

# Terms of settlement

Valid as of 1 January 2020

## Content

<b>Definitions</b>	<b>2</b>
<b>General provisions</b>	<b>2</b>
Applicable conditions	2
Identification of account and bank	2
Submitting data	3
Commission fee	3
Rights and obligations of SEB	3
<b>Execution of a transfer order</b>	<b>3</b>
Internal payment	4
European payment initiated at SEB	4
European payment received at SEB	4
Cross-border payment initiated at SEB	4
Cross-border payment received at SEB	4
<b>Exchange rates</b>	<b>4</b>
<b>Revoking a transfer order</b>	<b>5</b>
<b>Methods for calculating a commission fee</b>	<b>5</b>
<b>Liability</b>	<b>5</b>
Liability of SEB	5
Liability of the Remitter	6
<b>Complaints</b>	<b>6</b>
<b>Amendment of the terms of settlement</b>	<b>6</b>

## Definitions

**A current account** (Account, Payment Account) is a bank account in which the Bank reflects the Client's funds, the payments made by and received by the Client, as well as all other operations related to the funds held in the account.

**Settlement day** is the day when the payment service providers involved in the execution of a payment transaction are open for the settlement of the payment transaction. Generally, a settlement day is every calendar day, except Saturdays, Sundays, and national or public holidays.

The settlement day depends on the payment transaction and its channel (Internet bank, bank office, etc.). More detailed information about the times for the settlement of payments in SEB (clearing times) can be found on the webpage at [seb.ee](http://seb.ee).

**European bank** means a bank in a member state.

**European payment** is a payment made to a European bank in euros.

**IBAN** (international bank account number) is the international format for the account number.

**Account information service provider** is a payment service provider that mediates information to the Client over the Internet about an account of the Client at another payment service provider.

**Unique Identifier** is a combination of letters, numbers or symbols, determined by the bank, which is used for unique identification of the Client's account. At SEB, the Client's account number or the bank card number (in the case of card transactions) is the unique identifier.

**Member states** are the member states of the European Union, Iceland, Liechtenstein, Norway, Switzerland, Monaco, San Marino, and Andorra.

**Transfer order** (payment order, cross-border payment order) is an instruction of the Remitter to the bank for effecting a payment.

**Payment transaction** (payment) is any cash deposit or withdrawal and transfer of funds initiated by the Remitter or Beneficiary.

**Payment initiation service provider** is a payment service provider, through whom the Remitter may initiate a payment transaction from their account at another payment service provider.

**Payment intermediary** (incl. correspondent bank, payment system) is a payment service provider, through which the transfer order is forwarded to the Beneficiary's bank.

**Remitter** is a person who has given a transfer order to the payment service provider servicing the same.

**Internal payment** is a payment, where the accounts of both, the Remitter as well as the Beneficiary are opened at SEB.

**Beneficiary** is a person who receives the funds transferred under a transfer order.

**Beneficiary's bank** is a bank or any other payment service provider where the Beneficiary's account is located.

**SEB** is AS SEB Pank.

**Cross-border payment** is a payment, which is not an internal payment or an European payment and where the Remitter's or Beneficiary's account

- is not in a European bank, or
- is in a European bank; however, the payment is initiated in another currency than the euro.

A payment in a foreign currency to another Estonian bank is always executed as a cross-border payment.

## General provisions

### Applicable conditions

1. The terms of settlement are applied to each payment, initiated from or received in an account opened at SEB or made there in cash.
2. Depending on the channel or manner of initiating a payment, the procedure or initiating or receiving a payment is regulated also by the terms and conditions of other SEB products and services (e.g. issues concerning a payment with a debit card are regulated with the terms and conditions of an international debit card agreement).

### Identification of account and bank

3. When transferring the received amount to the Beneficiary's account and upon need, returning the payment to the Remitter, SEB generally proceeds from the unique identifier of the Client. In the case of contradictions between the unique identifier and other data provided on the transfer order (e.g. name), the Bank may refuse to fulfil the transfer order.

4. In case there is a conflict between the Beneficiary's bank's BIC (Business Identification Code) and the postal address, SEB shall proceed from the BIC of the bank of the Beneficiary. If the Remitter has not specified the BIC on the transfer order or if the BIC forwarded by the Remitter differs from the Beneficiary's bank's BIC, known to SEB, then SEB may proceed from the BIC that is known to it when fulfilling the transfer order.

