

## 1. Short description of AvtaleGiro

With the direct debit service, AvtaleGiro, the accountholder authorises the bank to charge his/her account for a payment and to transfer the payment to the account number of the beneficiary.

The service only applies to a payment order (bill) covered by the direct debit authorisation given to the bank.

A beneficiary covered by the direct debit authorisation will send its payment orders to the bank.

The accountholder will be notified of the payment minimum seven days before a bill is due for payment. The notice will contain payments due and payment information.

The accountholder may stop a payment on the day before the due date at the latest.

## 2. Conclusion of the agreement

AvtaleGiro is only applicable to payments included in the AvtaleGiro agreement. The terms and conditions for AvtaleGiro are an addition to the bank's ordinary terms and conditions for deposits and payment orders. In case of any discrepancies, the terms and conditions for AvtaleGiro override the terms and conditions for deposit and payment orders.

The cost of establishing, maintaining and using AvtaleGiro appears from the bank's prevailing General terms and conditions, bank statements and/or is communicated in another suitable way.

## 3. Direct debit authorisation

The accountholder must provide the bank with a separate direct debit authorisation for each beneficiary who is to be covered by AvtaleGiro. If the accountholder so requires and there are several payment orders, the accountholder may add more than one order in favour of the same beneficiary. Upon request the bank will supply the accountholder with information about the beneficiaries included in the scheme.

The direct debit authorisation must contain the name, address and account number of the beneficiary as well as the maximum amount per payment month. The customer identification number (KID) contained on a recent giro form from the beneficiary must be stated on the direct debit authorisation.

The accountholder may revoke, block or change a direct debit order upon notice to the bank. The bank will make such a revocation, blocking or change on the following business day after the bank has received the notice from the accountholder. The bank is not entitled to change a direct debit authorisation without the consent of the accountholder, with the exception of the beneficiary's account number.

The bank will regularly send the accountholder information about the executed direct debit orders.

## 4. Use of payment information

The bank may give relevant information about the accountholder and his/her direct debit orders to the beneficiary and the beneficiary's bank. The information enables the beneficiary to submit its invoices to the accountholder via the AvtaleGiro system and ensures correct identification of the beneficiary's incoming payments. Furthermore the bank may use accountholder information to suggest which other creditors that might be covered by AvtaleGiro.

## 5. Prior notice to the accountholder

The accountholder will be notified seven days before his/her account is charged, unless otherwise explicitly agreed between the payer and the payer's bank. The notice must be in writing and must as a minimum contain information about the beneficiary, the amount and the date of payment.

When the notice is received the accountholder must control that the information is according to his/her records and the direct debit order submitted. The bank must be informed about any discrepancies without undue delay in order to correct any errors.

## 6. Cancellation of an individual payment

If the accountholder does not wish that a notified payment shall be executed, he/she may stop the payment on the day before the due date at the latest. The accountholder may stop the payment according to the agreement (for example via electronic means) or by contacting the bank.

If a payment is stopped, the bank is not responsible for any interest on overdue payments, collection fees, etc., that the beneficiary might claim as a result of the cancellation.

## 7. Payment execution

The bank will execute the payment by charging the accountholder's account on the notified payment date according to the direct debit order. Even though the type of payment is stated in the direct debit authorisation, the bank will not control the information.

## 8. Rejection of payment orders

The payment will not be executed if the payment exceeds the agreed limits of the direct debit authorisation or if the accountholder has stopped the payment.

The bank will control that there are sufficient funds on the account before the amount is charged to the account. If the bank finds that there are insufficient funds on the account on the notified payment day, the bank may immediately reject the payment order or try to charge the account (sufficient funds control) within the next (two to five) business days. If several payment orders are to be executed on the same day, the bank is not responsible for the order in which the payments are charged to the account, or for any payments that are not charged due to insufficient funds on the account.

The accountholder will be informed if a payment is not executed due to the above reasons and will be offered another type of payment.