

## TERMS AND CONDITIONS OF SETTLEMENT

In force as of 01.11.2015

### 1. DEFINITIONS

**Current account (account)** - a bank account, on which the bank reflects the client's funds, payments made upon the order of the client and the payments received on behalf of the client, as well as other operations related to the funds in the account.

**Settlement day** - a day, when the remitter's bank or a payment intermediary or the beneficiary's bank, involved in the execution of a payment transaction, is open for settlements, necessary for concluding the payment transaction. As a rule, a settlement day is every calendar day, except Saturdays, Sundays, national or public holidays; however the settlement day may differ, depending on the payment transaction and the channel of payment initiation (Internet bank, bank office, etc.).

**Eurozone** - is the area, where euro has been adopted as the single currency of the European Union.

**European bank** - a bank in a Member State.

**European payment** - payment in euros to a European bank.

**Client** - a remitter or beneficiary, holding a current account at the bank.

**Unique identifier** - a combination of letters, numbers or symbols, as determined by the bank, used for unique identification of the client (e.g. IBAN).

**Member State** - a member state of the European Union (incl. their autonomous territories), Island, Liechtenstein, Norway, Switzerland, Monaco.

**Payment intermediary (incl. correspondent bank)** - a provider of payment services, through which the payment order is upon need forwarded to the beneficiary's bank.

**Transfer order (payment order, cross-border payment order)** - any instruction for effecting a payment transaction, given by the remitter to the bank. A transfer order may be given also via beneficiary.

**Receipt of a transfer order** - the bank has received the transfer order on the day, when all the following conditions have been met at the same time:

- all the data, necessary for the execution of the transfer order and required by the bank (unique identifier of the beneficiary (generally IBAN), upon need the name and BIC of the beneficiary's bank) have been submitted to the bank, and
- the amount on the remitter's account or paid to the bank in cash is sufficient for executing the transfer order and paying the commission fees in relation to execution of the payment transaction and required by the bank.

**Payment transaction (payment)** - any cash withdrawal or depositing and transfer of funds initiated by the remitter or beneficiary.

**Remitter** - a natural or legal person, who has given the transfer order to the bank.

**Remitter's bank** - a bank, servicing the remitter, to whom the remitter presents his transfer order for execution.

**Internal payment** - payment, where the accounts of the initiator of the payment and the beneficiary are located in AS SEB Pank.

**Bank** - AS SEB Pank.

**Beneficiary** - a natural or legal person, who is the receiver of the funds transferred under a transfer order.

**Beneficiary's bank** - a bank, where the beneficiary's account is located.

**SEB Group bank** - a bank, belonging to the Skandinaviska Enskilda Banken AB group.

**Value date** - a day, when the bank debits the remitter's account or credits the beneficiary's account and which serves as basis to calculating interest to the amount on the account.

**Cross-border payment** - a payment, which is not internal payment, SEB Group payment or European payment. The cross-border payment remitter's or beneficiary's account is in an European bank, however the payment is initiated in another currency than euro or the account of the remitter or beneficiary of the payment is not in an European bank.

### 2. GENERAL PROVISIONS

**2.1** The terms of settlement are applicable to all payments initiated at the bank and received by the bank.

**2.2** The bank executes the transfer orders, originated by the remitter and credits the beneficiary's account with the payments received on behalf of the beneficiary at terms as established in the bank's terms and conditions of settlement.

**2.3** The bank credits the beneficiary's account within the received payments and returns payments, subject to refund, to the remitter in accordance with the unique identifier.

**2.4** The bank forwards to the payment intermediary, beneficiary's bank and beneficiary the relevant remitter's data (e.g. remitter's IBAN, name, personal identification code or date and place of birth, address).

**2.5** Upon demand of the bank, the remitter or the beneficiary shall be obliged to present documents to the bank, confirming legal origin of the funds used in the payment transaction.

