replace section 5.

6.2 Debtor's approval

For each Leverandørservice mandate, the debtor must approve the creditor's entitlement to initiate the payments from the debtor's account. The debtor must approve the amount to be paid and the payment date. The creditor must at any time be able to provide documentation of the debtor's approval.

6.3 Debtor's receipt

The creditor must, through the Internet, provide the debtor with a receipt for the above-mentioned approval from debtor. The receipt must reach the debtor no later than one banking day before the payment date. The creditor is responsible for ensuring that the debtor receives the receipt on time, and in any event before the deadline.



7. Payment execution

7.1 Consent to payment execution

The debtor consents to future payments, through the acceptance of the Leverandørservice mandate. The consent can be withdrawn by cancelling the Leverandørservice mandate (see section 10) or by invoking the right to refuse or request a return of payment, see section 8.

If no valid Leverandørservice mandate exists, the debtor can dispute the executed payments, see section 9.

7.2 Processing of personal data

Mastercard Payment Services collects and processes personal data in accordance with the privacy notice for Leverandørservice which can be found in the GDPR section on the Leverandørservice website at <https://www.mastercardpaymentservices.com/denmark>.

Personal data within the scope of Leverandørservice can e.g. be contact information or information related to a sole proprietorship.

7.3 Time of payment execution

The creditor and debtor must agree on when the creditor is entitled to initiate payments from the debtor's account.

The amount will be debited from the debtor's account and credited to the creditor's account on the payment date specified by the creditor in the submitted payment data.

The agreement with the creditor's bank determines when interest is calculated on credited transactions.

7.4 Funds on the debtor's account

The debtor's account must have sufficient funds on the payment date. If there are insufficient funds to cover all payments due on a payment date, the debtor's bank is entitled to return the payments, see section 8.3.

7.5 Payment and receipt

Collection of payments through Leverandørservice will discharge the debtor from his payment obligation to the creditor.

A separate receipt for the payment will not be sent to the debtor. An account statement specifying the payment is considered evidence of execution.

However, this does not apply, if the payment is subsequently returned.

7.6 Maximum execution time

The maximum total execution time is one banking day.



8. Refusal and return of payments

8.1 Debtor's refusal

The debtor can refuse a payment by writing a request for non-execution of the payment to the bank.

The debtor can only refuse the full amount.

The debtor's refusal only applies to the payment(s) specifically mentioned in the request for non-execution. The refusal does not apply to future payments covered by the Leverandørservice mandate.

8.2 Debtor's return of payment

The debtor can request a return of an executed payment by asking the bank in writing to refund the payment.

The debtor can only request a return for the full amount.

The debtor's request for a return of funds must reach the debtor's bank no later than the 2nd banking day following the payment date. The debtor's bank can set a later deadline; however, the request must reach Mastercard Payment Services no later than the 3rd banking day following the payment date.

The debited amount will be returned to the debtor's account. The list of account entries or the account statement will show the return of the payment.

The debtor's request for a return of funds only applies to the payment(s) specifically mentioned in the debtor's request for return. The request for a return of funds does not apply to other or future payments covered by the Leverandørservice mandate.

8.3 Debtor's bank's return of payments

The debtor's bank can return an executed payment in the following situations:

- The account does not have sufficient funds on the payment date.
- The Leverandørservice mandate used has been cancelled.
- The debtor's bank does not accept the Leverandørservice mandate.
- The Leverandørservice mandate has expired because the debtor no longer holds an account with the bank.
- Payment data or processing is incorrect.

The debtor's bank will notify the debtor once the payment has been returned.

8.4 Deadline

If the deadline for a refusal or a return is not a banking day, the deadline shall be the next banking day.



9. Disputes

9.1 *Unauthorised and incorrectly executed payments*

The debtor may file a dispute with the debtor's bank if:

- the debtor has not given a Leverandørservice mandate to the creditor with regards to the payment in question
- the payment in question is incorrectly executed.

A payment is considered unauthorised if no documentation of a valid Leverandørservice mandate can be provided.

A payment is considered incorrectly executed, if it is not registered and logged correctly, or if the payment is affected by technical failure or similar failure caused by Mastercard Payment Services or the bank.

The debtor must submit the complaint to the debtor's bank as soon as possible and no later than 13 months after the payment date.

