

Special Terms and Conditions for SEPA Transactions

§ 1 Scope of Application, Creditor Identifier, SWIFT Data Transmission

- (1) These Special SEPA Terms and Conditions (hereinafter "**Special Terms and Conditions for SEPA Transactions**") apply to the execution of payment services by Wirecard on behalf of Merchants, who wish to offer their customers the ability to pay for the goods and services purchased from them by SEPA core direct debit and by SEPA transfer.
- (2) The Special Terms and Conditions for SEPA Transactions apply in addition to the General Terms and Conditions of Acceptance for Distance Transactions ("**General Terms and Conditions of Acceptance**"). References to §§ refer to the provisions of these Special Terms and Conditions for SEPA Transactions, unless express reference is made to the provisions of the General Terms and Conditions of Acceptance or of other Special Terms and Conditions.
- (3) Unless otherwise defined in these Special Terms and Conditions for SEPA Transactions the terms used in these Special Terms and Conditions for SEPA Transactions have the meanings defined in the General Terms and Conditions of Acceptance.
- (4) A SEPA core direct debit is a payment transaction initiated by the Merchant as the payee from the account of the customer ("**Customer Account**") held with the customer's payment service provider (hereinafter "**Customer Bank**"), where the amount of the respective payment sum is stated by the Merchant. The SEPA core direct debit scheme is governed by the "SEPA Core Direct Debit Scheme Rulebook" of the European Payments Council (hereinafter "**EPC**") as applicable from time to time. The "SEPA Core Direct Debit Scheme Rulebook" can be viewed and downloaded from the EPC's website at www.europeanpaymentscouncil.eu.
- (5) The Special Terms and Conditions for SEPA Transactions apply:
 - (a) to the presenting and settlement of SEPA core direct debits in card-not-present transactions (ordering goods and services on the Internet, by post, by telephone or fax); and
 - (b) to the receipt and crediting of SEPA credit transfers in card-not-present transactions (ordering goods and services on the Internet, by post, by telephone or fax).
- (6) Under the SEPA core direct debit scheme the customer (hereinafter, "**Customer**") can effect payments in euro within the territory of the single euro payments area ("**Single Euro Payments Area**", "**SEPA**") via his Customer Bank to the Merchant. A list of the countries and territories belonging to SEPA (hereinafter individually "**SEPA Country**" and together "**SEPA Countries**") has been published on the EPC's internet page (www.europeanpaymentscouncil.eu). In order to execute payments by means of SEPA core direct debits the Customer must issue the corresponding SEPA direct debit mandate to the Merchant prior to the payment transaction. In each case the Merchant, as the payee, initiates the payment transaction by presenting the direct debits to the Customer Bank via Wirecard in accordance with this Contract. If an authorised payment is made on the basis of a SEPA core direct debit the Customer can, within a period of eight (8) weeks as of the time when the debit was debited from the Customer Account, demand that the direct debit amount debited be refunded subject to the satisfaction of the conditions in regulation 79(2) of the Payment Services Regulations 2017. This leads to the conditional credit entry to the benefit of the Merchant being cancelled (hereinafter "**Chargebacks**"). The payment amount can be re-debited only with a new direct debit with a new due date.
- (7) The Merchant, as the payee, must apply for a creditor identifier (hereinafter "**Creditor Identifier (CI)**") for the purposes of presenting SEPA core direct debits. It must also maintain and ensure the validity of the Creditor Identifier (CI) during the term of this Contract. The Creditor Identifier (CI) is issued by the Deutsche Bundesbank for payees based in Germany (as regards this please visit: <http://glaubiger-id.bundesbank.de>). In other SEPA Countries the respective national central banks issue the Creditor Identifier (CI). Merchants, who are based outside of the Eurozone can only apply for a Creditor Identifier (CI) to participate in the SEPA core direct debit scheme through a subsidiary based in a SEPA Country and by application to the national central bank of the relevant SEPA Country. Wirecard is not obliged to apply for a Creditor Identifier (CI) on behalf of the Merchant or to check the validity of a Merchant's Creditor Identifier (CI). The Customer can at any time and at his own discretion exclude a Creditor Identifier (CI) from the right to make a SEPA core direct debit.