**2.6** If the bank receives the payment on a day, which is not a settlement day of the bank or on a settlement day beyond the time of ending the processing of payments determined by the bank (times set out in clauses 3.1-3.3), the transfer order is deemed to be received on the immediately following next settlement day.

**2.7** The terms for executing the transfer orders, provided in clauses 3.1.1, 3.1.2, 3.2.1, 3.3.1 and 3.3.2 mean that by the said term the bank will credit the beneficiary's bank account within the amount of payment.

**2.8** If the beneficiary's bank or intermediary, involved in the execution of a payment transaction does not have a settlement day on the respective day, crediting of the beneficiary's bank account will be postponed by the respective number of days.

**2.9** Unless otherwise agreed, the bank shall debit:

**2.9.1** the amount of payment and the related commission fees from the remitter's account immediately upon receipt of the transfer order;

**2.9.2** the commission fees related to the receipt of the payment from the beneficiary's account immediately upon transfer of the payment to the beneficiary's account.

**2.10** If a transfer order is originated with a future date, it is deemed that the bank has received the transfer order on the date as stipulated in the remitter's transfer order, provided that on this date all the other conditions for receiving the transfer order have been fulfilled. If the said date is not a settlement day of the bank, the transfer order is deemed to be received on the above

conditions on the next settlement day, unless otherwise agreed in a respective payment service agreement.

**2.11** The bank is entitled to end at any time the offer to originate transfer orders, which are executed faster than usual (urgent payment, express payments, etc.), informing the clients hereof via the bank's webpage and the bank offices.

**2.12** In case there is a conflict between the beneficiary bank's BIC (*Business Identification Code*) and the postal address, the bank shall proceed from the beneficiary bank's BIC. If the remitter has not entered BIC to the transfer order or the BIC, forwarded by the remitter differs from the beneficiary bank's BIC known to the bank the bank may proceed at its own discretion from the beneficiary bank's BIC, known to the bank, when fulfilling the transfer order.

**2.13** If the beneficiary's account is opened in an another SEB Group bank, the remitter shall have the right to make the transfer pursuant to the conditions of executing a transfer order that suit the remitter (term, commission fees) as an SEB Group payment or as an European payment.

**2.14** When fulfilling the transfer orders, the bank may use the payment intermediaries, as chosen by itself. If in its transfer order the client has determined the payment intermediary, the bank shall be entitled to change the payment intermediary, chosen by the client, without informing the client thereof.

### **3. TERMS OF SETTLEMENT**

#### **3.1 Transfers within SEB Group**

**3.1.1** Internal payment - as a rule, within 1 hour as of receiving the transfer order. If the bank has received the transfer order after 10 p.m., the transfer order will be executed during the term as specified above, however in the account statement the bank may show the payment also as a next day transaction, i.e. the payment is deemed completed on the next day.

**3.1.2** Payment to another SEB Group bank - as a rule, on the day of receiving the transfer order, if the bank receives the payment before 3 p.m. If the bank receives the transfer order after the said time or on a day, which is not a settlement day for the bank, the transfer order shall be fulfilled on the next settlement day, following the receipt of the transfer order.

**3.1.3** Received payment from another SEB Group bank - generally, on the value date specified on the transfer order provided that the transfer order is received by AS SEB Bank before 5 p.m. and on the next settlement day, following the receipt of the transfer order, if the bank receives the transfer order beyond the said time or on a day, which is not a settlement day for the bank.

#### **3.2 European transfers**

##### **3.2.1 European payments**

**3.2.1.1** Standard payment - is generally fulfilled on the day of receiving the transfer order, if the bank receives the transfer order before 4.30 p.m. and on the next settlement day, following the receipt of the transfer order, if the bank receives the transfer order beyond the said time or on a day, which is not a settlement day for the bank. If the transfer order was initiated on a paper, the bank fulfils the transfer order the latest on the second settlement day, following the day of receiving the transfer order.

