

Terms for Payments by Direct Debit under the SEPA Core Direct Debit Scheme

Holvi Payment Services Ltd
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Further details of Holvi are contained in the Terms of Service

Payments which the Customer makes to payees (creditors) by SEPA core direct debit through its Payment Account with Holvi shall be subject to the following Terms.

1. General

1.1. Definitions:

Banking Day: Is any day other than a Saturday or a Sunday or holiday listed; further information can be obtained on the website at the Customer Service Portal <https://support.holvi.com>.

BIC: means Bank Identifier Code.

Customer: Is the natural or legal person with a bona fide business purpose in whose name the Payment Account is opened.

Direct Debit: is a type of Payment Transaction that is initiated by the payee and debited to the Customer's Payment Account where the amount of the payment is specified by the payee.

European Economic Area: see Annex.

Holvi: Holvi Payment Services Ltd, including any branch being established.

IBAN: means International Bank Account Number.

Payment Account: Is a business account created for a Customer in the Holvi Service for executing Payment Transactions regarding placing, transferring or withdrawing funds.

Payment Transaction: Is an act, initiated by a payer or a payee, of placing, transferring or withdrawing funds from a payer's payment account to a payee's payment account, irrespective of the chosen payment method to deliver the funds.

1.2. Charges

1.2.1. Charges: Charges for payments by Customers and any changes in these shall continue to be governed by Holvi's Pricing Terms.

1.3. Dispute settlement and other means of complaint: These terms are governed by the laws of Finland (excluding its choice of law provisions). Any dispute arising out of these Terms shall be finally resolved in the District Court of Helsinki or the district court of the place where the defendant has its domicile.

Complaints should be addressed in text form (e.g. by letter, telefax or email) to Holvi Payment Services Oy, Kaikukatu 2 C, 00530 Helsinki; fax: +358 (0) 923194337; email: support@holvi.com or through the [Complaints Form](#). Concerns or complaints about Holvi may be addressed to the Finnish Financial Supervisory Authority (FIN-FSA) Snellmaninkatu 6, P.O. Box 103, FI-00101 Helsinki; tfl. +358 10 831 5; email: fiva@fiva.fi.

2. SEPA core direct debit

2.1. General

2.1.1. Main characteristics of the SEPA core direct debit scheme: The SEPA core direct debit scheme enables the Customer to make Payment Transactions in form of a Direct Debit, in euros to the payee through Holvi within the Single Euro Payments Area (SEPA). SEPA comprises the countries and territories listed in the Annex.

For the execution of Direct Debits by SEPA core direct debit

- the payee and the payee's payment service provider must use the SEPA core direct debit scheme and
- the Customer must give the SEPA core direct debit mandate to the payee before the Payment Transaction in the form of a Direct Debit. The payee initiates the respective Payment Transaction by presenting the Direct Debits to Holvi through their payment service provider. If a Direct Debit which has been made on the basis of a SEPA core direct debit is authorised, the Customer shall be entitled to claim a refund of the amount debited from Holvi. Such claims must be made within eight (8) weeks starting from the date on which the Customer's Payment Account was debited.

2.1.2. Unique identifiers: The Customer must use the IBAN notified to their plus for cross-border payments (within the European Economic Area until 31 January 2016) the BIC of Holvi, as their unique identifier vis-à-vis the payee, since Holvi is entitled to execute the Direct Debit by SEPA core direct debit solely on the basis of the unique identifier provided to it. Holvi and the intermediary institutions involved will execute the Direct Debit to the payee using the IBAN, plus for cross-border payments the BIC, indicated by the payee in the direct debit data set as the Customer's unique identifier.

2.1.3. Transmission of direct debit data: When SEPA core direct debits are used, the direct debit data may be forwarded to Holvi by the payee's payment service provider through the message transmission system of the Society for Worldwide Interbank Financial Telecommunications (SWIFT), which is based in Belgium and has operating centres in the European Union, Switzerland and the United States.

2.2. SEPA direct debit mandate

2.2.1. Giving the SEPA direct debit mandate: The Customer shall give a SEPA direct debit mandate to the payee. With it, the Customer authorises Holvi to pay SEPA core direct debits drawn by the payee. The mandate must be given in writing or in the manner agreed with Holvi.

