



## PAYMENT SERVICES DIRECTIVE – GENERAL TERMS & CONDITIONS

Lombard Bank Malta plc shall apply the following general terms and conditions to payment services provided that both the service provider of the payer and the service provider of the payee are located within the European Economic Area (EEA). Where one of the service providers is located outside the EEA, payment services will have limited application. In the case of a sole payment service provider, the provider must be located in Malta. These terms and conditions shall apply only to payment services made in euro or in any EEA currency (See clause F for EEA currencies). They are applicable 'in whole' or 'in part' and should be read in conjunction with any other terms and conditions and/or agreements governing the customer/s' account/s, the instrument/s used and/or the specific service being provided.

### A. DEFINITIONS

In these terms and conditions, unless the context otherwise requires:

- “account” means any account held in the name of the payer and/or the payee, used for the execution of payment transactions
- “Bank” means Lombard Bank Malta plc having its Head Office at 67, Lombard House, Republic Street, Valletta VLT 1117
- “business day” means a day on which the Bank is open for business, as required for the execution of a payment transaction
- “consumer” means a natural person who is acting for purposes other than his trade, business or profession
- “cut-off time” means the time that needs to be met in order for the payment instruction to be deemed to have been received by the Bank
- “execution date” means the date when the Bank carries out the payment transaction
- “framework contract” means a payment service contract which governs the future execution of individual and successive payment transactions
- “payee” means any person/s or entity who is the intended recipient of funds
- “payer” means any person/s or entity who gives a payment order
- “payment instrument” means a device or set of procedures, agreed between the customer and the Bank, used to initiate a payment order
- “payment service user” means the party making use of the payment service offered by the Bank
- “payment transaction” means an act, including but not limited to direct debit, direct credit, inward and outward credit transfer, initiated by the customer, consisting in the placement, transfer or withdrawal of funds, where such transaction is done either electronically or in paper initiated
- “reference exchange rate” means the exchange rate which is used as the basis to calculate any currency exchange
- “tariff of charges” means the Bank’s tariff of charges which is available upon request
- “unique identifier” means a combination of letters, numbers or symbols specified to the customer by the Bank such as the IBAN – International Bank Account Number. This is to be provided by the customer to ensure definite identification of the payee
- “value date” means a reference time used by the Bank for the calculation of interest on funds held in a payment account

### B. INFORMATION REQUIREMENTS FOR PAYMENT SERVICES

1. The Bank shall provide to the consumer, free of charge, before he is bound by any single payment service contract, the following information:
  - A specification of the information or unique identifier that has to be provided by the payer in order for a payment order to be properly executed
  - The maximum execution time for the payment service to be provided
  - A breakdown of all charges payable by the consumer to the Bank
  - Where applicable, the actual or reference exchange rate to be applied to the payment transaction

Where the Payment transaction is covered by a framework contract, the payer may be requested to provide additional information.

2. The Customer shall indicate his consent to have a payment transaction effected either by signing the relevant instructions to be given to the Bank or by pre-arranged procedures agreed to with the Bank. Authorisation may only be withdrawn by agreement with the Bank. The Bank reserves the right to impose a fee or charge should it agree to withdraw authorisation.
3. A Direct Debit may be revoked, following written instructions from the payer, received, by latest, at the end of the business day preceding the day when funds are to be debited.
4. When a payment order for a single payment transaction is transmitted by a payment instrument covered by a framework contract, the Bank shall not be obliged to provide information which is already given on the basis of a framework contract with another payment service provider or which will be given to him according to that framework contract.

5. The Bank reserves the right to charge for additional or more frequent information, or transmission by means of communication other than those specified in a framework contract, provided at the payment service user's request. Such charges shall be appropriate and in line with the Bank's actual cost.

6. In cases of low-value payment instruments and electronic money, the Bank reserves the right to provide the minimum information required by law.

### **C. RIGHTS AND OBLIGATIONS IN RELATION TO THE PROVISION AND USE OF PAYMENT SERVICES**

1. Where a consumer places cash on a payment account, the Bank shall ensure that the amount is value-dated immediately after the point in time of receipt of funds. Where the payment service user is not a consumer, the amount shall be value-dated at the latest on the next business day after receipt of funds.

2. When the payer requests the Bank to effect a payment transaction, the customer shall be obliged to provide sufficient information in order to ensure that the payment transaction is effected correctly. The Bank may request the customer to provide it with any or all of the following details pertaining to the accounts held by both payer and payee:

- The numbers, names and particulars of the account holders
- The necessary unique identifier/s
- The currency of the payment transaction and the amount to be transferred
- The reason for requesting the payment transaction

If the unique identifier/s provided by the customer is/are incorrect, the Bank shall not be liable for non-execution or defective execution of the payment transaction.

3. Within the EEA, where a payment transaction does not involve any currency conversion, the payer shall pay the charges levied by his payment service provider and the payee shall pay the charges levied by his payment service provider i.e. the charges will be shared (SHA).