- (8) In the case of SEPA core direct debits the direct debit data presented by the Merchant under this Contract can be forwarded by Wirecard to the Customer Bank via the message handling system of the Society for Worldwide Interbank Financial Telecommunication (SWIFT) based in Belgium with a computer centre in the European Union, in Switzerland and in the USA.

§ 2 Subject Matter of the Agency Business, Agreement on the Collection of Accounts Receivable, Payout

- (1) With this Contract (contract of agency) the Merchant instructs Wirecard to collect SEPA core direct debits (hereinafter "**SEPA Direct Debit Collection Mandates**") presented to Wirecard from the Customers in accordance with the provisions of this Contract and to receive incoming SEPA credit transfers on behalf of the Merchant in accordance with the provisions of this Contract.
- (2) Wirecard shall provide the following services to the Merchant provided any conditions stipulated in this Contract have been met:
 - (a) Execution of the SEPA Direct Debit Collection Mandates (as soon as possible or upon the date agreed with the Merchant) by transmitting the SEPA core direct debits presented by the Merchant to the respective Customer Bank;
 - (b) Crediting of the total amount of the Merchant's respective (collective) debit order to the account of the Merchant subject to the proviso that the SEPA core direct debits are honoured (this will appear as a conditional credit entry on the Payee Account);
 - (c) Crediting of the amounts under the SEPA credit transfers to the account of the Merchant;
 - (d) Notification of the Merchant that the SEPA Direct Debit Collection Mandates and the chargebacks and credits from SEPA credit transfers have been executed; and
 - (e) Transfer of the credit balances to the account of the Merchant in accordance with the more detailed particulars of § 8.

§ 3 SEPA Direct Debit Collection Mandates; Terms and Conditions for the Presentment of SEPA Core Direct Debts

- (1) Subject to the conditions of this § 3, the Merchant is entitled to collect the amounts due from a Customer Account at a Customer Bank based in a SEPA Country by means of SEPA core direct debit for remittance to the Payee Account.
- (2) When presenting the SEPA core direct debits the Merchant must use the IBAN (International Bank Account Number) and BIC (Business Identifier Code) given to it by Wirecard as its customer identifier as well as the Customer Bank's IBAN and BIC notified to it by the Customer as the Customer's customer identifier. Wirecard shall be entitled to carry out the collection of the SEPA core direct debits solely on the basis of the customer identifiers transmitted to it.
- (3) The Merchant undertakes to present SEPA core direct debits for collection only if the respective Customer has issued the written direct debit mandate for this (hereinafter "**SEPA Direct Debit Mandate**"). The SEPA Direct Debit Mandate must include the following declarations by the Customer:
 - (a) Authorisation of the Merchant to collect payments from the Customer Account by means of SEPA core direct debit; and
 - (b) The Customer's instruction to his Customer Bank to honour SEPA core direct debits drawn on the Customer Account.

The authorisation text attached as Schedule A.1, Schedule A.2 and/or Schedule A.3 respectively or wording with the same content in an official language of a SEPA Country must be used for a SEPA Direct Debit Mandate in accordance with the rules of the EPC (to find out more information in this regard please visit: www.europeanpaymentscouncil.eu).
- (4) In addition to the authorisation text the SEPA Direct Debit Mandate must include the following minimum details:
 - (a) The Merchant's name, address and Creditor Identifier (CI);
 - (b) The Customer's name, address, customer identifier (IBAN and BIC);
 - (c) Name of the Customer Bank;
 - (d) Statement as to whether the SEPA Direct Debit Mandate is given for a one-off payment or for recurrent payments; and
 - (e) Date of the SEPA Direct Debit Mandate.

The mandate reference individually issued by the Merchant must:

 - (g) clearly designate the respective mandate in conjunction with the Creditor Identifier (CI);
 - (h) be no more than 35 alphanumeric characters long; and



