

General Rules for Betalingservice Debtors

Applicable from 14 September 2019

1. What is Betalingservice?

With the direct debit service Betalingservice (BS), you can pay bills in DKK to creditors registered in the system. Once you have given a BS mandate to a creditor, the creditor may initiate payments from your account to the creditor's account.

Betalingservice is a system designed for periodically recurring payments but a creditor can also initiate one-off payments or in exceptional cases use Betalingservice to refund eg excess amounts made on account into your account.

You may give a BS mandate to a creditor provided that you have entered into a BS agreement with your bank, see 3.

2. Definitions

2.1 Creditor

The creditor is the company to which you make a payment according to the BS mandate.

2.2 Debtor

You are the debtor making a payment according to the BS mandate.

2.3 Nets

Nets A/S, CVR no 20 01 61 75, is the company that provides Betalingservice. As a payment service provider, Nets is subject to supervision by the Danish FSA. You may contact Nets concerning Betalingservice by telephoning Nets Customer Services or by using the contact form. Further details are available at the website betalingservice.dk.

2.4 Betalingservice agreement

A Betalingservice agreement (BS agreement) is an agreement between you and your bank enabling you to use Betalingservice.

2.5 Betalingservice mandate

A Betalingservice mandate (BS mandate) is an agreement between you and a creditor authorising the creditor to use Betalingservice to initiate payments from you.

2.6 Pre-notification

The Betalingservice pre-notification lists the following month's payments from your account. You will receive the pre-notification digitally or by ordinary post as agreed with your bank.

2.7 Digital payment information

Digital payment information is payment information sent to your netbank, mobile bank and/or your digital mailbox, eg e-Boks. Digital payment information may include notification texts from creditors and additional documents attached to the pre-notification.

2.8 Banking day

Banking days are every day with the exception of Saturdays, Sundays and Danish public holidays, Friday following Ascension Day, 5 June (Constitution Day), 24 and 31 December.

2.9 Payment date

Translation: Generelle regler for debitorer i Betalingsservice

The payment date is the date on which the amount is debited to your account. Payments are executed on banking days only.

2.10 Refusal

If you refuse a payment the payment will not be executed. You can refuse a future payment if the conditions set out in 9 are met.

2.11 Refund or reversal

The refund or reversal of a payment means that the amount is returned from the creditor's account to your account. If the conditions set out in 9 are met, you may request a refund of, or your bank may request the reversal of, an executed payment.

3. Betalingsservice registration in connection with the BS agreement

You are required to enter into a BS agreement with your bank to use Betalingsservice. The BS agreement may be incorporated in the agreement with your bank concerning the payment account to be used for Betalingsservice.

If you wish to use Betalingsservice, you will need to contact your bank. Your bank is not obliged to enter into a BS agreement with you but will decide after an individual assessment whether you qualify as a Betalingsservice user.

Once you have entered into a BS agreement with your bank, you may give BS mandates to creditors as and when the need arises.

If you do not have a BS agreement, your bank is entitled to reverse any payments executed and cancel any BS mandates in accordance with 9.3.

4. BS mandates

4.1 Effect of BS mandates

A BS mandate authorises a creditor to initiate the transfer of an amount from your account to the creditor's account on the payment date specified by the creditor.

4.2 Setting up BS mandates

You can set up a BS mandate via different types of channels or solutions that are made available to you by the creditor, your bank or Nets, eg:

- directly with the creditor physically or digitally where the creditor registers the BS mandate with Nets.
- through your bank.
- via the creditor's website using the link to Nets' registration form.
- via Nets' Betalingsservice app.

During a buying process you may be requested to provide your mobile number or your civil registration number. This is to establish whether you already have preferred payment channels, eg via apps, in order to make sure that they are presented to you during the buying process thereby making it easy to set up a BS mandate.

The Betalingsservice pre-notification will list any new BS mandates.

Payments under a BS mandate will not be effected through Betalingsservice until the BS mandate appears from the pre-notification. Until then you will have to pay the creditor in a different way.