### Submitting data

5. SEB may forward the relevant data of the Remitter (e.g. unique identifier, name, personal identification code or date and place of birth, address) to the payment intermediary, Beneficiary's bank and Beneficiary, as well as to payment initiation and account information service providers in cases provided for and in the extent determined in legislation.
6. Upon request of SEB, the Client shall present to SEB the documents, which confirm the legal origin of funds used in a payment transaction.

### Commission fee

7. Unless otherwise agreed, SEB shall debit:
  - 7.1. the amount of payment and the related commission fees from the remitter's account immediately upon receipt of the transfer order;
  - 7.2. the commission fee related to the receipt of the payment from the Beneficiary's account immediately after the amount of payment transaction has been transferred to the Beneficiary's account.

### Rights and obligations of SEB

8. A transfer order shall be binding to SEB as of the moment it receives a proper transfer order, i.e.
  - 8.1. SEB has had an opportunity to examine the content of the transfer order and
  - 8.2. this transfer order can be fulfilled, i.e.
    - the Client has submitted all the data requested by SEB;
    - the transfer order was submitted in the format requested by SEB;
    - the Client's funds are sufficient for fulfilling the transfer order and paying the commission fees;
    - SEB has not set any restrictions to the transfer order, and
    - no precept, legal act, or grounds arising from an agreement concluded with the Client or from the general terms and conditions of SEB forbids executing the transfer order.
9. If a transfer order is originated with a future date, it is deemed that SEB has received the transfer order on the date as stipulated in it. This applies above all, if the transfer order corresponds to all conditions established by SEB (see Clause 8). If the transfer order is originated in SEB with a future date and before the arrival of this date SEB receives a notification on the death of the Remitter, then SEB will not execute the transfer order.
10. SEB may use in the payment transaction a payment intermediary chosen by itself. If in its transfer order the Client has determined the payment intermediary, SEB shall be entitled to change the payment intermediary, chosen by the Client, without informing the Client thereof.
11. SEB can at any time change the offered payment types, incl. may end the provision of a certain payment (such as urgent payment, express payment, etc.) or add new types of payment. SEB will inform the Client thereof via its homepage.

### Execution of a transfer order

12. Cash deposit and withdrawal deadlines are given in the price list of SEB, which is available at [seb.ee](http://seb.ee).
13. The amount of a payment transaction is transferred to the Beneficiary's correspondent account by the term of executing a payment initiated from an SEB account as set out in this Chapter.
14. If the Beneficiary's bank or intermediary involved in the execution of a transfer order does not have a settlement day on the respective day, then crediting of the correspondent account of the Beneficiary's bank will be postponed by the respective day.
15. If SEB has credited the amount of the payment to the account of the Beneficiary before the respective money has reached the correspondent account of SEB, then SEB may debit the amount from the Beneficiary's account or block the account in the extent of the given amount if the payment is delayed, until the amount given in the transfer order is received in the correspondent account of SEB.
16. SEB may reject the payment and refuse to credit the amount to the Beneficiary's account if the Remitter's information on the transfer order is incomplete or if there are contradictions in the Beneficiary's data (e.g. unique identifier and name) on the transfer order.

### Internal payment

17. Generally, SEB executes an internal transfer order within one hour as of receiving it. SEB executes a transfer order received after 10 p.m. during the term as specified above, however in the account statement it may be shown also as a next day transaction, i.e. the payment is deemed completed on the next day.

### European payment initiated at SEB

18. SEB shall execute the transfer order of a European payment as quickly as possible, but at the latest on the settlement day following the receipt of the transfer order. A paper-based transfer order is executed at the latest on the second settlement day, following the receipt of the transfer order.

### European payment received at SEB

19. SEB transfers the amount of a received European payment to the Beneficiary's account
- 19.1. on the same settlement day, when the payment is received in the correspondent account of SEB (shown in the correspondent account statement of SEB) or
- 19.2. on the next settlement day following the same, if the payment is received in the SEB's correspondent account after the end of the settlement day of SEB.

