



SOCIETE GENERALE BANK - CYPRUS

## **TERMS AND CONDITIONS OF SEPA DIRECT DEBITS**

The Information and Conditions concerning the use of payment services according to the Payment Services law of 2009 (Law 128(I)/2009) shall continue to apply.. The below terms and the SEPA Core Direct Debit Rulebook govern the execution of a SEPA Direct Debit. All capitalized terms appearing and not defined below will have the meaning attributed to them in the SEPA Core Direct Debit Rulebook. The below terms shall be subject to the Decrees issued under the provisions of the Enforcement of Restrictive Measures on Transactions in case of Emergency Law 2013 as amended from time to time and to other restrictive measures that may be applicable from time to time.

### 1. DEFINITIONS

**Account:** means the account of the Account Holder or Debtor with the Bank in Euro or in any other currency held with the Bank, designated by the Account Holder or Debtor in the Mandate.

**Account Holder or Debtor:** means any natural or legal person which is a customer of the Bank and maintains one or more accounts with the Bank and which authorizes the Creditor to debit his account with the Debtor Bank.

**Bank or Debtor Bank:** means SOCIETE GENERALE BANK – CYPRUS LIMITED, Registration No. 31003 based in Corner of 88 Digenis Akritas Avenue and 36 Kypranoros street, 1061, Nicosia, Cyprus, which expression shall include its successors, assignors and assignees.

**Banking Business Day:** means in relation to the Bank, any day between Monday and Friday on which the Bank is open for business except bank holidays in the Republic of Cyprus.

**Calendar Day:** means any day of the year.

**Collection:** means the part of a SEPA Direct Debit Transaction beginning with the initiation of the Transaction by the Creditor until its end through the normal debiting of the Account Holder's account or until the completion by a Reject, Return or Refund.

**Creditor:** means the Creditors either in the Republic of Cyprus or abroad to whom the Debtor has financial obligations which he wishes to settle by SEPA Direct Debit and to whom he has given a Mandate to initiate Collection.

**Creditor Bank:** means the financial institution where the account of the Creditor is kept and which has entered into an agreement with the Creditor in relation to the terms and conditions of a product based on the SEPA Core Direct Debit Procedure.

**Due Date:** of the Collection means the day when the payment from the Debtor is due to the Creditor as agreed between the Creditor and the Debtor and communicated to the Bank through the SEPA Core Direct Debit Procedure.



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**Interbank Business Day:** means days on which banks generally are open for inter-bank business. The TARGET (Trans-European Automated Real-time Gross Settlement Express Transfer System) Days Calendar is used to identify Inter-Bank Business Days.

**Mandate:** means the expression of consent and authorization given in writing by the Debtor to the Creditor to allow such Creditor to initiate Collections for debiting the Debtor's payment account with the Bank and to allow the Debtor Bank to comply with such instructions in accordance with the Rulebook.

**Refund:** means a claim by the Debtor for reimbursement of funds in relation to a SEPA Direct Debit.

**Reject:** means a Collection which is diverted from normal execution, prior to inter-bank Settlement and for the reasons stated in term 9 below.

**Return:** means a Collection that is diverted from normal execution after Settlement and is initiated by the Debtor Bank.

**Reversal:** means the reimbursement of the Debtor with the amount of a Collection, which is initiated by the Creditor or the Creditor Bank when the Creditor or the Creditor Bank concludes that a Collection should not have been processed

**Scheme or SEPA Core Direct Debit Scheme:** means the payment scheme for making direct debits across SEPA, as set out in the Rulebook.

**SEPA:** means the Single European Payment Area which is the area where citizens, companies and other economic actors can execute and receive payments in Euro, whether between or within national boundaries under the same basic conditions, rights and obligations, regardless of their location. For the geographical scope, see the European Payment Council's list of SEPA countries at [www.europeanpaymentscouncil.eu](http://www.europeanpaymentscouncil.eu).

**SEPA Direct Debit:** means the payment instrument which is governed by the SEPA Core Direct Debit Rulebook for the execution of payments by direct debit in Euro within SEPA from bank accounts to other bank accounts.

**SEPA Core Direct Debit Procedure:** means the procedure for the execution of SEPA Direct Debits under the Rulebook within SEPA.

**SEPA Core Direct Debit Rulebook or Rulebook:** means the SEPA Core Direct Debit Scheme Rulebook setting out rules and business standards for the Scheme, as amended from time to time. The Rulebook is available from the European Payments Council official website at [www.europeanpaymentscouncil.eu](http://www.europeanpaymentscouncil.eu)

**SEPA Direct Debit Transaction or Transaction:** means the whole process of execution of a payment made with the use of a direct debit, commencing with the initiation of the Transaction from the Creditor until its end through the normal debiting of the Debtor's account or until the completion by a Reject, Return or Refund.

