

# General rules for Betalingservice creditors

Applicable from 1 August 2020

## 1. What is Betalingservice?

Betalingservice is a payment service that a creditor can use to initiate payments in Danish kroner between the creditor's account and the debtor's account.

Betalingservice is intended for recurrent payments from debtors, but creditors can also initiate one-off payments. Betalingservice can also be used for credit transfers as described in section 6.3.3.

## 2. Definitions

### 2.1 Refusal

If a payment is refused, it cannot be executed. The debtor can refuse a future payment if the conditions are met; see section 10.1.

### 2.2 Banking days

Banking days are all days except Saturdays, Sundays, Danish public holidays, the Friday after Ascension Day, Constitution Day in Denmark (5 June), 24 December and 31 December.

### 2.3 Betalingservice mandate (mandate)

A mandate is an agreement between a debtor and a creditor that allows the creditor to initiate payments of due amounts from the debtor by using Betalingservice.

### 2.4 Payment date

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

### 2.5 Payment data

Payment data is the data that forms the basis of the payment and which the creditor sends to Centurion. The specification of payment data is provided in the guidelines.

### 2.6 Betalingservice pre-notification

The Betalingservice pre-notification shows the coming month's payments from the debtor's account. The pre-notification is forwarded to the debtor digitally or by ordinary mail before the turn of the month.

### 2.7 Centurion

Centurion DK A/S, CVR no. 40 69 58 69, is the company that offers Betalingservice and enters into an agreement with the creditor upon registration with Betalingservice. As a payment service provider, Centurion is subject to supervision by the Danish FSA. See Centurion's contact information on the website: [www.nets.eu](http://www.nets.eu).

### 2.8 Returns

If a payment is returned, the amount is returned from creditor's account to debtor's account. Debtor or debtor's bank may request the return of a completed payment if the conditions are met; see section 10.

### 2.9 Betalingservice debtor agreement (debtor agreement)

A debtor agreement is an agreement between the debtor and the debtor's bank to the effect that the debtor can use Betalingservice.

### 2.10 The guidelines

The guidelines refer to the current Betalingservice creditor guideline ("Vejledning for kreditorer i Betalingservice") and

"Betalingsservice and Payment slip - Instructions for data supplier", including the documents on deliveries to and from Betalingsservice.

### 3. Creditor's agreement on the use of Betalingsservice

#### 3.1 The agreement with Centurion

A creditor who wishes to use Betalingsservice must enter into a creditor agreement with Centurion. The agreement including appendices is a prerequisite for a creditor's use of Betalingsservice.

To enter into a creditor agreement with Centurion, the creditor must have an active Danish CVR-number or tax registration number.

In the agreement, the creditor may add one or more additional services to Betalingsservice.

#### 3.2 Entry into force

The agreement enters into force when the creditor's bank has approved that the creditor can use an account for Betalingsservice. The creditor's bank is not obliged to provide an account for the creditor's use of Betalingsservice.

#### 3.3 Disclosure of data

Centurion shares information about the creditor, e.g. name, FI-creditor number, CVR-number etc., with the Danish banks. The data is used by the banks to identify the creditor to the customers and generally to get information about which Betalingsservice services the creditor use.

### 4. Creditor's responsibilities

#### 4.1 Rules and guidelines

The creditor must comply with the current rules and guidelines for Betalingsservice. In case of any discrepancies, these rules and other appendices to the agreement shall take precedence over the guidelines.

#### 4.2 Use of Betalingsservice as a condition

If the creditor's sale of goods/services to the debtor is pre-conditioned on payment via Betalingsservice, this should be clearly indicated in the agreement with the debtor.

#### 4.3 Fees and transparency

The creditor may choose to charge a fee to the debtor for using payment via Betalingsservice. If a fee is charged to a debtor who is a consumer, the creditor should clearly state the amount that creditor keeps as his own fee and the amount that creditor pays to Centurion.

#### 4.4 Establishment of the payment date

The creditor must specify a payment date which is in accordance with the agreement with the debtor. If the creditor wants to change the payment date, the debtor must be informed within the deadlines agreed with the debtor.

#### 4.5 Validity of payment data

The creditor is responsible for ensuring that the payment data submitted to Centurion is correct and valid.