The SEPA core direct debit mandate must contain the following statements by the Customer:

- a statement authorising the payee to collect Direct Debits from the Customer's Payment Account by SEPA core direct debit and

- a statement instructing Holvi to pay SEPA core direct debits drawn by the payee on the Customer's Payment Account.

The SEPA core direct debit mandate must contain the following authorisation data:

- identification of the payee
- creditor identifier indication of whether the mandate is for a one-off or recurrent payment
- name of the Customer and
- Customer's unique identifier (see Clause 2.1.2).

The direct debit mandate may contain additional details supplementing the authorisation data.

2.2.2. Collection authorisation as a SEPA direct debit mandate: If the Customer has given collection authorisation to the payee, authorising the payee to collect Direct Debits from their Payment Account by Direct Debit, the Customer thereby instructs Holvi at the same time to pay the Direct Debits drawn on their Payment Account by the payee. With the collection authorisation, the Customer authorises Holvi to pay Direct Debits drawn by the payee. This collection authorisation shall be deemed to be a SEPA Direct Debit mandate. Sentences 1 – 3 shall apply also to collection authorisation given by the Customer prior to the entry into force of these Terms.

Collection authorisation must contain the following authorisation data:

- name and address of the payee
- name of the Customer
- Customer's unique identifier in accordance with Clause 2.1.2 or Payment Account number and bank code.

Collection authorisation may contain additional details supplementing the authorisation data.

2.2.3. Revocation of the SEPA direct debit mandate: The SEPA Direct Debit mandate may be revoked by the Customer by means of a statement to this effect – if possible, in writing – to the payee or Holvi, with the result that subsequent Payment Transactions in form of Direct Debits are no longer authorised. If notice of revocation is given to Holvi, it shall take effect from the Banking Day, following the day on which it is received. Notice of revocation should, in addition, be given to the payee so that the payee does not collect any further Direct Debits.

2.2.4. Limitation and disallowance of SEPA core direct debits: The Customer may separately instruct Holvi to limit or disallow Direct Debits under SEPA core direct debits. This instruction must be received by Holvi no later than the end of the Banking, before the due date indicated in the Direct Debit data set. This instruction should, if possible, be given in writing and to the Payment Account keeping branch of Holvi. It should, in addition, be given to the payee.

2.3. Collection of the SEPA core direct debit by the payee under the SEPA core direct debit mandate

(1) The SEPA core direct debit mandate given by the Customer shall remain with the payee. The payee shall take over the authorisation data and enter any additional details in the data set for collection of SEPA core direct debits. The respective Direct Debit amount shall be specified by the payee.

(2) The payee shall send the data set for collection of the SEPA core direct debit to Holvi (payer Holvi) electronically through their payment service provider. This data set shall also represent the Customer's instruction to Holvi in the SEPA direct debit mandate to pay the respective SEPA core direct debit (see Clause 2.2.1, sentences 2 and 4 and Clause 2.2.2, sentence 2). For delivery of this instruction, Holvi shall waive the form agreed for giving the SEPA direct debit mandate (see Clause 2.2.1, sentence 3)

2.4. Payment Transaction based on the SEPA core direct debit

2.4.1. Debiting the Direct Debit amount to the Customer's Payment Account

(1) On receipt of SEPA core direct debits drawn by the payee, the amount specified by the payee shall be debited to the Customer's Payment Account on the due date indicated in the direct debit data set. If the due date is not a Banking Day as stated in the Terms of Service, the Payment Account shall be debited on the next Banking Day.

(2) The Customer's Payment Account shall not be debited or a debit entry shall be cancelled no later than the second Banking Day after it was made (see Clause 2.4.2) if

- Holvi has received notice of revocation of the SEPA direct debit mandate pursuant to Clause 2.2.3
- the Customer does not have a sufficient credit balance on the Payment Account or sufficient credit for payment of the Direct Debit (lack of funds); Holvi shall not pay partial amounts
- the payer's IBAN indicated in the direct debit data set can not be assigned to any Payment Account held by the Customer with Holvi, or
- the Direct Debit cannot be processed by Holvi because the direct debit data set
 - does not contain a creditor identifier or contains one which is evidently wrong to Holvi
 - does not contain a mandate reference
 - does not indicate the date on which the mandate was given, or
 - does not indicate the due date.