- (i) be communicated to the Customer or may already be contained in the SEPA Direct Debit Mandate.
The SEPA Direct Debit Mandate can contain additional details in addition to the data listed above.
 - (5) Upon request the Merchant must provide Wirecard with the original SEPA Direct Debit Mandate or a copy and, as the case may be, further information about the SEPA core direct debits presented, within seven (7) Business Days following receipt of such a request.
 - (6) If a Customer revokes a SEPA Direct Debit Mandate in relation to the Merchant, the Merchant may not collect any further SEPA core direct debits on the basis of the revoked SEPA Direct Debit Mandate. The same applies if a SEPA core direct debit is returned to the Merchant with the grounds for return being "no valid mandate" and the Customer Bank thereby notifies the Merchant (via Wirecard or otherwise) that the Customer has revoked the SEPA Direct Debit Mandate provided to the Merchant.
 - (7) The Merchant must present the SEPA core direct debits to Wirecard using Wirecard's paperless process. The Merchant must ensure it has in place and maintains the Prerequisites for Connection for presenting SEPA core direct debits using Wirecard's paperless process - as defined in the Wirecard Payment Processing API Merchant Specification, a copy of which will be provided to the Merchant on request - and to maintain them during the term of this Contract. Wirecard and other institutions are entitled to process the SEPA core direct debits in accordance with the text key and any text key enhancement stipulated by the Merchant.
 - (8) The due date to be stipulated in the dataset for collecting the SEPA core direct debit (hereinafter "**SEPA Dataset**") must be one of Wirecard's Business Days. If the due date stipulated in the Merchant's SEPA Dataset does not fall on a Business Day, the following Business Day shall be deemed to be the due date. Wirecard's Business Days are set out in § 2 sub-clause (30) of the General Terms and Conditions of Acceptance.
 - (9) In order to allow SEPA core direct debits to be transmitted to the respective Customer Bank via Wirecard in a timely manner, a SEPA Direct Debit Collection Mandate must be presented to Wirecard at least seven (7) Business Days (five (5) Business Days' prior notice plus Wirecard's own processing time) prior to the due date if the SEPA core direct debit is a one-off or if it is the first SEPA core direct debit to be collected from a Customer. For subsequent SEPA core direct debits, the SEPA Dataset must be presented to Wirecard at least four (4) Business Days (two (2) Business Days' prior notice plus Wirecard's own processing time) prior to the due date. If the Merchant does not state any due date Wirecard shall - on the basis of the above time limits for presentation - presume that the due date is the date which corresponds to the next possible collection date. If, when presenting a SEPA core direct debit, the Merchant states a due date which does not comply with the above-mentioned time limits for presentation, Wirecard can reject the transmission to the respective Customer Bank. If SEPA core direct debits are presented without complying with the agreed time limits so that execution by the stated due date cannot be guaranteed, Wirecard shall also be entitled to change the due date in the SEPA Dataset to the next possible and still achievable due date, although it is under no obligation to do so. Wirecard reserves the right to adjust a due date where the time limits above have not been complied with at any time without notifying the Merchant so that the technical and regulatory requirements for the SEPA core direct debit scheme are met.
 - (10) If the Merchant does not present any SEPA core direct debits pursuant to a SEPA Direct Debit Mandate in a period of thirty-six (36) months (calculated from the due date of the last SEPA core direct debit to be presented), it must refrain from collecting direct debits on the basis of that SEPA Direct Debit Mandate. The Merchant must obtain a new SEPA Direct Debit Mandate if it wishes to collect SEPA core direct debits from the Customer in the future. Wirecard and the Customer Bank are not under an obligation to check compliance with the measures in sentence 1.
 - (11) Small amounts to be collected regularly should, as far as possible, be combined into quarterly, half-yearly or annual payments to result in a collection amount of at least 10.00 euros per SEPA core direct debit.
- (b) The Customer and the Customer Bank have agreed that
 - (i) pursuant to the national direct debit authorisation the Customer instructs the Customer Bank to honour direct debits drawn by the Merchant on his Customer Account; and
 - (ii) the national direct debit authorisation can be used as a SEPA Direct Debit Mandate.
 - (2) The national direct debit authorisation must contain the following Authorisation Data:
 - (a) The Merchant's name or unique identifier (as the payee);
 - (b) The Customer's name (as the payer);
 - (c) The Customer's customer identifier within the meaning of § 3 sub-clause (2) or account number and bank sort code.
 The National Direct Debit Mandate can contain additional details in addition to the Authorisation Data.
 - (3) Prior to the collection of the first SEPA core direct debit, the Merchant must notify the Customer of the change from debit by national direct debit to the debit by SEPA core direct debit stating the Creditor Identifier (CI) and mandate reference in text form. Upon request by Wirecard the Merchant must prove that the Customer has been notified in an appropriate manner in accordance with sentence 1.
 - (4) The first SEPA core direct debit made after the change from the national direct debit shall be labelled as a first direct debit. In the SEPA Dataset the date upon which the Customer was notified in accordance with sub-clause (3) above is to be stated as the date of the SEPA Direct Debit Mandate. This date must be at least five (5) Business Days prior to the due date of the first SEPA core direct debit.