**Settlement:** means the act that discharges obligations with respect to the transfer of funds between Creditor Bank and Debtor Bank.



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## 2. SEPA CORE DIRECT DEBIT SCHEME

The SEPA Core Direct Debit Procedure enables the Account Holder to settle the Account Holder's financial obligations toward a Creditor by signing a Mandate that entitles the Creditor to collect the amount(s) owed by the Account Holder from the Bank. In signing the Mandate, the Account Holder also authorizes the Bank to debit the corresponding amount from the Account designated in the Mandate.

## 3. SCOPE

1) These terms apply solely to SEPA Direct Debits both one-off and recurrent. Any payments under the Scheme will be subject to the Rulebook and can only be made in Euro. One-off SEPA Direct Debits are those where the authorization is given only once by the Debtor to effect only one SEPA Direct Debit, an authorization which cannot be used for any subsequent transaction. Recurrent SEPA Direct Debits are those made regularly on the basis of the same Mandate and collected by the same Creditor.

2) The SEPA Direct Debits executed in accordance with these terms, are separate from the underlying agreement between the Debtor and the Creditor upon which they are based. The Debtor Bank is not concerned with or bound by the said agreement.

3) The Debtor agrees that he is obliged to resolve any disputed Collection directly with the Creditor concerned. The Debtor agrees that the obligations of the Bank and the Creditor Bank under the SEPA Core Direct Debit Procedure are not subject to claims or defences under the contractual or other arrangement in place between the Debtor and the Creditor.

## 4. MANDATE

1) The Debtor must provide the Creditor with a duly completed, signed and stamped Mandate and ensure that the details designated as required for the Mandate are provided correctly and in full.

2) The Debtor agrees and acknowledges that the Bank will not receive a copy of the Mandate and is not obliged to check its contents.

3) The Debtor may cancel or amend a Mandate by communicating directly with the Creditor and with no involvement by the Bank.

4) Upon the Debtor's request, the Bank shall request a copy of the Mandate plus all other relevant information concerning a SEPA Direct Debit from the Creditor Bank, and, will provide the Debtor with the relevant information made available to the Bank by the Creditor Bank.

5) The Debtor is obliged to comply with the terms of the Mandate agreed with the Creditor.

6) The cancellation of the Mandate is carried out by the Creditor and the Debtor without the involvement of the Bank. If a Creditor does not present a Collection under a Mandate for a period of 36 months, starting from the date of the latest Collection presented (even if Rejected, Returned or Refunded), the Creditor must cancel the Mandate and is no longer allowed to initiate Collections based on this cancelled Mandate. If there is a further requirement for a direct



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debit, a new Mandate must be established. The Bank is not obliged to verify that the Creditor has complied with this obligation of the Creditor.

7) A valid Mandate given by a Debtor to collect recurring direct debits prior to 4 of March 2014 shall continue to remain valid after that date and shall be considered as representing the consent to the Debtor's Bank to execute the recurring direct debits collected by the Creditor under the Scheme.

## 5. PRE-NOTIFICATION

1) The Creditor should give the Account Holder pre-notification at least 14 Calendar Days before the Due Date of any proposed Collection. The Creditor is obliged to notify the Account Holder of the amount and Due Date. For recurrent Direct Debits the pre-notification can also include the schedule of payments.

2) The Bank has no involvement or knowledge in relation to pre-notification and it is agreed that the Bank will have no obligation or liability in the event that the Creditor fails to so notify the Debtor, and that upon receipt of a Collection request the Bank will assume that the pre-notification has been duly given to the Account Holder.

## 6. COLLECTION

1) In order for the Bank to effect a debit, it must receive the collection request not later than 5 Interbank Business Days before the Due Date in the case of a new Mandate or not later than 2 Interbank Business Days before the Due Date in the case of a recurring SEPA Direct Debit. In the event that the time limits specified further above are not complied with, the Bank may reject the collection request.

2) The Creditor or the Creditor Bank may change the Due Date and the Account Holder is hence obliged to maintain funds in the Account at all times in order to enable the Bank to execute the SEPA Direct Debit transaction.

3) The Bank is not obliged to check the Creditor's entitlement to a SEPA Direct Debit or the details contained in the Collection request. In particular, the Bank is not obliged to check that a valid Mandate exists for the Account Holder. Furthermore, the payment shall be debited from the Account based solely on the IBAN (International Bank Account Number) provided in the collection request, without comparing it the Account Holder's name and address. The Bank reserves the right to carry out such a check at its own absolute discretion and in case of a discrepancy is entitled not to process the collection and return it to the Creditor Bank.

