The document of the Terms and Conditions for Making Payment Transactions (hereinafter the Terms and Conditions) establishes the principles and procedure for making payment transactions. The Terms and Conditions are an annex to the Current Account Agreement.

The Terms and Conditions apply to all payment transactions provided by the Bank, regardless of whether or not there is a current account. The list and description of payment transactions provided by the Bank are available on the Bank’s website and/or at its branch offices. Further information about payment transactions can be inquired from the Bank’s service employees.

1. Definitions

The following terms, written with lower initial letters, are used in the Terms and Conditions:

1.1 settlement day – the day when the remitter’s bank, the beneficiary’s bank, the intermediary or the payment service provider is open for the settlement necessary for making the payment transaction. A settlement day is generally each calendar day that is not a Saturday, Sunday, public or national holiday. The settlement day may differ on the basis of the channel of initiating the payment order and relevant information can be found from the Bank’s Price List.

1.2 value date – the day when the bank debits the remitter’s account or credits the beneficiary’s account.

1.3 remitter’s value date – the calendar day when the remitter’s bank debits the remitter’s account by the amount of the payment order and the service fees.

1.4 unique identifier or account number – number identifying the account opened for the client for conducting transactions and storing money. A unique identifier is an IBAN (international bank account number) or another combination of letters or numbers attributed to the Client.

1.5 payment order – an instruction given by the remitter or beneficiary for making a payment transaction according to the conditions specified in the payment order. Types of payment order are the following:

- domestic payment order – an instruction given by the remitter to the bank for making a payment transaction in euros to an account in a credit institution registered in Estonia or in euros or in a foreign currency to another account in the Bank.

- international payment order – an instruction given by the remitter to the Bank for making a payment transaction in euros or in a foreign currency to an account in a (foreign) credit institution not registered in Estonia or in a foreign currency to an account in another credit institution registered in Estonia.

- simple payment – a payment order initiated through an electronic channel, with which the remitter gives the Bank an order to make the following payments in a simplified manner: (1) payments between the remitter’s own accounts (incl. deposit account, limit account); (2) remitter’s direct debits; (3) payments, which have been added to the 20 (twenty) most frequent payments on the basis of the transactions of the last 3 (three) months; (4) other operations enabled by the Bank.

1.6 remitter’s bank – the bank that services the remitter and to whom the remitter submits a payment order for making a payment transaction.

1.7 remitter/client – a legal or natural person who has given an instruction to the remitter’s bank to make a payment transaction according to the conditions specified in the payment order.

1.8 payment transaction – depositing or withdrawing cash and conducting payment orders.

1.9 intermediary/correspondent bank – the intermediary (incl. payment system) or the bank through which the payment transactions are
transmitted to the beneficiary's bank or the payment transactions are received from the remitter's bank.

1.10 beneficiary – a legal or natural person into whose account the amount specified in the payment order is transferred.

1.11 beneficiary's bank – the bank where the account of the beneficiary is.

2. Performance of transactions

2.1 For due execution of a payment transaction, the remitter shall submit to the Bank the information and data, which the Bank has requested on the form of the respective payment transaction. The volume of information and data is different for different payment transactions and depends on the channel for initiating a payment transaction. For example, in order to correctly fill in domestic and international payment order forms, it is necessary to follow instructions given by the Bank, which can be found on the Bank’s website or at the boxes of the payment order form in an electronic channel. In the case of an international payment order, if the remitter has not indicated a BIC code in the order or if the BIC code provided by the remitter differs from the BIC code of the beneficiary’s bank known to the Bank, then the Bank may use the BIC code of the beneficiary's bank known to it when executing the order.

2.2 The consent for conducting the payment transaction is provided by the remitter in the manner and on the basis of the procedure specified in the Terms and Conditions of the Current Account Agreement.

2.3 For the execution of a simple payment the remitter gives permission in an electronic channel (e.g. by way of a mobile device) without additional identification (e.g. without using security features). The identification of an electronic device and remitter and the approval of a payment order by the remitter is deemed as a permission of the remitter to make a simple payment. After making a simple payment or giving permission for the making of a simple payment, the simple payment order cannot be withdrawn.

2.4 The simple payment maximum limit established by the bank is 30 (thirty) euros per one payment order and 150 (one hundred and fifty) euros in one calendar month. The remitter may reduce the limits within and according to the procedure established by the Bank. On reaching the maximum limit, 150 (one hundred and fifty) euros the remitter can re-use the limit again by following the Bank's instructions and the established procedure. The remitter can re-use the limit if the use limit of the respective service enables it.

2.5 The remitter protects the device used for a simple payment (e.g. mobile telephone, computer) with a security code or other security method (hereinafter together referred to as security code) and carefully keep the device and security code, doing everything necessary to maintain the secrecy of the security code. The remitter will memorise the security code and shall not record the security code onto any data medium or disclose it to third party/parties.

2.6 The remitter changes the security code or informs the Bank immediately if the security code has, against their will, become known to third person(s) or there is risk of that happening. The remitter also undertakes to notify the Bank of the loss or theft of the device or losing control over it against their will in another manner. If the Bank receives the respective notice, the Bank suspends the internet bank and/or simple payment service.