4.3 Identification and approval

If you set up a BS mandate digitally, you must identify yourself and approve the BS mandate using NemID or other similar solution.

If the BS mandate is not set up digitally, the creditor or your bank must be able to prove your identification and approval of the BS mandate.

Subsequently identification or approval need not be repeated each time a payment is executed.

You can read more about your possibilities of refusing or requesting refunds of payments in 9 below.

4.4 New account number

If you wish to change the account number registered under the BS mandate, you must contact your bank. If the new account number is due to a change of banks, you must contact your new bank.

4.5 Transfer of BS mandates in connection with change of debtor

If you wish to transfer a BS mandate to another individual who is not already jointly obligated with you under the same BS mandate and you no longer wish to be obligated under the BS mandate, you must cancel the BS mandate and the other new debtor must set up a new BS mandate.

If a BS mandate is connected with an account held by more than one account holder, it must be decided which account holder is to continue the BS mandate in the event of a split-up of mandates. The bank will provide advice when you enquire about splitting mandates.

5. Consent to processing of personal data

You consent to Nets collecting and processing your personal data in accordance with the personal data policy for Betalingservice, which is available at the website betalingservice.dk – “menu – for private – FAQ” (in Danish). You can also read about your rights in the policy.

You can withdraw your consent at any time but then you will not be able to use Betalingservice. Your withdrawal of consent will be deemed to be termination of the BS agreement, see 12.

6. Betalingservice notification

6.1 Pre-notification

If payments fall due the following month you will receive one or more pre-notifications.

Pre-notifications are usually sent digitally. It may be possible to receive hard copy pre-notifications, depending on the options offered by your bank.

If you only receive pre-notifications digitally, you should take special note of the rules concerning digital payment information, see 7.

6.2 Receiving pre-notifications

If you receive pre-notifications digitally, these will be available to you via netbank, your mobile bank and/or in your digital mailbox before the beginning of the month.

You will receive a hard copy pre-notification of payments due the following month before the beginning of the month, assuming regular postal delivery service.

6.3 Contents of pre-notification

A pre-notification specifies the amount, the payment date, the name of the creditor and payment details, making it easy for you to identify the payment.

Additional documents with information from creditors may be attached.

6.5 Pre-notification as an invoice

The pre-notification and any documents attached may serve as an invoice. The same applies to digital payment information.

6.6 Hard copy of pre-notification

You can order a hard copy of a pre-notification at your bank. The bank can provide a copy in the year the payment was effected and the following five calendar years.

Your bank will inform you of the charge for this service on request.

7. Digital payment information

7.1 Access to digital payment information

Your netbank and/or your digital mailbox will store digital payment information for at least 13 months after the month of payment.

Your bank can inform you of how long digital payment information is stored in your netbank, and your digital mailbox provider can inform you of the time limit applying to information in your mailbox.

If you need to save digital payment information beyond this period, your bank and/or your digital mailbox provider can tell you about your options for saving and printing payment information. They can also tell you what to do if you change banks.

7.2 Your obligations

You are responsible for checking that you have received the pre-notification and any additional payment information such as notification texts from creditors and additional documents attached.

You must contact your bank immediately if you have not received the digital pre-notification expected at the turn of the month or if any fault in your IT equipment prevents you from receiving the digital information. In such cases the bank will resend the payment information digitally or in hard copy.

If you fail to contact your bank immediately, you may risk missing the deadline for refusing a payment, see 9.1.

You are responsible for ensuring that your own equipment (computer, software, internet connection etc) is set up to receive digital payment information. You are also liable if your lack of access to this information is due to circumstances relating to eg your internet service provider.

8. Payment execution

8.1 Sufficient funds

Your account must hold sufficient funds on the payment date. If your account does not hold sufficient funds on a specific date, your bank is entitled to reverse a payment, see 9.3.

8.2 Payment execution date

The amount will be debited to your account on the payment date specified by the creditor in the pre-notification.