4) The Account will be debited on the Due Date with the amount specified by the Creditor in the Collection request which is transmitted by the Creditor Bank and received by the Bank. If the Due Date is not a Banking Business Day, the Account will be debited on the next Banking Business Day provided that it is also an Interbank Business Day. If the Due Date is not an Interbank Business Day, the Account will be debited on the next Interbank Business Day provided that it is a Banking Business Day.

5) On the execution of the Collection of the SEPA Direct Debit and the consequent debiting of the Account, the Bank shall make available periodically to the Account Holder the information of the executed SEPA Direct Debit.



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## 7. INSTRUCTIONS

The Account Holder has the right to give instructions to the Bank to limit the Collection of a SEPA Direct Debit to a specified amount or periodicity (for periodicity the Account Holder should provide the Bank with a new Mandate) or both from the Account and/or any account in his name with the Bank or block any SEPA Direct Debits from the Account and/or any account in his name with the Bank or block any SEPA Direct Debits from one or more specified Creditors or only approve SEPA Direct Debits from one or more specified Creditors by notifying the Bank in writing to this effect. Where a Mandate under the Scheme does not provide for the right of Refund, the Account Holder has the right to request from the Bank to verify each Transaction and to check whether the amount and periodicity of the Transaction is equal to the amount and periodicity agreed in the Mandate before debiting the Account based on the Mandate related information provided such Mandate is given by the Creditor to the Bank upon its request. Any such written instructions must be given to the Bank at the latest on the Banking Business Day which precedes the Due Date.

## 8. REFUSALS

1) The Account Holder may request the Bank to refuse and not to pay any future Collection based on the information received by the Account Holder through pre-notification or for any other reason, without providing any reasons for doing so. Any such notice must be given to the Bank at the latest on the Banking Business Day which precedes the Due Date.

2) In case that the Bank accepts such a request, the Bank shall inform the Creditor Bank that the collection has been rejected as specified in term 9 further below. When handled by the Bank after Settlement, the Account Holder's refusal will be handled as a refund request as described in term 10 further below.

## 9. REJECTIONS AND RETURNS

1) The Bank is authorized and entitled prior to Settlement to reject a Collection request and is authorized and entitled after Settlement to return a collection request up to 5 Inter-Bank Business Days following the Settlement Date to the Creditor Bank without first consulting the Account Holder for the reasons provided in the Rulebook including, without prejudice to the generality of the aforesaid, technical reasons or because the Debtor Bank is unable to accept the Collection for other reasons, such as the Account being closed, the Debtor being deceased, the account does not accept direct debits, or for reasons pursuant to section 52 of the Payment Services Law, Law 128(I)/2009, or due to Refusal by the Account Holder as provided in term 8 above.

2) It is agreed that when rejecting or returning a Collection request, the Bank is authorised by the Account Holder and entitled to state the reason for the rejection or refusal to all parties involved in the Collection request concerned, including the Creditor.

## 10. REFUNDS

1) The Debtor can claim and is entitled to obtain a Refund by request to the Debtor Bank under the Rulebook and where the Debtor is entitled to a Refund the Debtor Bank must refund the Debtor accordingly. Under the Scheme the Debtor Bank is entitled to recover the amount of a



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Refund from the Creditor Bank and the Creditor Bank is entitled to recover the amount of this Refund from the Creditor.

2) A Refund does not relieve the Debtor of its responsibility to resolve any issues in respect of the disputed Collection with the Creditor, nor does the payment of a Refund by the Debtor Bank prejudice the outcome of such a dispute. Issues in respect of any disputes or discussions between a Debtor and a Creditor in relation to a Collection are outside the scope of the Scheme.

### 3) No-questions-asked basis

-Debtors are entitled to request a Refund for authorised SEPA Direct Debit within 8 weeks from the date on which the amount of the SEPA Direct Debit was debited to the account of the Debtor. Within this eight-week period Refunds will be provided to the Debtor by the Debtor Bank on a no-questions-asked basis. The Debtor Bank must proceed and credit the Debtor's Payment Account with the initial amount of the Collection.