(3) In addition, the Customer's Payment Account shall not be debited or a debit entry shall be cancelled no later than the second Banking Day after it was made (see Clause 2.4.2) if this SEPA core direct debit is countermanded by a separate instruction from the Customer pursuant to Clause 2.2.4.

2.4.2. Payment of SEPA core direct debits: SEPA core direct debits are paid if the debit entry in the Customer's Payment Account has not been cancelled later than the second Banking Day after it was made.

2.4.3. Notification of non-execution or cancellation of the debit entry or refusal of payment: Holvi shall inform the Customer without delay, and no later than the time agreed in Clause 2.4.4, of non-execution or cancellation of the debit entry (see Clause 2.4.1, paragraph 2) or refusal to pay a SEPA core direct debit (see Clause 2.4.2).

This may be done also through the agreed Payment Account information channel. Holvi shall, if possible, state the reasons and indicate ways in which errors that led to the non-execution, cancellation or refusal can be rectified. For informing the Customer of a justified refusal to pay an authorised SEPA core direct debit due to a lack of funds (see Clause 2.4.1, paragraph 2, second bullet point), Holvi shall levy the charge set out in the Terms of Service.

2.4.4. Execution of the Payment Transaction

(1) Holvi shall be obligated to ensure that the amount debited by it to the Customer's Payment Account on the basis of the SEPA core direct debit presented by the payee is received by the payee's payment service provider within the execution period indicated in the Terms of Service at the latest.

(2) The execution period shall commence on the due date indicated in the direct debit data set. If this date is not a Banking Day, the execution period shall commence on the following Banking Day.

(3) Holvi shall inform the Customer of the execution of the Direct Debit through the agreed Payment Account information channel and at the agreed frequency.

2.5. Customer's entitlement to a refund for an authorised Payment Transaction

(1) If a Payment Transaction in form of a Direct Debit which has been made on the basis of a SEPA core direct debit is authorised, the Customer shall be entitled to claim a no-questions-asked refund of the amount debited from Holvi. Such claims must be made within eight (8) weeks starting from the date on which the Customer's Payment Account was debited. Holvi shall restore the balance of the Customer's Payment Account to what it would have been without debiting for the Direct Debit. Any claims by the payee against the Customer shall not be affected by this.

(2) The entitlement to a refund under paragraph 1 shall be precluded as soon as the amount of the Direct Debit entry has been expressly authorised by the Customer directly to Holvi.

(3) The Customer's entitlement to a refund for a non-executed or incorrectly executed authorised payment shall be determined by Clause 2.6.2.

2.6. Customer's entitlement to a refund and compensation

2.6.1. Refund for an unauthorised Payment Transaction

If a Payment Transaction in form of a Direct Debit is not authorised by the Customer, Holvi shall have no claim against the Customer for reimbursement of its expenses. It shall be obligated to refund the amount debited to the Customer's Payment Account to the Customer without delay and to restore the balance of this Payment Account to what it would have been without debiting for the unauthorised Direct Debit.

2.6.2. Refund for non-executed or incorrectly executed authorised Payment Transaction

(1) If an authorised Payment Transaction in form of a Direct Debit is not executed or not executed correctly, the payer may request the payment service provider to refund the Direct Debit amount in full without delay insofar as the Direct Debit was not executed or executed incorrectly. The payment service provider shall then restore the balance of the payer's payment account to what it would have been without debiting for the incorrectly executed Payment Transaction.

(2) Over and above the entitlement under paragraph 1, the payer may request the payment service provider to refund the charges and interest levied on their or debited to their payment account in connection with the non-execution or incorrect execution of the Payment Transaction in form of a Direct Debit.

(3) If incorrect execution is due to the amount of the Payment Transaction not being received by the payee's payment service provider before expiry of the execution time as specified in Clause 2.4.4 (delay), the entitlement to a refund under paragraphs 1 and 2 shall be precluded. If the payer has sustained any loss or damage as a result of the delay, the payment service provider shall be liable pursuant to Clause 2.6.3.

(4) If a Payment Transaction in the form of a Direct Debit was not executed or not executed correctly, the payment service provider shall, at the payer's request, make immediate efforts to trace the Payment Transaction and notify the payer of the outcome.