§ 5 Notice of Collection of the Direct Debit, Retention and Documentation

In addition to the obligations under § 8 of the General Terms and Conditions of Acceptance the following obligations shall apply to the Merchant when offering the payment method "SEPA core direct debit":

- (1) The Merchant must notify the Customer of the collection by direct debit (for example in connection with the issue of an invoice) no later than fourteen (14) calendar days prior to the due date of the first payment by means of SEPA core direct debit subject to any alternative agreement between the Merchant and the Customer. In the case of recurring debits with the same or a fixed debit amount the Merchant may notify the Customer once prior to the first collection by direct debit and to state the corresponding due dates at this time.
- (2) The SEPA Direct Debit Mandate issued by the Customer shall remain with the Merchant. The Merchant must keep the SEPA Direct Debit Mandate issued by the Customer - including any amendments made - in the statutorily prescribed form. The SEPA Direct Debit Mandate shall be valid for an indefinite term provided that no more than 36 months have elapsed since the last debit and provided that it has not been revoked by the Customer or returned by the Customer Bank in the circumstances outlined in sub-clause 3.5. After the SEPA Direct Debit Mandate has expired it must still be kept in the statutorily prescribed form for a period of at least fourteen (14) months calculated as of the due date of the last SEPA core direct debit collected.
- (3) Upon request the Merchant must provide Wirecard with the original SEPA Direct Debit Mandate or a copy and, as the case may be, further information about the SEPA core direct debits presented, within seven (7) Business Days following receipt of such request.

§ 6 Prerequisites for Performance, Execution and Chargebacks

- (1) Wirecard is only obliged to fulfil its obligations in § 2 sub-clause (2) (a) (execution of the Direct Debit Collection Orders) if the Merchant has complied with its obligations under § 3 and § 4 above and under § 6 sub-clauses (10) to (17), sub-clauses (28), (29) of the General Terms and Conditions of Acceptance as well as under § 7 of the General Terms and Conditions of Acceptance. Wirecard's rights under this Contract (e.g. to suspend services or to terminate the Contract) in accordance with the provisions of the General Terms and Conditions of Acceptance shall remain unaffected.
- (2) Wirecard shall transmit the SEPA core direct debits presented by the Customer in accordance with the provisions of this Contract in such a manner as to allow them to be cleared on the due date stated in the SEPA Dataset.
- (3) The total amount of the accounts receivable to be collected shall then be credited to the account of the Merchant provided that the SEPA core direct debits are honoured.

§ 4 National Direct Debit Authorisation as a SEPA Direct Debit Mandate

- (1) The Merchant can use a national direct debit authorisation as a SEPA Direct Debit Mandate. In order to do so the following conditions have to be met:
 - (a) The Customer has provided the Merchant with a written national direct debit authorisation, pursuant to which the Customer authorises the Merchant to collect payments from the Customer Account by direct debit.



- (4) The Customer Bank shall forward the amount it has debited from the Customer Account on the basis of the SEPA core direct debit to Wirecard. No partial payments will be made.
- (5) In the case of a SEPA core direct debit which is not honoured by the Customer Bank or is returned by the Customer Bank because of the Customer's demand for a refund Wirecard shall be entitled to reverse the conditional credit entry and to debit such Chargebacks from the sums payable to the Merchant. This is irrespective of whether a statement of account has been issued in the meantime. The payment amount can be re-debited from the Customer Account only with a new SEPA core direct debit with a new due date.

§ 7 Charges, Billing, Notification

In addition to § 9 of the General Terms and Conditions of Acceptance the following provisions shall apply to the charges and expenses, to which Wirecard is entitled in return for the services under these Special Terms and Conditions for SEPA Transactions.