The full payment will be returned to the debtor's bank, if the payment is unauthorised or incorrectly executed.

9.2 *Deadline*

If the deadline to file a complaint is not a banking day, the deadline shall be the next banking day.

10. Termination of Leverandørservice mandates

10.1 *Cancellation by debtor*

The debtor can, at any time, notify the creditor or the bank in writing to cancel a Leverandørservice mandate.

10.2 *Cancellation by the debtor's bank*

The debtor's bank can cancel the debtor's Leverandørservice mandates at any time.

10.3 *Bank account closed*

If the debtor's bank account is closed or blocked, the Leverandørservice mandate is no longer valid. The debtor's bank will then cancel the Leverandørservice mandate.



10.4 Expiry due to inactivity

A Leverandørservice mandate may expire if it has been inactive for a period of 18 months. When a Leverandørservice mandate expires due to inactivity, it will be cancelled automatically.

10.5 Effect of cancellation and expiry

If a Leverandørservice mandate is cancelled or has expired, the creditor can no longer collect payments using Leverandørservice. Pending payments will not be executed.

10.6 Effective date

The cancellation of a Leverandørservice mandate is effective one banking day after the cancellation is registered by Mastercard Payment Services.

11. The bank's failure to meet obligations

If a payment through Leverandørservice is not executed due to the debtor's bank going into receivership or bankruptcy, the creditor must collect payment from the debtor in another manner.

In such circumstances, the creditor cannot claim usual remedies for breach of contract due to the non-execution of the payment, provided the debtor pays the creditor within the new payment date set by the creditor.

12. The bank's liability

The debtor's bank shall be liable for late or defective performance of its contractual obligations resulting from error or negligence.

Even in those areas where stricter liability applies, the bank shall not be liable for losses arising due to:

- breakdown in/lack of access to IT systems or damage to data in these systems due to any of the factors listed below, regardless of whether the bank or an external provider is responsible for the operation of these systems,
- power failure or a breakdown of the bank's telecommunication, legislative or administrative intervention, natural disasters, war, insurgency, civil unrest, sabotage, terrorism or vandalism (including computer virus attacks or hacking),
- strikes, lockouts, boycotts or picketing, regardless of whether the bank or its organisation is itself a party to or has started such conflict and regardless of its cause (this also applies if the conflict affects only part of the bank); this also applies when the conflict affects part of the bank,
- other circumstances beyond the bank's control.



The bank shall not be exempt from liability, if

- the bank ought to have foreseen the cause of the loss when the agreement was concluded or ought to have avoided or overcome the cause of the loss
- the bank is liable by law in all circumstances for the circumstances causing the loss.

13. Amendment to the debtor terms & conditions

13.1 Notification of changes

Changes of the General terms & conditions for Leverandørservice debtors that are to the debtor's disadvantage are subject to two months' notification. Other changes may take effect without notice. The debtor will be notified of changes, i.e. by e-mail, ordinary mail or through online banking.

13.2 Approval of changes

The debtor is assumed to have approved the notified changes unless the debtor informs the bank that he does not wish to be bound by the revised terms & conditions. If the debtor does not approve the changes, the Leverandørservice debtor agreement is considered to be terminated with effect no later than the day when the changes take effect.

13.3 Request for a copy of the General terms & conditions

The debtor can request a copy of the General terms & conditions for Leverandørservice debtors from the bank at any time.

14. Applicable law, jurisdiction and disputes

These General terms & conditions are governed by Danish law.

You can contact Mastercard Payment Services, if you wish to complain about Mastercard Payment Services or Mastercard Payment Services's products.

If you wish to complain about a creditor's notification or execution of payment, please contact the creditor.

Disputes may be brought before the ordinary courts in the jurisdiction of the debtor's bank's domicile, unless otherwise agreed between the debtor and the debtor's bank.

Disputes relating to Mastercard Payment Services' role as a payment service provider may be brought before the Danish Financial Supervisory Authority.

Mastercard Payment Services is authorised to operate as a payment institution under the Danish Financial Supervisory Authority's FSA No. 22034.



15. Language

This is a translation of the Danish version of the General terms & conditions for Leverandørservice debtors. All communication will be in Danish.

In case of any discrepancies, the Danish version will take precedence over any other version of the General terms & conditions for Leverandørservice debtors.