### Cross-border payment initiated at SEB

20. If the bank of the Beneficiary of the cross-border payment **is not located in a member state**, the transfer orders shall be executed within the following deadlines:
- 20.1. **Ordinary payment** – at the latest on the seventh settlement day following the receipt of the transfer order;
- 20.2. **Urgent payment and express payment** – at the latest on the fifth settlement day following the receipt of the transfer order. Only SEB processes urgent and express payments faster than ordinary payments. SEB cannot guarantee that payment intermediaries and the bank of the Beneficiary will also process urgent and express payments faster than ordinary payments.
21. If the Beneficiary's bank of the cross-border payment is **located in a member state**, the transfer orders shall be executed within the following deadlines:
- 21.1. **payments in the currency of the member state**
- **Ordinary payment** – at the latest on the fourth settlement day following the receipt of the transfer order;
  - **Urgent payment** – at the latest on the second settlement day following the receipt of the transfer order;
  - **Express payment** – at the latest on the settlement day following the receipt of the transfer order.
- 21.2. **payments in currencies other than the currency of the member state**
- **Ordinary payment** – at the latest on the seventh settlement day following the receipt of the transfer order;
  - **Urgent and express payments** – at the latest on the fifth settlement day following the receipt of the transfer order. Only SEB processes urgent and express payments faster. SEB cannot guarantee that payment intermediaries and the bank of the Beneficiary will also process urgent and express payments faster.

### Cross-border payment received at SEB

22. SEB transfers the amount of a received cross-border payment to the Beneficiary's account
- 22.1 on same settlement day when the payment is received in the correspondent account of SEB (shown in the correspondent account statement of SEB);
- 22.2 on the settlement day following the same if the payment is received in the SEB's correspondent account after the end of the settlement day.

## Exchange rates

23. SEB uses the exchange rate of a currency effective at SEB at the moment of transaction (debiting or crediting) in a payment transaction, requiring conversion from one currency to another, if e.g.:
- 23.1 the Remitter initiates the payment from their account in a currency differing from the account currency (e.g. a payment from a USD account is originated in euros);
- 23.2 the Beneficiary receives a payment in a currency differing from the account currency (the Beneficiary has a EUR account, in which a payment in USD is received);
- 23.3 the foreign bank returns the payment initiated by the Remitter (e.g. if the information is inaccurate or the Beneficiary's account is closed);
- 23.4 the Remitter cancels a payment initiated in a foreign currency.

24. SEB may establish with its price list that starting from a certain amount, SEB may proceed from the market rate, assigned by SEB, for a payment transaction involving currency exchange. SEB assigns market rates on working days from 9 a.m. to 5 p.m.
25. Payments can be made only in currencies quoted by SEB. Information on quoted currencies and exchange rates is available on the webpage at seb.ee and this information can also be acquired from advisors at a branch office.
26. SEB may end quotations for a currency at any time or impose restrictions to initiating or receiving payments in certain currencies or to certain countries or on other conditions as established by the same. SEB discloses information on restrictions on the webpage at seb.ee, except for when limitations apply to specific clients.

## Revoking a transfer order

27. The Client may revoke their transfer order if SEB has not started to execute the transfer order by the time the respective application is received. Payments initiated via a payment initiation service provider, including payments with future dates, cannot be revoked.
28. The Client shall submit to SEB an application for revoking a transfer order in a format enabling written reproduction and pursuant to procedure set out in the general terms and conditions of SEB, specifying on the application all the relevant data of the transfer order and the reason for revoking.
29. SEB shall credit the refunded amount to the account, from which the payment was originated, unless the Remitter has instructed SEB otherwise. SEB will not refund the commission fee, charged for the payment.
30. If the transfer order cannot be revoked (see clause 27), SEB shall make its best endeavours to inform the payment intermediary, the Beneficiary's bank or the Beneficiary of revoking of the transfer order. In this case it is possible to recover the amount of the payment transaction
  - 30.1 upon agreement of the payment intermediary or Beneficiary's bank, if the amount of payment transaction is still at their disposal or
  - 30.2 upon the consent of the Beneficiary, if the amount of payment has already been credited to the Beneficiary's account.
31. In cases specified in clauses 29 and 30, SEB will credit the amount of payment transaction to the Remitter's account only, if it has been returned to SEB's correspondent account.