- (1) The calculation of the percentage remuneration components laid down in the Online Application shall be based on the respective amount to be transferred or direct debit amount respectively. The basis for the percentage remuneration components agreed is the average transaction amount per month stated by the Merchant when the Contract was concluded (or as and when any changes come into effect)(total value of all transactions in proportion to the number of transactions) and the average total transaction volume per month.
- (2) Wirecard shall be entitled to debit the charges, expenses and other deductions to which it is entitled under this Contract pursuant to § 10 sub-clause (1) of the General Terms and Conditions of Acceptance from the sums due to the Merchant, prior to paying them to the account of the Merchant or to offset them against the payment sums to be paid out to the Merchant under these Special Terms and Conditions for SEPA Transactions.
- (3) The charges and expenses and the notification in accordance with § 2 sub-clause (2) (d) above shall be billed via the Online Tool; the notification shall be provided to the Merchant at such times and at such frequency as agreed with the Merchant. § 10 sub-clause (4) to sub-clause (6) of the General Terms and Conditions of Acceptance apply. If it has been agreed that the SEPA core direct debits will be credited collectively, only the total amount of the accounts receivable shall be shown and not the individual payment transactions.

§ 8 Payouts to the Merchant and Billing

The following shall apply in addition to § 10 of the General Terms and Conditions of Acceptance:

- (1) The payout within the meaning of § 2 sub-clause (2) (e) shall be made after the expiry of the respective regular payout period agreed with the Merchant in the Online Application and subject to the proviso that the prerequisites for performance under § 6 sub-clause (1) are met. In all other respects § 10 sub-clause (2) of the General Terms and Conditions of Acceptance shall apply.
- (2) The payout amount shall in each case be the equivalent of the sum of all credits received by Wirecard in the respective payout period less:
 - (a) the Holdback (§ 9) for the payout period concerned;
 - (b) as the case may be Chargebacks that have accrued up until the time of payout;
 - (c) charges and expenses owed to Wirecard under the provisions of this Contract; and
 - (d) as the case may be, any other items for deduction within the meaning of § 10 sub-clause (1) of the General Terms and Conditions of Acceptance.
- (3) The minimum payout shall be EUR 50.00. Amounts below such payout limit shall be accumulated and shall not be paid out to the Merchant until they exceed such limit, at the latest upon termination of the Contract.
- (4) Wirecard and other institutions are entitled to process the SEPA core direct debits in accordance with the text key stipulated by the Merchant and any additional text key stipulated by the Merchant.
- (5) Unless otherwise provided by mandatory statutory provisions, Wirecard can withhold the payouts it is obliged to make to the Merchant due to its own claims, even if those claims are not based on the same legal relationship. The above right to withhold is limited to Wirecard's accounts receivable arising out of the banking relationship with the Merchant and to other banking-related accounts receivable acquired against the latter.

§ 9 Holdback

The following shall apply in addition to § 11 of the General Terms and Conditions of Acceptance:

- (1) As security for all existing, future and conditional claims and claims that are limited in time, to which Wirecard is entitled against the Merchant under this Contract, and in particular, claims in connection with Chargebacks, Wirecard shall hold back the portion/percentage of the final invoice amount as set out in the Online Tool from the equivalent of the sum of all credits entered on the Payee Account in the respective payout period (which is set out in the Online Tool) and arising out of SEPA core direct debits collected as a holdback (hereinafter "**Holdback**"). This means that after the expiry of the respective payout period the sum in the amount of the Holdback shall not initially be transferred to the Merchant's Drawing Account but shall instead remain with Wirecard for the period of time set out in the Online Tool or otherwise separately between the Parties following expiry of the payout period.
- (2) Following termination or expiry of the Contract Wirecard shall be entitled to retain the Holdback existing at the time of termination or expiry of the Contract to cover any Chargebacks for a period of nine (9) months commencing with the date of termination or expiry of the Contract. The remaining credit balance shall be transferred to the account of the Merchant nine (9) months after termination or expiry of the Contract.
- (3) Wirecard shall regularly review the amount of the Holdback and shall assess the extent of the security risk. If the Holdback – according to the chargeback rates to date and the estimated future chargeback rate determined by Wirecard exceeds Wirecard's expected security requirement (hereinafter "**Security Requirement**") by more than ten percent (10 %) Wirecard shall pay out the excess amount. If the Security Requirement exceeds the current Holdback, Wirecard shall have the right to alter the amount of the Holdback and/or to reasonably extend the Holdback period. Wirecard's Security Requirement shall particularly be increased if:
 - (a) The Merchant's chargeback rate exceeds ten percent (10 %) of the turnover per month pursuant to § 7 sub-clause (1) or has increased by more than fifty (50 %) compared to the preceding month;
 - (b) The volume of the Merchant's transactions processed under this Contract drops significantly; a drop is significant if either the number of transactions or the transaction volume declines by more than 60 % compared with the transaction volume initially stated by the Merchant pursuant to § 7 sub-clause (1); or
 - (c) Notice to terminate the Contract is given.