8.3 Specification of payment date

The creditor must specify a payment date in accordance with the agreement between you and the creditor. Any

changes to agreed payment dates are subject to agreement between you and the creditor.

8.4 Payment and receipt

A payment made from your account via Betalingservice will discharge you from your payment obligation to the creditor.

An account statement specifying the payment is considered evidence of payment. This does not apply however if the payment is subsequently refunded or reversed.

8.5 Maximum execution time

The maximum execution time is one banking day.

9. Payment refusals, refunds and reversals

9.1 General deadline

You may refuse a future payment or request a refund of a payment already executed no later than on the 7th day of the payment month.

If the pre-notification for the following month specifies that a payment falls due on for instance the 25th day of the month, you must refuse the payment no later than on the 7th day of the payment month.

If the payment has already been executed, the amount transferred will be debited from the creditor's account and credited to your account. Your account statement will show the refund.

You can refuse or request a refund of the full amount only.

Only the payment in question will be refused or refunded – not future payments under the BS mandate. If you wish to stop all future payments, you must cancel the BS mandate with the relevant creditor, see 11.1, or terminate your BS agreement if you do not wish to use Betalingservice in future, see 12.1.

9.2 How to refuse/request refunds of payments

If you wish to refuse or request a refund of a payment, you must notify your bank no later than on the 7th day of the payment month.

You can notify your bank digitally via your netbank, by letter or otherwise as agreed with your bank.

9.3 Reversal of payments by your bank

Your bank may reverse a payment if:

- your account does not hold sufficient funds on the payment date and the amount to be paid exceeds DKK 1,000.
- you have not entered into a BS agreement with your bank.
- your bank has terminated the BS agreement before the payment date.
- the BS mandate has expired because your account relationship with your bank ended before the payment date.
- payment data or processing of payment data is incorrect or incomplete.

Nets must receive your bank's request for a reversal no later than two banking days after the payment date. If the request is received within the deadline, Nets will take steps to ensure that the full amount is debited from the creditor's account and credited to your account.

Your bank will notify you when the amount has been returned.

9.4 Deadline

If the deadline for refusing a payment or requesting a refund is a non-banking day, the actual deadline is the next banking day.

10. Disputing payments

10.1 Unauthorised and incorrectly executed payments

A payment is unauthorised if no valid BS mandate exists.

A payment is incorrectly executed if it is not registered or booked correctly or if it is affected by technical failure or similar error caused by Nets or the bank, for instance a discrepancy between the notified amount and the booked amount.

10.2 Your options

You can submit a complaint to your bank stating that:

- a payment has been incorrectly executed, or
- a payment is unauthorised because you have not given a BS mandate to the creditor for the payment in question.

If you believe that a payment has been incorrectly executed or is unauthorised, you must contact your bank as soon as possible after becoming aware of the error and no later than 13 months after the payment date.

If a payment has been incorrectly executed or is unauthorised, the entire amount will be returned via your bank. Your position will be the same as if the payment had not been executed.

10.3 Deadline

If the deadline for disputing a payment is a non-banking day, the actual deadline is the next banking day.

11. Termination of BS mandates

11.1 Cancellation by you

You may notify your bank or a creditor that you wish to cancel a BS mandate at any time.

11.2 Effective date

Your cancellation of a BS mandate will take effect as soon as possible but no later than three banking days after Nets has received the request for cancellation from your bank or the creditor.

11.3 Expiry due to inactivity

A BS mandate may expire if it has been inactive for a period of 15 months. In such case this will appear from the pre-notification.

11.4 Expiry on termination of BS agreement

If your BS agreement with the bank is terminated, see 13.2, all BS mandates under the BS agreement will lapse.

11.5 Deregistration of creditor

If your creditor ceases to use Betalingsservice, your BS mandate with the creditor will expire automatically.

11.6 Effect of cancellation or expiry

If a BS mandate has been cancelled or has expired, the creditor can no longer initiate payments from your account. Any pre-notified but not yet executed payments will not be executed.

Cancelled or expired BS mandates will appear from the pre-notification.