#### 4.6 Updating of the creditor's information

The creditor is responsible for updating all the relevant information that the creditor gave Centurion in connection with entering into the agreement to use Betalingsservice.

#### 4.7 Use of information received

If the creditor receives personal data from or about the debtor when the debtor gives the mandate, this must be used solely to initiate payments in accordance with the mandate.

The creditor is obliged to obtain the debtor's acceptance of the creditor's transfer of the debtor's CPR-number to Centurion for the creation of the mandate.

## 5. The debtor's registration with Betalingservice

### 5.1 The debtor agreement

The debtor's bank is not obliged to enter into a debtor agreement with the debtor.

Once a debtor has entered into a debtor agreement with his/her bank, the debtor may create mandates.

The debtor's bank is entitled to return any completed payments and to withdraw the mandate in accordance with section 10.2, if the debtor does not have a debtor agreement.

## 6. Mandates

### 6.1 Creation of mandates

Mandates can be created in the following ways:

- The debtor may create a mandate through the Betalingservice app, through the bank or through other channels, if the debtor has a debtor agreement with his/her bank. Digital creation of a mandate through Centurion or a bank presupposes that the debtor is identified with two-factor authentication and thereby authorises the creditor to initiate payments in accordance with the mandate.
- Creditors can also set up their own solutions to enable debtors to enter into payment agreements online.
- If debtor enters into a payment agreement directly with creditor without the involvement of Centurion or a bank, creditor must send the mandate to Centurion in accordance with the procedure set out in the guidelines. Creditor must be able to prove that the mandate creation was requested by the debtor. The agreement cannot be enforced according to its content, if the creation is not documented.

### 6.2 The effect of mandates

When a debtor gives a BS mandate to a creditor, the debtor authorises the creditor to initiate a payment transaction between the debtor's account and the creditor's account on the payment date specified by the creditor.

The creditor must charge the due amount through other means, if the mandate is not yet active at the time of the first payment.

### 6.3 Use of the debtor's mandate

The creditor is only allowed to use Betalingservice for payments regarding debtor's payment obligations, if the debtor has given a mandate to the creditor related to the specific payment obligation.

#### 6.3.1 Content of the mandate

When creating the mandate, it must be clearly specified which commercial agreement and which services are covered by the mandate. Mandates which cover all kinds of unspecified future services are not allowed.

#### 6.3.2 Changes to a mandate

Changes to the commercial agreement, that entail changes in debtor's mandate, must be amended in accordance with the principles in section 6.1.

#### 6.3.3 Credit transfers

The mandate can be used for credit transfers to debtor. This can consist of surplus on-account payments, reduction in price because of defects, return of goods, termination of a subscription, pay-out of winnings or similar.

#### 6.3.4 Reuse of mandate

A mandate cannot be reused by another debtor. If an existing customer number is to be reused, the mandate needs to be

deregistered and created again.

#### **6.4 Collection on behalf of others**

Collection on behalf of another creditor requires a power of attorney with clear information about who is the final receiver of the amounts transferred.

If a creditor initiates collection on behalf of one or more other creditors, this requires a corresponding number of mandates.

For debtor to be able to recognise creditor from the mandate creation process, it should appear from the Betalingservice pre-notification with whom the payment is finally settled.

#### **6.5 Transfer of a mandate**

Mandates cannot be transferred to a new creditor if the previous creditor has transferred the business area, from where services are supplied to the debtor, to a new creditor. New mandates must be created between debtor and the new creditor.

## **7. Centurion' pre-notification of the debtor**

### **7.1 Betalingservice pre-notification**

Centurion issues one or more Betalingservice pre-notifications to the debtor, if payments from the debtor are to be made in the next month. The Betalingservice pre-notification is sent to the debtor digitally and/or as a printed copy, at the debtor's choice.

### **7.2 Content of the pre-notification**

The amount, the payment date, the creditor's name and information about the payment must be stated in the Betalingservice pre-notification, so that the debtor can identify the payment.

### **7.3 Digital pre-notification**

If the debtor receives the information digitally, the pre-notification will be available to the debtor in his/her online bank and/or digital mailbox before the end of the month.

### **7.4 Pre-notification as a printed copy**

If the postal service is working as scheduled, the Betalingservice pre-notification will reach the debtor's address before the end of the month.