## Methods for calculating a commission fee

32. Commission fees for executing transfer orders are presented in the price list of SEB.
33. The 'Remitter pays' method of paying the charges may be used only for a payment executed outside a member state, i.e. the Beneficiary's bank is located outside the member state.
34. If a payment is made from the Remitter's bank in a member state in the currency of the member state or in euros, the transfer order of which indicates 'Beneficiary pays', SEB may replace it independently with the 'shared' method of paying bank charges and debit the charges for the payment with the relevant method of charges pursuant to the SEB's price list.
35. The Remitter shall pay for the expenditures in connection with inquiries, corrections, additions, confirmations, revocation of transfer order (incl. in the case stipulated in clause 30) and other similar operations, pursuant to the price list, valid at SEB; whereas the Remitter shall also pay in full extent all the commission fees of the payment intermediary or Beneficiary's bank, incurred during performance of such operation. SEB may debit the said commission fees later from any account of the Remitter.

## Liability

### Liability of SEB

36. SEB shall not be liable for failure to execute or for delayed or incorrect execution of a transfer order if:
  - 36.1. this was due to an inaccurate or deficient transfer order given by the Remitter (e.g. the Remitter has not presented all the data requested by SEB which are necessary for executing the transfer order);
  - 36.2. this was due to an incorrect unique identifier presented to SEB, based on which the transfer order is fulfilled;
  - 36.3. the Remitter or the Beneficiary has not presented the documents stipulated in Clause 6 to SEB or if SEB or other payment service providers involved in executing the transfer order have justified doubts regarding the legal origin of the money;
  - 36.4. SEB has established restrictions on making a payment in the intended currency or destination country or any other restrictions;

- 36.5. the amount on the Remitter's account or delivered in cash is insufficient for executing the transfer order and for paying the related commission fee;
- 36.6. the payment was neglected or unduly fulfilled or delayed by the Beneficiary's bank, the payment intermediary chosen by the Client or in cases provided in clause 37, by another payment intermediary;
- 36.7. the execution of the transfer order is forbidden by precepts or legislation.
37. In addition to the cases listed in clause 36, SEB is also not liable to a business Client if the payment intermediary, incl. the payment intermediary chosen by SEB, has
  - 37.1. made deductions from the amount of the payment transaction;
  - 37.2. failed to execute the transfer order;
  - 37.3. delayed the execution of the transfer order;
  - 37.4. executed the transfer order incorrectly;
  - 37.5. established other restrictions;
  - 37.6. caused any damage arising from the above.
38. If a transfer order is executed late or is incorrectly executed or not executed, SEB shall, at the request of the Remitter, establish the circumstances of the execution of the transfer order and inform the Remitter of the results. SEB will make an inquiry free of charge if the transfer order was initiated by a private customer and the bank of the Beneficiary is located in a Contracting State. SEB will charge a fee for making the inquiry according to the price list if the bank of the Beneficiary is not located in a Contracting State or if the transfer order was initiated by a business.
39. In the case referred to in clause 36.2, SEB will, to the extent possible, assist the Remitter in recovering the amount of the payment transaction, as well as in acquiring information about the actual Beneficiary that the Remitter requires for filing a claim for recovery. SEB may charge a fee from the Remitter for obtaining this information.
40. In cases and pursuant to procedure set out in law, SEB may disclose to the Remitter the relevant data of the Beneficiary (name, contact data, etc.), so that the Remitter could reclaim from the Beneficiary the incorrectly transferred amount.

### **Liability of the Remitter**

41. The Remitter shall be responsible for the mistakes, deficiencies, inaccuracy and transmission errors in the transfer order forwarded by the same.
42. SEB shall not refund the commission fee to the Remitter, if the amount of payment transaction is returned due to inaccurate data presented by the Remitter.
43. If the Remitter or the Beneficiary has concluded a current account agreement with SEB, an international debit card agreement or any other payment service agreement, also the provisions of the respective payment service agreement shall be taken as basis when imposing liability.

### **Complaints**

44. The Client shall file with SEB a complaint related to a payment pursuant to the procedure set out in the general terms and conditions.
45. Generally, SEB responds to a complaint within fifteen working days from receiving the complaint, but no later than within 35 working days.

### **Amendment of the terms of settlement**

46. SEB may at any time unilaterally change the terms of settlement, by informing thereof pursuant to procedure and deadlines as specified in the general terms and conditions of SEB.
47. The terms of settlement are available on the webpage at [seb.ee](http://seb.ee) and the bank offices.