**3.2.1.2** Express payment (possible only in the Eurozone) - is generally fulfilled on the day of receiving the transfer order, if the bank receives the transfer order before 5.45 p.m. and on the next settlement day, if the bank receives the transfer order beyond the said time or on a day, which is not a settlement day for the bank.

- the bank reserves the right not to execute a payment until the following settlement day, if the amount of an express payment originated from 5 p.m. to 5.45 p.m. exceeds 5 million euros.

**3.2.2** European payments received by the bank

European payments, received by the bank shall be credited to the beneficiary's account on the day, when the respective payment has been credited to the bank's correspondent account (is shown on the statement of the bank's correspondent account) or on the next settlement day, if the payment is received in the bank's correspondent account after 6.30 p.m. or on the day, which is not a settlement day of the bank.

#### **3.3 Cross-border payments**

**3.3.1** Beneficiary's bank is located in the Member State

**3.3.1.1** Ordinary payment - at the latest on the third settlement day, following the receipt of the transfer order.

**3.3.1.2** Urgent payment - at the latest on the second settlement day, following the receipt of the transfer order.

**3.3.1.3** Express payment - at the latest on the next settlement day, following the receipt of the transfer order.

**3.3.2** Beneficiary's bank is located outside the Member State

**3.3.2.1** Ordinary payment - at the latest on the seventh settlement day, following the receipt of the transfer order.

**3.3.2.2** Urgent and express payments - at the latest on the fifth settlement day, following the receipt of the transfer order.

Express and urgent payments are treated as priority transactions over other outgoing payments only at the bank. This secures faster remittance of funds, but the bank cannot guarantee that transfer of express and urgent payments by other payment intermediaries is faster than the established terms of settlement.

**3.3.3** Cross-border payments received by the bank

**3.3.3.1** A cross-border payment, received at the bank shall be credited to the beneficiary's account on the day, when the respective payment has been credited to the bank's correspondent account (is shown on the statement of the bank's correspondent account) or on the next settlement day, if the payment was received in the bank's correspondent account after 5 p.m. or on the day, which is not a settlement day of the bank.

**3.3.3.2** If the bank receives a payment, the remitting bank of which (remitter's bank) is located outside the Member State and the payment was made in another currency than that of the Member State, the bank will credit the respective amount to the beneficiary's account the latest on the second settlement day, following the receipt of the amount in the bank's correspondent account (is shown on the statement of the bank's correspondent account).

**3.3.3.3** If the bank has credited a cross-border payment to the beneficiary's account before the respective payment has been received in the bank's correspondent account, the bank will be entitled, in case of late payment, to debit the amount of payment from the beneficiary's account or block the account within the said amount until the sum, indicated in the transfer order, is transferred to the bank's correspondent account.

**3.3.3.4** The bank has the right to reject the payment and refuse to credit the funds to the beneficiary's account, if the information about the remitter on the received cross-border payment is insufficient.

### **4. EXCHANGE RATES FOR FOREIGN CURRENCY TRANSFERS**

**4.1** The bank uses exchange rates for payments, requiring conversion from one currency to another currency. The need for using exchange rates emerges if:

**4.1.1** the remitter originates the payment from his account in a currency, differing from the account currency (e.g. a payment from USD account is originated in euros.) In this case the transfer rate of the respective currency valid at the bank at the moment of debiting the remitter's account shall be used for conversion;

4.1.2 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). In this case the transfer rate of the respective currency valid at bank at the moment of crediting the beneficiary's account is used for conversion;

4.1.3 the foreign bank returns the payment, originated by the remitter (e.g. inaccurate information, beneficiary's account is closed, etc.); or the remitter cancels a foreign currency payment. In the above case the bank shall return the amount to the remitter in accordance with the current terms and conditions, the price list and on the basis the respective currency exchange rate, valid at the bank at the moment of crediting the account.