### **7.5 The Betalingservice pre-notification as an invoice**

The Betalingservice pre-notification can constitute an invoice. It is the responsibility of the creditor to ensure that the details on the Betalingservice pre-notification comply with statutory requirements relating to invoices.

## **8. Payment data**

### **8.1 Requirements for payment data**

Payments are executed on the basis of payment data delivered to Centurion by the creditor. The creditor must enter into a separate data supplier agreement with Centurion; cf. clause 8.5

Payment data must only relate to payments based on valid mandates and must comply with the specifications in the guidelines.

### **8.2 Sending payment data to Centurion**

The creditor has delivered payment data to Centurion when Centurion has issued a receipt stating that the transmission of data is completed. The transmission receipt does not indicate that Centurion has checked the validity of the transmitted data and thus whether it can be uploaded to Centurion' systems or not.

### **8.3 Validation of payment data**

Centurion validates payment data when it is received. A validation receipt with timestamp is issued after the validation. It specifies whether the payment data can be processed or not.

### **8.4 Exceeded deadline – extra notification**

If data is not received in a readable format within the deadline – 6.30 p.m. on the sixth last banking day of the month prior to

the collection month – then the collections cannot be sent in the ordinary course of action but will require extra notification.

Extra notification will be initiated if the validation receipt from the received payment data is timestamped between 6.30 p.m. on the sixth last banking day and 6.30 p.m. on the third last banking day. Extra notifications are subject to separate charge according to the price list.

#### **8.5 Use of third-party supplier**

If the creditor uses a third-party data supplier, the creditor is subject to risk and liability according to the same rules and with the same legal effect as would apply, if the creditor had been the direct supplier of the payment data to Centurion.

The third-party supplier must enter into a data supplier agreement with Centurion.

#### **8.6 Processing of personal data**

Centurion collects and processes personal data in accordance with the privacy policy for Betalingservice, which can be found on the website [www.betalingservice.dk](http://www.betalingservice.dk).

#### **8.7 Data controller**

Centurion, the bank and the creditor are all individually responsible regarding their own processing of personal data.

#### **8.8. Collaboration in case of breaches of personal data security**

In the event of data breaches in Betalingservice, related to personal data, Centurion, the bank and the creditor shall, to the extent possible according to applicable law, be obliged to inform each other, cooperate and exchange necessary information, in order to evaluate notification of the DPA (in Danish; Datatilsynet) and the data subjects.

## **9. Completion of payments**

#### **9.1 Time for payment completion**

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

The creditor's agreement with his bank determines the date from which interest is calculated on executed payments.

#### **9.2 Payment and receipt**

Payment from the debtor's account through Betalingservice will relieve the debtor from the payment obligation. Debtor is entitled to consider an account statement specifying the payment as evidence of the executed payment.

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

#### **9.3 Maximum completion time**

The maximum total completion time is one banking day.

#### **9.4 Revocation of payments**

The creditor can revoke a payment until the banking day before the payment date. Procedures and deadlines are described in the guidelines.

## **10. Refusal and return of payments**

#### **10.1 General refusal and return deadline**

The debtor may, no later than the seventh day of the month of payment, refuse a future payment or request the refund of a payment made in the month in question.

If the payment has already been completed, the transferred amount will be refunded from the creditor's account to the debtor's account.

The refusal or request for refund will not apply to future payments relating to the mandate. A payment can only be refused or refunded in full.

## 10.2 Return of payments by the debtor's bank

The debtor's bank may return a completed payment in the following situations:

- Debtor's account has insufficient funds on the payment date and the payment exceeds DKK 1,000.
- Debtor has not concluded a debtor agreement with the bank.
- Debtor's bank has terminated the debtor agreement prior to the payment date.
- The mandate has expired because the debtor has ceased to hold an account with the bank before the payment date.
- Payment data or processing is incorrect.

The debtor's bank's request for a return must be received by Centurion no later than two banking days after the payment date. Centurion will then ensure that the amount is returned from the creditor's account to debtor's account.

## 10.3 Expiry of deadlines

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

# 11. The debtor's objections

## 11.1 Objections concerning unauthorised and incorrectly executed payments

The debtor may raise a dispute with his/her bank if:

- the debtor has not given the creditor a mandate to be used for the payment obligation in question
- a payment has been executed incorrectly.