2.6.3. Compensation

(1) If an authorised Payment Transaction in form of a Direct Debit is not executed or not executed correctly or if a Direct Debit is unauthorised, the payer may request the payment service provider to provide compensation for any loss or damage not already covered by Clauses 2.6.1 and 2.6.2. This shall not apply if the payment service provider is not responsible for the neglect of duty. The payment service provider shall be liable in this connection for any fault on the part of an intermediary institution to the same extent as for any fault on its own part. If the payer has contributed to the occurrence of any loss or damage through culpable conduct, the principles of contributory negligence shall determine the extent to which the payment service provider and the payer must bear the loss or damage.

(2) Liability under paragraph 1 shall be limited to EUR 12,500. This limitation on liability shall not apply to

- unauthorised Direct Debits
- cases of deliberate intent or gross negligence by the payment service provider
- risks which the payment service provider has assumed on an exceptional basis.

2.6.4. Entitlement to compensation of the Customers - in their capacity as not being consumers - for a non-executed authorised, incorrectly or delayed executed authorised Payment Transaction or unauthorised Payment Transaction

By way of derogation from the entitlement to a refund under Clause 2.6.2 and the entitlement of compensation under Clause 2.6.3, Customers in their capacity as not being consumers shall only have a claim for compensation – *besides any claims for restitution under the applicable Finnish Law* – for a non-executed authorised, incorrectly or delayed executed authorised Payment Transaction or an unauthorised Payment Transaction in accordance with the following rules: If an authorised Payment Transaction is not executed or executed incorrectly, or executed with a delay or if a Payment Transaction is unauthorised, a Customer may request Holvi to provide compensation for any loss or damage incurred as a result. This shall not apply if Holvi is not responsible for the neglect of duty. If the Customer has contributed to the occurrence of any loss or damage through culpable conduct, the principles of contributory negligence shall determine the extent to which Holvi and the Customer must bear the loss or damage. Holvi shall not be liable for any fault of intermediaries chosen by it. In such cases, Holvi's liability shall be limited to the careful selection and instruction of the first intermediary.

The amount of the Customer's claim for compensation shall be limited to the amount of the Direct Debit, plus the charges and interest levied by Holvi. Where claims for consequential loss or damage are asserted, such claims shall be limited to a maximum of EUR 12,500 per payment. These limitations on liability shall not apply to deliberate intent or gross negligence by Holvi or to risks which Holvi has assumed on an exceptional basis.

2.6.5. Preclusion of liability and objection

(1) Any liability under Clauses 2.6.2 – 2.6.4 shall be precluded

- if Holvi proves to the Customer that the full amount of the Direct Debit reached the payee's payment service provider in due time or
- if the Direct Debit was executed in conformity with the incorrect unique identifier of the payee provided by the payee. In this case, the Customer may, however, request Holvi to make reasonable efforts to recover the amount of this Payment Transaction. For doing so, Holvi shall levy the charge for recovery set out in the "Holvi Terms of Service".

(2) Any claims by the Customer under Clauses 2.6.1 – 2.6.4 and any objections by the Customer against Holvi as a result of non-execution or incorrect execution of Direct Debits or as a result of unauthorised Direct Debits shall be precluded if the Customer fails to inform Holvi thereof within a period of thirteen (13) months at the latest after being debited for an unauthorised or incorrectly executed Direct Debit. This period shall start to run only once Holvi has informed the Customer about the debit entry for the payment through the agreed Payment Account information channel no later than one (1) month after the debit entry was made; otherwise the date on which the Customer is informed shall determine when the period commences. The Customer may assert claims for compensation under Clause 2.6.3 also after expiry of the period referred to in sentence 1 if they were prevented, through no fault of their own, from adhering to this period.

(3) Any claims by the Customer shall be precluded if the circumstances substantiating a claim

- are based upon an abnormal and unforeseeable event beyond the control of Holvi and whose consequences could not have been avoided even by exercising due diligence
- or were brought about by Holvi as a result of a statutory obligation.

Annex: List of SEPA countries and territories

1.1. Countries belonging to the European Economic Area

(EEA) Member states of the European Union:

Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France (including French Guiana, Guadeloupe, Martinique, Mayotte, Réunion), Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovak Republic, Slovenia, Spain, Sweden, United Kingdom of Great Britain and Northern Ireland (subject to the Agreement on the Withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community)..

Further countries:

Iceland, Liechtenstein, Norway.

1.2. Other countries and territories:

Monaco, San Marino, St. Pierre & Miquelon, Switzerland plus Guernsey, Jersey and Isle of Man.