

**Part E of the Account agreement****Terms and conditions for AvtaleGiro (direct debit) - payer agreement****1. A brief description of AvtaleGiro**

AvtaleGiro is a service that enables the account holder to authorise his/her bank to debit the account holder's account for controlled payment claims in the AvtaleGiro scheme.

The service is restricted to payment claims (invoices) from payees for which the account holder has arranged a direct debit authorisation (AvtaleGiro authorisation).

Only payees for which the account holder has established authorisations, can send their payment claims to the account holder's bank.

The account holder will receive a message at the latest three calendar days before the invoices are due for payment, specifying the invoices that are due and the nature of the invoices. The account holder may cancel the payments up to the end of the business day before the due date for payment.

**2. Concluding an agreement**

The terms and conditions for AvtaleGiro are supplemented by the bank's General terms for deposits and payment services. In the event of conflict, the terms of the agreement on AvtaleGiro will take priority over the General terms for deposits and payment services.

The costs involved in establishing, maintaining and using AvtaleGiro are shown in the bank's price list, account information as applicable from time to time and/or will be communicated by some other suitable means.

**3. AvtaleGiro payments**

The account holder must issue a special authorisation (AvtaleGiro authorisation) to the bank for each payee. Multiple AvtaleGiro authorisations may be issued for the same payee if the account holder so requires, and provided that the payment concerns claims of a different nature. The bank will provide the account holder upon request with information on the payees that are part of the scheme.

An AvtaleGiro authorisation must as a minimum specify the account that is to be debited as well as the payee's name, address and account number and the maximum permitted debit and the period of time during which the maximum debit limit will apply. When issuing an AvtaleGiro authorisation, the account holder must specify a customer identification number (KID) from a recent payment claim encompassed by the AvtaleGiro authorisation.

An AvtaleGiro authorisation may be revoked, suspended or amended by the account holder by sending notification in writing to this effect to the bank. Revocation, suspension or amendment will be implemented no later than by the next business day after the bank receives the account holder's instructions. The bank is not empowered to amend an AvtaleGiro authorisation without the consent of the account holder, the exception being the account number of the payee, and KID number (customer identification number). The updating of the creditor's name following a change of name, a merger or demerger is not regarded as an amendment of the AvtaleGiro authorisation, and the bank is at liberty to do so. In the event of a demerger, the account holder must be notified of the change.

The bank shall ensure that the account holder has an overview of all AvtaleGiro authorisations that have been granted. This overview will normally appear in the online banking facility.

**4. The use of payment information**

The account holder consents to the disclosure to the payee and the payee's bank of necessary information about the account holder and the AvtaleGiro authorisation. This information will enable payees to present their claims for payment from the account holder using the AvtaleGiro system and will enable incoming payments to be identified correctly.

The account holder also agrees that the bank may use information on the account holder's payments to suggest other creditors for which the AvtaleGiro service might be suitable.



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## 5. Message to the account holder

The bank or the payee will notify the account of forthcoming payments no later than three calendar days before the account holder's account is due to be debited unless the parties have agreed otherwise. The message must be provided in writing and will as a minimum contain information on the payee, the amount, the nature of the payment and the date on which the account holder's account will be debited (the payment date). It can be agreed that the message from specific payees can be sent as a text message to the account holder's mobile phone or as an ordinary e-mail.

As an alternative to receiving a message in advance of each debit, the account holder may receive one group message in advance of multiple debits of equal size, although not further ahead in time than a period of 12 months. The payment recipient will provide information on whether group messages of this nature are used. The message must contain the same information as described in the first paragraph above. In the event of changes to any of the information in the group message, the account holder will receive a new message to this effect.

The account holder should use this message to check that the information matches the account holder's own records and the AvtaleGiro authorisations that have been established. The account holder should contact the bank without unaccounted delay to remedy any discrepancies.

## 6. Stopping individual payments

If the account holder does not want the bank to execute an individual payment on the message, the account holder may, up to the given end of the business day before the notified debit day, instruct the bank to stop the payment. Notification that the payment is to be stopped will be given in the way agreed between the parties (for example by electronic medium) or by contacting the bank, and on the basis of this information the bank will stop the payment.

If a payment is stopped, the bank will not be liable for any interest on late payment, collection charges etc. imposed by the payee as a result of the payment having been stopped.

## 7. Further details on the execution of the payment

Within the terms of the AvtaleGiro authorisation, the bank will execute a payment by debiting the account holder's account on the notified debit date. Even if an AvtaleGiro authorisation specifies the nature of a payment claim, the bank will not check what the payment concerns.

The payment will be transferred to the payee's bank no later than by the end of the business day after the payment order was deemed to have been received, cf. the General terms for deposits and payment services.

## 8. Refusal to execute a payment order

The payment will not be executed if the claim for payment falls outside the limit stated in the AvtaleGiro authorisation or if the account holder has stopped the payment.

The bank will verify whether the balance in the account is sufficient to cover the amount of the debit. If the account does not contain sufficient funds on the notified payment date, the bank will either refuse forthwith to proceed with the payment order or, during the subsequent four business days, attempt to debit the account (with a balance check). If several payment claims or payment orders are to be debited to the account on the same day, the bank will not be responsible for the order in which the payments are debited or, where applicable, for payments that are not executed on the grounds of insufficient funds in the account.

If payment is not effected for the aforementioned reasons, the account holder will be notified by the bank and will be offered some other form of payment (for example by means of a giro form). Information on other forms of payment will be provided by the bank. The bank will also inform the account holder if the payee cancels the payment claim.

## 9. Repayment of executed payment transactions

The account holder may claim repayment of the full amount of an AvtaleGiro debit if the account holder can show that the amount for the payment order was not approved, and the amount exceeded what the account holder might reasonably have expected based on previous patterns of use, the terms and conditions of the account agreement and the general circumstances.

Nevertheless, this right to repayment will not apply if the account holder, where relevant, was notified of the forthcoming payment transaction at least four weeks prior to the due date.

The account holder must present a claim for repayment no later than eight weeks after the debit date. Within ten days of receiving a claim for repayment, the bank shall either recredit the full amount and the interest loss of the payment transaction or reject the claim giving its reasons and providing information on the right to bring the matter before Finansklagenemnda (The Complaints Board for Consumers in Banking and Finance Matters).