12. Termination of the BS agreement by you

12.1 No termination notice

You may terminate the BS agreement with your bank at any time.

12.2 Effect of your termination

On termination all BS mandates under the BS agreement will lapse. This means that a creditor can no longer use Betalingsservice to collect payments from you.

Payments specified in the pre-notification will not be executed if they fall due after the date of termination of the BS agreement.

12.3 Effective date

Your termination of the BS agreement will take effect as soon as possible but no later than three banking days after your bank has received your notice of termination.

13. Termination of the BS agreement by the bank

13.1 The bank's notice of termination

Your bank may terminate the BS agreement by giving at least two months' written notice.

Moreover your bank may terminate the BS agreement without notice in the event of material breach on your part. In such case the bank will inform you in writing of the reason for termination. An example of a material breach might be if there were insufficient funds in your account on several occasions, see 8.1.

13.2 Effect of termination of the BS agreement

If your BS agreement with the bank is terminated all BS mandates under the BS agreement will lapse. This means that you can no longer use Betalingsservice to pay your creditors.

14. The bank's failure to meet its obligations

If a Betalingsservice payment cannot be executed because your bank has become subject to restructuring or bankruptcy proceedings, the creditor may collect the payment from you in a different way.

In this situation the creditor may not claim that you have failed to fulfil your obligations due to the non-execution of the payment if you pay within the new deadline set by the creditor.

15. The bank's liability to pay damages

Your bank is liable to pay damages if, due to errors or negligence, the bank's performance of its agreed obligations is delayed or defective.

Even in cases where strict liability applies, the bank will not be liable for any loss as a result of:

- breakdown of/non-access to IT systems or the corruption of data in these systems attributable to the events listed below, regardless of whether the bank or an external supplier is responsible for operating the systems
- power failure or breakdown of the bank's telecommunications, legislative or administrative intervention, natural disasters, war, rebellion, civil unrest, sabotage, terrorism or vandalism (including computer viruses and hacking), strikes, lockouts, boycotts or blockades regardless of whether the conflict is aimed at or initiated by the bank itself or its organisation and regardless of the cause of the conflict. This also applies where the conflict affects only parts of the bank
- other circumstances beyond the bank's control.

The bank is not exempt from liability where:

- at the time of signing the agreement, the bank ought to have foreseen the event that caused the loss or ought to

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have prevented or remedied the cause of loss

- under Danish law, the bank is liable for the cause of loss under any circumstances.

16. Charges

Your bank will inform you of any Betalingsservice charges on request. Some creditors charge a fee for the use of Betalingsservice. Please contact the creditor for information about the size of such fee.

17. Changes in and availability of the General Rules

17.1 Notification of changes

Any changes in the General Rules that are to your disadvantage are subject to two months' notice. Other changes may take effect without prior notice. You will be notified of changes eg by email, by post or via netbank.

17.2 Approval of changes

You are deemed to have accepted any changes notified unless you inform your bank that you do not wish to be bound by the new terms and conditions. In such case you will be deemed to have cancelled the BS agreement with effect from the date when the changes take effect at the latest.

17.3 Availability

You can get a new copy of these General Rules for Betalingsservice Debtors at your bank at any time.

18. Applicable law, jurisdiction and disputes

These General Rules are governed by Danish law.

If you wish to complain about Nets or Nets' products, you may do so by contacting Nets.

If you wish to complain about any collection of a payment by a creditor, you must contact the creditor.

Disputes concerning your bank or the creditor's bank may be brought before the Danish Complaint Board of Banking Services or the ordinary courts in the jurisdiction of your bank's domicile.

Disputes relating to Nets' activities as a payment services provider may be brought before the Danish FSA.

Nets is licensed to carry on business as a payment institution under Danish FSA no 22002.

19. Language

The original language of these General Rules for Betalingsservice Debtors is Danish, and communications with you will be in Danish.

Translation

The above is a translation of the Danish "Generelle regler for debitorer i Betalingsservice". In case of doubt the Danish original applies.