§ 10 Liability, Claims for Refunds

The following shall apply in addition to the liability provisions in § 4 of the General Terms and Conditions of Acceptance:

In the event that a SEPA Direct Debit Collection Order is not collected or is incorrectly collected the Merchant can require that Wirecard transmits, or as the case may be re-transmits, said SEPA core direct debit to the Customer Bank without undue delay. In addition the Merchant can require Wirecard to refund those fees and interest, which Wirecard has charged him in connection with the failure to execute or the incorrect execution of SEPA Direct Debit Collection Order.

§ 11 Termination

In addition to § 12 sub-clause (8) of the General Terms and Conditions, Wirecard shall have the right to terminate these Special Terms and Conditions immediately and without notice if:

- (a) the proportion of Chargebacks over a period of two (2) months (hereinafter "**Assessment Period**") exceeds on average twenty-five percent (25 %) of the total SEPA core direct debit transactions processed under this Contract and/or twenty-five percent (25 %) of the total transaction volume per month; following the expiry of the first six (6) months after the Contract entered into force, the Assessment Period shall be reduced to one (1) month; or
- (b) the Merchant offers its Customers payments by SEPA core direct debits, which are settled under this Contract, through internet addresses of the Merchant other than those listed in the Contract or otherwise approved by Wirecard.



Schedules

Schedule A.1:

Text for the payee's SEPA Direct Debit Mandate authorising the payee to collect recurring payments under the SEPA Core Direct Debit Scheme

SEPA Direct Debit Mandate

I authorise (We authorise) (name of the payee) to collect payments from my (our) account by means of direct debit. At the same time I instruct my (we instruct our) bank to honour the direct debits drawn by (name of the payee) on my (our) account.

Note: I (we) can demand that the amount debited be refunded within eight weeks commencing with the date of debit. The terms and conditions agreed with my (our) bank shall thereby apply.

Note: Please refer to § 3 of the Special Terms and Conditions for SEPA Transactions for further elements of the mandate.

Schedule A. 2:

Text for the payee's SEPA Direct Debit Mandate authorising the payee to collect a one-off payment under the SEPA Core Direct Debit Scheme

SEPA Direct Debit Mandate

I authorise (We authorise) (name of the payee) to collect a one-off payment from my (our) account by means of direct debit. At the same time I instruct my (we instruct our) bank to honour the direct debit drawn by (name of the payee) on my (our) account.

Note: I (we) can demand that the amount debited be refunded within eight weeks commencing with the date of debit. The terms and conditions agreed with my (our) bank shall thereby apply.

Note: Please refer to § 3 of the Special Terms and Conditions for SEPA Transactions for further elements of the mandate.

Schedule A.3:

Authorisation text for a combined mandate

Authorisation for a direct debit and a SEPA direct debit mandate

1. Direct Debit Authorisation

I revocably authorise (We revocably authorise) (name of the payee) to collect the payments payable by me (us) when due from my (our) account by means of a direct debit.

2. SEPA Direct Debit Mandate

I authorise (We authorise) (name of the payee) to collect payments from my (our) account by means of direct debit. At the same time I instruct my (we instruct our) bank to honour the direct debits drawn by (name of the payee) on my (our) account.

Note: I (we) can demand that the amount debited be refunded within eight weeks commencing with the date of debit. The terms and conditions agreed with my (our) bank shall thereby apply. (Name of the payee) shall inform me (us) of a collection using this method prior to the first collection of a SEPA core direct debit.

Note: Please refer to § 3 of the Special Terms and Conditions for SEPA Transactions for further elements of the mandate.