### 4) Unauthorised Direct Debit Transactions

-If the eight week period from the date on which the amount of the SEPA Direct Debit was debited to the Account has elapsed, the Account Holder is entitled to request only the refund of any unauthorised SEPA Direct Debit up to 13 months from the date on which the amount of the SEPA Direct Debit was debited to the Account of the Account Holder. In such a case, the Account Holder must request a refund of the SEPA Direct Debit from the Bank, providing any supporting evidence if available. Once the Bank receives such a request, it may request a copy of the Mandate or any other supporting evidence from the Creditor Bank who shall forward the request to the Creditor.

After receipt of the response from the Creditor Bank, or after 30 Calendar Days at the latest starting from the receipt of the claim by the Debtor Bank from the Debtor, the Debtor Bank must determine the Refund claim.

-Once the Bank has determined that a transaction so challenged is unauthorised in accordance with article 50 of the Payment Services Law L.128(I)/2009, it is obliged to immediately refund the Account Holder in accordance with the aforesaid Law. If the Bank rejects the refund claim it will inform the Account Holder accordingly and supply the Account Holder with the relevant supporting evidence received from the Creditor.

-The decision as to whether the amount should be refunded lies solely with the Bank, taking into account the copy of the Mandate plus the details provided by both the Creditor and the Account Holder. The Bank's decision is final for the participants of the SEPA Direct Debit Scheme as defined in the Rulebook.

-If the Bank decides to accept the Account Holder's request for a refund, the Account will be credited by the Bank with the amount of the disputed collection with the value date being the day on which the Account was debited with the disputed amount.

- Any request for refund after time limits specified in terms 10.3) and 10.4) above will be rejected by the Bank. The Bank is obliged to execute all rejections, returns and refunds as specified in terms 9 and 10 above even if the Account Holder's Account is closed.



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## 11. REVERSALS

If a Creditor or the Creditor's Bank requests the reversal of a SEPA Direct Debit, the Bank is obliged to fulfill this request without the Account Holder's prior agreement and with no obligation to check whether the original collection was debited to the Account Holder's Account or was rejected, returned or refunded.

## 12. OBLIGATIONS OF ACCOUNT HOLDER TO THE CREDITOR

1) The Account Holder acknowledges and accepts that refusing or rejecting or requesting a refund for any SEPA Direct Debit does not release the Account Holder from any contractual or other obligations towards the Creditor and further affirms that issues in respect of disputes between the Account Holder and the Creditor must be resolved between the Account Holder and the Creditor.

2) The Account Holder is obliged to inform the Creditor in case that the Account Holder decides to use another account in the Bank or in another financial institution for the execution of a SEPA Direct Debit.

## 13. OBLIGATIONS OF ACCOUNT HOLDER TO THE BANK

1) The Account Holder has the obligation to ensure that there are sufficient available cleared funds in the Account so that the Bank can execute the SEPA Direct Debit.

2) The Account Holder accepts that the Bank may refuse to execute a collection request where there are insufficient available cleared funds in the Account as stated hereinabove.

3) The Account Holder accepts that the Bank is not obliged to execute any SEPA Direct Debit on a future date if the SEPA Direct Debit could not be made on the Due Date due to the lack of available funds in the Account or for any other reason.

## 14. PROCESSING AND TRANSFER OF DATA

The Account Holder agrees that his data and any data and information in relation to his transactions pursuant to the Mandate will be disclosed as part of the Settlement of SEPA Direct Debit to all involved parties either in the Republic of Cyprus or abroad.,

## 15. CHARGES

The Account Holder authorizes the Bank to debit the Account with the expenses and charges in force for the, execution of the SEPA Direct Debit .according to the Bank's Tarff Guide in force from time to time and with any other fees or charges by giving prior written notice to the Debtor.

## 16. TERMINATION OF SEPA DIRECT DEBIT

The Account Holder is entitled to terminate the present agreement for the execution of SEPA Direct Debits by giving a prior written notice of one month to the Bank. The Bank upon receipt of such notice of termination shall reject all Collection requests, without notification to the Account Holder irrespective of the date the Mandate has been signed by the Account Holder. The Bank



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has the right to terminate the present agreement by giving two months prior written notice to the Account Holder.

#### 17. IDEMNITY

The Bank shall not be liable for any acts or omissions of the Debtor that are in contradiction to the Rulebook and the Debtor agrees and undertakes to hold the Bank harmless from any loss, cost, indebtedness and liability there under and to indemnify the Bank in respect of any claim for damages or costs which the Bank may incur in any manner howsoever by reason of acting on the strength of the Debtor's instructions according to the present terms and conditions.

The Debtor further undertakes to indemnify the Bank and keep the Bank harmless from any claim, legal action, damages, loss, encumbrances and costs that any third party may suffer or incur by reason of the Bank acting on the Debtor's instructions according to the present terms and conditions.