2.7 The bank will suspend the simple payment service for security risk considerations at any time without an obligation to compensate for possible damage.

2.8 The remitter is aware and accepts the risk, that if a device not protected with a security code falls into the possession of a third party, the data in the device will become known to the third party, which is able to make a simple payment.

2.9 The remitter is able to prohibit and reopen the simple payment functionality in the electronic channel at any time.

3. Incoming payment order

3.1 The Bank shall transfer the amount of money indicated in the payment order to the beneficiary's account if the beneficiary's data has been submitted correctly in the payment order.

3.2 In order to receive money in the account by a payment order, the beneficiary must inform the remitter of the full name of the beneficiary and the beneficiary’s account number in IBAN. The following
6. Exchange rate

4.1 The currency necessary for executing the payment transaction shall be sold to the remitter using the Bank’s transfer rate effective at the time of executing the payment transaction.

4.2 If the amount specified in the payment transaction is returned by the beneficiary’s bank (e.g. inaccurate information, beneficiary’s account closed, etc.), the Bank shall transfer the amount of the returned payment transaction back to the remitter in the same currency in which the payment transaction was made, unless the payment transaction was initiated in the currency, which is not allowed to be kept in the remitter’s account. In the latter case, the Bank shall convert the amount of the returned payment transaction into the main currency of the account on the basis of the currently effective transfer rate of the Bank. The beneficiary’s bank or the correspondent bank may reduce the amount to be returned by the amount of the service fees effective in the beneficiary’s bank or in the correspondent bank.

5. Terms

5.1 The terms of executing payment transactions are listed in the Price List.

5.2 In regard to a payment order received after the time provided in the Price List, the Bank may refuse to accept or the right to cancel or change the type of the payment order at its own discretion, taking into account the relevant market practices and the best banking practices.

6. Fees

6.1 The client will pay a service fee for the conducting of payment transactions on the basis of the Price List.

6.2 Different payment transactions have different types of service fees:

“Shared (SHA)” – the remitter shall pay the service fees of the Bank and the beneficiary shall pay the service fees of all other banks. This type of payment order can be used for executing a payment order in euros or other EU member state currency (e.g. Swedish kronor, British pounds sterling) to a bank located in an EEA country.

“Remitter (OUR)” – the remitter shall pay the service fees of both the Bank as well as foreign banks. This can be used when conducting international payment orders to countries outside of the European Union. In case of an international payment order, where the remitter also pays the service fees of foreign banks and the service fees paid by the remitter to the remitter’s Bank do not cover the service fees related to executing the payment transaction in foreign banks, the Bank has the right to debit any additional fees from any account of the remitter later on.

6.3 The remitter shall pay service fees to the Bank for any enquiries, cancellations, corrections and confirmations related to the payment transactions in conformity with the Price List, incl. full service fees of the intermediary and the beneficiary’s bank. The Bank may debit such service fees from any account of the remitter.

6.4 The Bank refuses to return the service fees paid by the remitter, in case:

– the payment transaction could not be cancelled;

– the payment transaction is returned due to inaccurate data in the payment order sent by the remitter to the Bank.

7. Liability

7.1 The Bank shall be liable for executing an international payment order if the Bank on its initiative and unilaterally changes the intermediary bank chosen by the remitter.
7.2 The Bank shall not be liable if the intermediary(s) or the beneficiary’s bank do not comply with the instructions of the remitter.

7.3 If information about the beneficiary in the payment order is deficient or inaccurate upon receiving an incoming payment transaction, the Bank shall return the incoming payment transaction to the remitter’s bank without crediting the beneficiary’s account. Upon returning the incoming payment transaction, the Bank may reduce the amount to be returned by the amount of service fees.

7.4 The remitter shall be liable for the correctness of the information presented in the payment order.

The remitter shall be liable for any damage, which is caused by a third party making a simple payment with the device unauthorised, until the moment when a notice has been sent to the Bank about losing control over the device or the security code becoming known to third parties.

7.5 Considering the fact that a simple payment is a low value payment instrument, then by keeping the simple payment use functionality active and giving permission for executing a simple payment the remitter confirms that it agrees, that the provisions of subsections (1) and (2) of sections 733, 733a ja 733b of the Law of Obligations Act do not apply in respect of a simple payment and that the remitter agrees to take full liability for making a simple payment without the excess sum restriction provided in subsection 733b (1) of the Law of Obligations Act.

8. Other terms and conditions

8.1 The Bank may change the intermediary chosen by the client without notifying the client thereof. If the client fails to determine the intermediary, the Bank will determine the intermediary on behalf of the client.

8.2 If the Bank has credited the beneficiary’s account by the amount of the incoming payment order before the Bank's correspondent account is credited by the funds of the respective incoming payment order, the bank may reserve or debit the amount credited to the beneficiary’s account until the amount shown in the payment order has been transferred to the Bank’s correspondent account.

8.3 Terms and Conditions are amended according to the manner and on the basis of the procedure established in the General Terms and Conditions of the Bank and the Terms and Conditions of the Current Account Agreement.