**4.2** The bank may establish with its price list that starting from a certain amount, the bank shall for payment transactions, involving currency exchange, be entitled to proceed from the market rate, assigned by the bank. The bank assigns market rates on settlement days between 9 a.m. to 5 p.m.

**4.3** Payments in foreign currency, to other Estonian banks are always executed as cross-border payments.

**4.4** Payments can be made only in currencies, quoted by the bank.

4.4.1 Information about currencies, quoted by the bank is available at the web page of the bank at [www.seb.ee](http://www.seb.ee) and the bank offices.

4.4.2 The bank is entitled to end quotations for a currency at any time. The Bank shall make an announcement of ending quotation for a currency via its web page and bank offices.

4.4.3 The bank shall inform the client, who has concluded with the bank a current account agreement and holds in its account the currency, the quotation for which the bank ends, of ending the quotation pursuant to the terms and procedure set out in the General Terms and Conditions.

4.4.3.1 On the last day of quotation, the bank converts the balance of the respective currency in the client's account into the main currency of the account on the basis of the transfer rate effective at the bank.

4.4.3.2 If the bank ends quotation for the main currency of the client's account, the bank shall convert the balance of the respective currency into euros on the basis of the transfer rate effective at the bank.

## **5. REVOKING A TRANSFER ORDER**

**5.1** A transfer order may be revoked, if the bank has by the time of receiving the application for revoking a payment not started processing the payment yet.

**5.2** In order to revoke a transfer order, given or forwarded to the bank, the remitter shall submit to the bank an application, enabling written reproduction, via channels (Internet bank, telephone bank), used on the basis of contracts, concluded with the bank or a written application to the bank office. The application must state all the relevant details of the transfer order to be revoked as well as the reason hereof.

**5.3** If the payment is returned, the bank shall credit the refunded amount to the account, from which the payment was remitted, unless otherwise instructed by the remitter. The bank will not refund the commission fee, charged for executing the payments.

**5.4** If the remitter submits to the bank an application for revoking a transfer order, however the transfer order cannot be revoked pursuant to clause 5.1, the bank shall make its best endeavours to inform the payment intermediary, the beneficiary's bank or the beneficiary of the application to revoke the transfer order. In this case it is possible to recover the amount of a payment transaction only upon the agreement of the payment intermediary /beneficiary's bank (if the amount of payment transaction is still at their disposal) or upon the

consent of the beneficiary (if the amount of payment has already been credited to the beneficiary's account). This is a time-consuming process and the bank shall return the payment to the remitter's account only, if the payment has been returned to the bank's correspondent account.

## **6. CALCULATION METHODS OF FEES**

**6.1** Commission fees, payable upon execution of transfer orders are provided in the bank's price list.

**6.2** The bank may debit additional commission fee from the remitter's account for cross-border payments, where the method for paying the bank charges is:

6.2.1 "without charges to beneficiary" and the commission fee, paid by the remitter to the bank does not cover the commission fee claim, sent by the beneficiary's bank or the payment intermediary to the bank;

6.2.2 "shared" and payment intermediaries have been used for forwarding the transfer order.

**6.3** "Without charges to beneficiary" method of paying the charges may be used only for cross-border payments, executed:

6.3.1 to a Member State and execution of the transfer order involves a currency conversion service (i.e. account currency and payment transaction currency are different), or

6.3.2 outside a Member State, i.e. the beneficiary's bank is located outside the member states, or

6.3.3 in another currency than euro or that of a Member State.

**6.4** The bank has the right to change the method of paying bank charges for a payment, originated from a remitter's bank located in a Member State, in the currency of the Member State or for payment, originated in euros, where currency conversion is not indicated, however the method of paying bank charges of which indicate "without charges to beneficiary" or "all charges to beneficiary", replacing the original method for paying bank charges with the method "shared".