A payment is considered to be unauthorised if it cannot be documented that a valid mandate exists.

A payment is considered to be incorrectly executed if it is not registered and logged correctly, or if the payment is affected by technical failure or similar failure caused by Centurion or the bank, e.g. if there is a discrepancy between the notified payment and the charged payment.

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

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

## 11.2 The creditor's obligations in connection with the debtor's objections

On request, the creditor must provide Centurion with documentation of the mandate with the debtor as soon as possible. If the creditor is unable to document the mandate, the creditor risks that the payment is returned.

If debtor has created the mandate through his/her bank, the bank must document the existence and content of the mandate.

If a payment is returned due to defective payment data, the creditor must, on request from Centurion, inform the debtor there of.

When returns are caused by circumstances that are attributable to the creditor, the creditor must cover the debtor's loss of interest.

## 11.3 Deadlines

If the deadline for raising a dispute is not a banking day, the deadline is the next banking day.

# 12. Termination of mandates

## 12.1 The debtor's termination of a mandate

The debtor can notify the creditor or the debtor's bank in writing at any time if he/she wishes to terminate a mandate.

If the creditor receives a notice of termination from the debtor, the creditor must forward it to Centurion immediately, as described in the guidelines.

The creditor must terminate the mandate, when the creditor's business relationship with the debtor ends.

### **12.2 When will the termination have effect?**

The termination will have effect as soon as possible, but no later than for payments which should take place on the third banking day after the creditor has sent the notice of termination to Centurion or it is received from the debtor by the debtor's bank.

### **12.3 Discontinuation of a mandate due to inactivity**

Centurion can discontinue a mandate, if the mandate has been inactive for a period of 15 months, unless the creditor has made other arrangements with Centurion.

### **12.4 Termination of the debtor agreement**

If the debtor agreement with the bank is terminated, cf. section 14.2, all mandates signed under the debtor agreement will be cancelled.

### **12.5 Consequences of termination or discontinuation of a mandate**

The creditor can no longer initiate payments in accordance with a mandate when it has been terminated or discontinued. Any pending payments will not be completed.

The creditor is not allowed to restore a terminated mandate.

## **13. The debtor's termination of the debtor agreement**

### **13.1 No deadline for the debtor's notice of termination**

The debtor may terminate the debtor agreement with his/ her bank at any time.

### **13.2 Effect of termination by the debtor**

All mandates registered under the debtor agreement will be cancelled if the debtor terminates the debtor agreement. Any pending payments will not be executed if the payment date is later than the time of the termination of the debtor agreement.

### **13.3 When will termination have effect?**

Termination of the debtor agreement will have effect as soon as possible, but no later than in respect of payments that would be completed three banking days after the bank received the debtor's notice of termination.

## **14. The debtor's bank's termination of the debtor agreement**

### **14.1 Notification of termination by the debtor's bank**

The debtor's bank may terminate the debtor agreement in writing with at least two months' notice. Furthermore, the debtor's bank may terminate the debtor agreement without notice if the debtor is in material breach of his/her contractual obligations with the bank. This applies, e.g., if repeatedly, the debtor has not held sufficient funds in his/her account.

### **14.2 The consequences of termination of the debtor agreement**

If the debtor's debtor agreement with the bank is terminated, mandates registered under the debtor agreement will be cancelled. This means that, in the future, the creditor will not be able to use Betalingservice to collect due amounts from the debtor.

## **15. If the debtor's bank fails to fulfil its obligations**

If a payment cannot be executed through Betalingservice because the debtor's bank suspends payments or goes bankrupt, the creditor is compelled to collect the amount by another method.

In such a situation, the creditor cannot claim usual remedies for breach of contract by the debtor due to the non-execution of the payment.

## **16. Centurion' liability**

Centurion is liable to pay damages if by reason of errors or negligence Centurion performs agreed duties late or defectively.