4. The point in time of receipt of a payment order shall be the time when the payment order is received by the Bank. If it is not a business day or if it is a Bank or a Public Holiday or if it is received after cut-off time, the payment order shall be deemed to have been received on the following business day.

5. The payment service user initiating the payment order can also agree with the Bank that the execution of a payment order shall start on a specific date. In such cases, the point in time of receipt is deemed to be the agreed date.

6. The amount of the payment transaction shall be credited to the payee's payment service provider's account on the day from the point in time of receipt if on a business day. This period may be extended by a further business day for paper-initiated payment transactions. Cross-border transactions involving EU/EEA currencies other than the euro will also be credited to the payee's payment service provider's account on the day from the point in time of receipt if on a business day or, on any other day, if agreed between the payment service user and the Bank.

7. The debit value date for the payer's payment account shall be no earlier than the point in time at which the amount of the payment transaction is debited to that payment account.

8. Immediately after execution of payment order, the Bank shall provide the following information to the payer:

- The date of receipt of the payment order
- The reference enabling the payer to identify the payment transaction and, where appropriate, information relating to the payee
- The amount of the payment transaction in the currency used in the payment order
- A breakdown of charges payable by the payer, which charges shall be passed separately
- Where applicable, the exchange rate used and the amount of the payment transaction after that currency conversion

Additional information may be provided by the Bank, at the payer's request, but might be subject to a charge.

9. Funds received for the credit of an account shall be credited by the Bank on the working day on which the funds are received by the Bank. When funds are received after cut-off time or on a day which is not a business day, the account shall be credited on the next working day. The amount credited to the payee shall be net of fees, charges, commissions and any interest due to the Bank.

10. Immediately after execution of the payment order, the Bank shall provide the following information to the payee:

- The reference enabling the payee to identify the payment transaction and, where appropriate, the payer and any information transferred with the payment transaction
- The amount of the payment transaction in the currency in which the funds are at the payee's disposal.
- A breakdown of charges payable by the payee
- Where applicable, the exchange rate used and the amount of the payment transaction before that currency conversion.
- The credit value date

## D. LIABILITY FOR PAYMENT TRANSACTIONS

1. The Bank shall not be liable should any payment transaction not be effected due to customer not providing the correct and/or necessary information or because the Bank is prevented or prohibited by law from effecting the payment transaction. The Bank shall inform the customer on the next working day as to the reason/s why the payment transaction was not effected. The Bank shall proceed to effect the payment transaction once the missing information is provided by the customer, or when any impediment preventing execution is removed. The date of receipt shall be the date when the Bank can actually process the payment transaction.

2. The Bank shall not be liable for any payment transaction it effects when scrupulously following instructions given by the customer. Where possible, the Bank shall try to recover funds so transferred after first informing the customer of any fees, charges, commissions and interest applicable.

3. The customer should immediately notify the Bank of any unauthorised or defective payment transaction. Where the Bank establishes that the payment transaction was unauthorised or erroneously effected by the Bank, the Bank shall proceed to refund to customer the amount of the unauthorised or erroneous payment transaction plus any charges thereon.

4. The Bank shall not be liable in cases of non-execution of payment transaction due to abnormal and unforeseeable circumstances beyond the Bank's control or where a payment service provider is bound by other legal obligations covered by national or Community legislation.

## E. DATA PROTECTION

1. The Bank shall process personal data, when this is necessary, to safeguard the prevention, investigation and detection of payment fraud. The processing of such personal data shall be carried out in accordance with the Data Protection Act (*Cap. 440*).

## F. LIST OF EEA AND EU MEMBER STATES

<u>STATE/S</u>	<u>Currency</u>	<u>Symbol</u>
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### EU & EEA Member States

Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Portugal, Slovakia, Slovenia, Spain	Euro	€
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Bulgaria	Lev	BGN
Croatia	Kuna	HRK
Czech Republic	Czech Koruna	CZK
Denmark	Danish Kroner	DKK
Hungary	Forint	HUF
Poland	Zloty	PLN
Romania	Leu	RON
Sweden	Swedish Kroner	SEK
United Kingdom	Sterling	GBP

### Members of EEA but not EU

Norway	Norwegian Kroner	NOK
Iceland	Iceland Kroner	ISK
Liechtenstein	Swiss Francs	CHF

*Lombard Bank Malta plc, Registration No. C1607, is licensed as a credit institution under the Banking Act (Cap. 371) and is an authorised payment services provider.*

*The Payment Services Directive 2 (PSD2) became effective on 13 January 2018 as per Central Bank of Malta Directive No. 1: The Provision and Use of Payment Services.*

*These General Terms and Conditions are governed by Maltese Law and the parties thereto submit to the exclusive jurisdiction of the Courts of the Maltese Islands.*