**6.5** The remitter shall pay for inquiries, corrections, additions, confirmations, revocation of transfer orders, incl. in the case stipulated in clause 5.4, and for costs in connection with other similar operations, pursuant to the price list, valid at the bank, the remitter shall also pay in full extent all the commission fees of the payment intermediaries or beneficiary's bank, incurred during performance of such operations. The bank has the right to debit the said commission fees later from any account of the remitter.

## **7. LIABILITY OF THE PARTIES**

### **7.1 Liability of the bank**

7.1.1 When crediting the amounts, received in the bank, to beneficiary's account and upon refunding payments to the remitter, the bank shall be liable for the execution of the above transfer orders in conformity with the unique identifier, presented to the bank, also in the case the bank has been presented more data for execution of the transfer order than just the unique identifier.

7.1.2 The bank shall not be liable for failure to execute or delayed or incorrect execution of a transfer order if:

7.1.2.1 this was due to inaccurate or deficient transfer order, given by the remitter, or

7.1.2.2 this was due to an incorrect unique identifier, presented to the bank (in the case, as laid down in Clause 7.1.1), or

7.1.2.3 the remitter or the beneficiary have not presented to the bank the documents, stipulated in clause 2.5, or

7.1.2.4 the remitter intends to execute a payment in a currency, which is not quoted by the bank, or

7.1.2.5 the amount on the remitter's account or transferred in cash is insufficient for executing the transfer order and the related commission fees;

7.1.2.6 if the payment was neglected or unduly fulfilled or delayed by beneficiary's bank or the payment intermediary, chosen by the client or in cases provided in clause 7.1.3, other payment intermediaries.

7.1.3 The bank shall not be liable to a client who is not a consumer for the deductions from the amount of the payment transaction, made by the payment intermediaries, incl. the payment intermediaries, chosen by the bank, as well as for the failure to execute or incorrect execution of a transfer order by the payment intermediaries, as well as for any losses, incurring due to the above.

7.1.4 In the case, provided in clause 7.1.2.2, the remitter has the right to request the remitter's bank to help as far as possible to recover the amount of the payment transaction. The remitter's bank has the right to demand a fee for that.

7.1.4.1 In cases and pursuant to procedure set out in law, the bank shall be entitled to disclose to the remitter the relevant data of the beneficiary (name, contact data, etc.), so that the remitter could reclaim from the beneficiary the incorrect payment.

#### **7.2 Liability of the remitter**

7.2.1 The remitter shall be responsible for the mistakes, deficiencies and inaccuracy of the transfer order, forwarded to the bank and for transmission errors.

7.2.2 The bank shall not refund commission fees to the remitter, if the payment is returned due to inaccurate data presented by the remitter.

7.3 If the remitter or the beneficiary has concluded a current account agreement with the bank, also the provisions of the current account agreement shall be taken as basis when imposing liability.

### **8. RULES FOR FILING COMPLAINTS AND CLAIMS FOR COMPENSATION**

8.1 Complaints regarding execution of transfer orders shall be submitted to the bank in writing or through channels (Internet bank, telephone bank), used under agreements concluded with the bank.

8.2 As a rule, the bank shall respond to the complaints within one month.

8.3 If the bank fails to duly comply with the terms and conditions of settlement, the bank shall compensate for the loss in accordance with as stipulated in the legislation, general terms and conditions, terms and conditions of payment service agreement and current account agreement of the bank.

### **9. AMENDMENTS TO THE TERMS AND CONDITIONS OF SETTLEMENT**

9.1 The bank has the right to unilaterally amend the terms and conditions of settlement at any time, by informing hereof pursuant to procedure and at times as established in the bank's general terms and conditions.

9.2 The terms and conditions of settlement are available on the bank's webpage at [www.seb.ee](http://www.seb.ee) and the bank offices.

9.3 The bank shall send a notice about amendments to the terms and conditions of settlement to the clients, who have signed a current account agreement, pursuant to as agreed with the general terms and conditions of the bank.