Even within the areas where stricter liability is imposed, Centurion is not liable for losses due to:

- breakdown of, or lack of access to, IT systems or damage to data in these systems due to any of the factors listed below, regardless of whether Centurion itself or a third-party supplier is responsible for the operation of these systems
- failures in Centurion' power supply or telecommunications; legal action or administrative interventions; natural disasters; war; revolt; civil unrest; sabotage, terrorism or vandalism (including computer viruses and hacking)
- strikes, lockouts, boycotts or blockades, irrespective of whether the conflict is directed against, or was instigated by, Centurion itself or Centurion' organisation, and irrespective of the reason for the conflict. This also applies if the conflict only affects parts of Centurion
- other circumstances beyond Centurion' control.

Centurion is not responsible for losses caused by a delay in the postal services when a delivery to debtor must be sent by ordinary mail.

If requested to do so by Centurion, the creditor must contribute to the remediation of any negative consequences of the events mentioned above, such as re-transmitting payment data.

Centurion' freedom from liability does not apply where:

- Centurion should have foreseen the circumstances that caused the loss when the agreement was entered into, or where Centurion should have avoided or overcome the cause of the loss
- Centurion is liable by law in all circumstances causing the loss.

## 17. Prices and payment

### 17.1 Prices

All prices are available in a separate document on [www.betalingservice.dk](http://www.betalingservice.dk).

If Centurion is to deliver services that are not stated in the price list, prices must be separately agreed upon.

### 17.2 Payment

The terms of payment for Centurion' services are net cash. Payment takes place by Centurion debiting the account designated by the creditor, and at the same time Centurion sends a specification of the amount to the creditor.

## 18. Credit assessment

When entering into the agreement and during the ongoing customer relationship, Centurion reserves the right to assess the creditor's financial situation, including assessing whether the creditor's business is well-reputed.

This means that Centurion is entitled, on an ongoing basis, to collect solvency information from the creditor's bank and information from credit rating agencies, and to request information from the creditor, e.g. in the form of financial statements.

Based on the credit assessment, Centurion can demand collateral. If the required collateral cannot be provided, Centurion can refuse to enter into an agreement to register the creditor for Betalingservice or terminate an existing agreement.

## 19. Termination of the agreement with Centurion

### 19.1 Notice of termination

The creditor may terminate the agreement with Centurion on the use of Betalingservice with one month's written notice.

Centurion may terminate the agreement with the creditor on the use of Betalingservice with two months' written notice.

If the creditor's bank informs Centurion that the bank no longer wishes to provide one or more bank accounts for the creditor's use of Betalingservice, Centurion will terminate the agreement accordingly.

### 19.2 Termination

Centurion may terminate the agreement without notice if:

- creditor's CVR-no. is inactive
- the creditor agreement has not been in use for the last 24 months



- the creditor is in material breach of the rules, e.g. by repeatedly failing to comply with these
- a credit assessment reveals a significant risk to Centurion
- Centurion receives a request to register transport on the settlement account specified by the creditor.

## 20. Changes to the agreement, rules and appendices

### 20.1 Notification of changes

Changes to the agreement and appendices, including these rules, are subject to two months' notice where the changes are to the creditor's disadvantage.

Other changes may be made without prior notice. The creditor will be notified of changes in the company's digital mailbox, e.g. e-Boks.

The creditor is obliged to inform Centurion of any changes to the creditor's information. The creditor is responsible for non-receipt by the creditor of notifications of changes, if the information is not kept up to date; cf. section 4.5.

### 20.2 Approval of changes

The creditor is considered to have consented to the notified changes, unless, before the changes become effective, the creditor informs Centurion that the creditor does not wish to be bound by the new conditions. In such a case, the agreement is regarded as terminated at the latest from the date when the changes enters into force.

## 21. Applicable law, legal venue and disputes

This agreement and its appendices are governed by Danish law.

Disputes between the creditor and Centurion may be brought before the ordinary courts in the jurisdiction of Centurion' domicile.

Furthermore, disputes may be brought before the Danish Complaint Board of Banking Services if the creditor is not a merchant and the dispute concerns the implementation of a payment service.

Disputes relating to Centurion' role as a payment service provider may be brought before the Danish FSA.

Centurion is authorised to operate as a payment institution under Danish FSA FT-no. 22034.

## 22. Language

This is a translation of the Danish version of the General rules for Betalingsservice creditors. All communication with you will be in Danish.

In case of any discrepancies, the Danish version will take precedence over any other version of the General rules for Betalingsservice creditors.